HOUSE OF ASSEMBLY

Wednesday 18 November 2009

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

PUBLIC WORKS COMMITTEE: SA WATER THEBARTON DEPOT DECOMMISSIONING

Ms CICCARELLO (Norwood) (11:02): I move:

That the 335th report of the committee, entitled SA Water Thebarton Depot Decommissioning, be noted.

In December 2006, the Premier announced the government's intention to return the SA Water Thebarton depot to parkland following the relocation of the majority of the depot staff to the new VS1 building in Victoria Square. The depot site is to be converted to a contemporary woodland park using primarily indigenous species and sustainable landscape principles. This is based on the concept of an urban forest, which includes shared paths to provide access for pedestrians and cyclists with a link from James Congdon Drive through to the Port Road opposite the Thebarton Police Barracks.

SA Water will terminate all services to the buildings on the depot site, demolish all buildings that are not required by the Adelaide City Council and remediate the contaminated soil across the site, including Deviation Road. The degree of remediation will be consistent with the proposed use of the land as public open space so as to deliver the depot site in an uncontaminated condition to the council.

The cost of decommissioning the project is $4.814 million, and the government has also committed $800,000 as a grant to the council to assist in developing the site as an urban forest. The depot will be transformed from an industrial site to a parkland setting that will revitalise the precinct. The Temple College has an interest in using some parts of the rejuvenated site for recreation and sporting purposes and is liaising with the Adelaide City Council and the West Torrens Council about how this can be incorporated into the urban forest concept.

The West Torrens council owns a strip of land immediately adjacent to the western boundary of the depot along James Congdon Drive and running virtually the full length of that boundary. The council is keen to develop that strip of land to complement the Adelaide City Council's urban forest concept. More detailed environmental investigation is required across the site after the demolition contract is completed and the independent auditor of soil contamination must then be satisfied.

Accordingly, the most practical and expeditious way of decommissioning the site is to have separate works contracts for the demolition and soil remediation. A financial analysis has been conducted by SA Water using a real, pre-tax discount rate of 6 per cent and incorporating financial models which have been agreed with the Department of Treasury and Finance. The results indicate a net present value outcome of negative $3.8 million. The analysis includes the contribution from the Adelaide City Council of $300,000 towards the remediation of Deviation Road.

An economic analysis has been conducted to attempt to assess the impact of the decommissioning and site remediation project from a whole-of-community perspective by taking into account benefits and costs that accrue to the wider community. The results of the economic analysis for the decommissioning and site remediation project indicate a net present value outcome of negative $4.2 million. There are several potential economic benefits which have not been quantified in the economic analysis. These include the possibility of increased property values in the vicinity of the site based upon the results of overseas studies of urban open spaces together with recreational, environmental, aesthetic and educational benefits.

The handover to the Adelaide City Council is expected to occur in November 2010. Based upon the evidence it has considered and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public work.

Mr PISONI (Unley) (11:07): This was a very interesting public works hearing, and I was very pleased to see more land returned to the Parklands. This site has been used for quite some time as a depot for the E&WS, as it was initially described, and of course it is now the SA Water depot at Thebarton. It is heavily contaminated, of course, so it needs quite a bit of money to clean it up and decontaminate it. However, I think we need to put this into perspective first.

This plan has been in place for quite some time. I think for over a decade there has been talk of moving SA Water from this location and returning the land to the Parklands. I attended the Adelaide Parklands Preservation Association AGM with Rachel Sanderson (the Liberal candidate for the seat of Adelaide) earlier in the year, and we received a briefing on the plans for what was then known as the Tim Flannery park. That is what it was going to be called. The plans that were put forward to us were made several years ago and, of course, Tim Flannery moved to Sydney so now it is a park of no name.

The Hon. R.B. Such: What about Pisoni park?

Mr PISONI: I am not worthy, member for Fisher. The concept of returning public land to public use is a great idea that I support, particularly in the Parklands. We know the history of the Parklands and how difficult it was for our founding fathers to hang on to that open space; and we know that our first governor-general was not very interested because he wanted a port city and did not see Adelaide as—

The Hon. M.J. Atkinson: Governor, not governor-general.

Mr PISONI: Governor, thank you, Attorney-General. I am sure in your recent doorknocking of constituents you have been correcting people's English (for example, less and fewer). Of course, it took Governor Light to finally put an end to property speculators being able to purchase land that is now parklands by privately guaranteeing £1 per acre to buy that land, and today's Adelaide Parklands are the legacy of that.

The disappointing thing about the government's management of the Parklands, of course, is that, while we agree with relocating the rail yards and we think that is great land to be opened up for public use, the government will, after relocating the rail yards, whack a hospital on that site and forevermore stop the public accessing the last part of waterfront Parklands that we have here in Adelaide for public use. Of course, we on this side of parliament believe it is a waste of prime public land to lock it up exclusively for use for a public hospital when we have a perfectly good public hospital where it is that simply needs to be revamped. I am very pleased to see that Isobel Redmond has been out today re-launching our policy to revamp the existing Royal Adelaide Hospital.

Of course, if we do not revamp the existing hospital, we will lose a large chunk of public land. The rail yards just off North Terrace would make a perfect cultural, entertainment and sporting precinct in Adelaide and rejuvenate the West End. We saw in yesterday's press how businesses are moving out of the West End because of the type of activity that happens there and there is very little to draw a broader range of people into that area. Imagine what a rejuvenated West End would do for the west of the city. By using the rail yards site and returning it to the Parklands for the people, instead of it being a piece of real estate for the Department of Health, imagine the benefits that will flow from that process.

I support the returning of exclusively used government land to the Parklands and, consequently, am very pleased to see this project finally funded and coming to fruition, despite the fact that it has been in the planning for at least 10 years.

The Hon. R.B. SUCH (Fisher) (11:12): I commend all those involved in bringing about the decommissioning of the SA Water Thebarton depot. As the member for Unley said, it has been a long time coming. It think it goes back beyond 10 years—I think it is multiples of 10 years. The decommissioning is a very important process because that is part of the gateway to the city from the west, and I think it is important that those buildings be removed and it be revegetated. I am surprised that the government has not been out there saying positive things about this decommissioning, because it is something that the community has wanted for a long time. Maybe I have missed it, but I have not seen any media coverage of the decommissioning commitment and implementation.

The Adelaide City Council, through its planting of native trees in the Parklands, is doing a great job. I do not know whether members realise that the urban forest in the metropolitan area of Adelaide is greater in area than the commercial forests in this state, and it is very important in terms of not only carbon sequestration but also providing a habitat for native fauna. Obviously, parts of the Parklands are built upon, but it is a western concept that you have to actually do something with something. We need to appreciate that things can have an intrinsic value, you do not always have to use them for some commercial or other purpose, they can have justification simply by their very existence.

We often hear people say that people are not using the Parklands, meaning that they have to either build on every square centimetre or they have to be dancing on it or doing something. That is just silly. You do not have to use every single square centimetre of the Parklands in that sense.

In summary, this is a good step forward. I look forward to the revegetation of this area, so that not only the public can enjoy it but, as I say, it will help in revegetation generally and also in boosting habitat for native fauna close to the city.

Ms CICCARELLO (Norwood) (11:16): I would like to thank members for supporting this project. To pick up on something the member for Unley said, sometimes you cannot have things both ways. On the one hand, he is criticising the government for building the RAH on the railway lines, saying that the opposition would like to keep the RAH where it is and not impinge on the Parklands, then in the next breath he says that that would be a great area for recreational and sporting facilities, where they were going to build a stadium. So, you cannot have it both ways.

To respond to what the member for Fisher indicated, yes, it is unfortunate that the media has not picked up on this very good project, because it is something which is going to be of great benefit to the community of South Australia and, in particular, the people of the western suburbs who have not had much of that particular area available to them. With that, I move that the report be noted.

Motion carried.

PUBLIC WORKS COMMITTEE: ADELAIDE DESALINATION PROJECT

Ms CICCARELLO (Norwood) (11:17): I move:

That the 336th report of the committee, entitled Adelaide Desalination Project 100 Gigalitre Expansion Works, be noted.

In December 2007, the government announced a package of water security commitments, which included a proposed desalination plant with a capacity of 50 gigalitres per annum and costing $1,374 million. In May 2009, cabinet approved an expansion of the desalination plant capacity to 100 gigalitres per annum. The initial requirements, approvals and authorisations obtained for the plant included consideration of the requirements to augment the supply of up to 100 gigalitres per annum. So, there is no need to acquire further property interests as part of the expansion works.

Mobil has entered into a contract of sale for land to SA Water and has granted a lease to SA Water for land for construction laydown and facilities. Mobil has also granted a bridging lease for land needed for preliminary works and bulk earthworks. The expansion works comprise: additional desalination plant works, transfer pipeline systems works, network infrastructure and associated ETSA substation upgrade works, and temporary site works, facilities and upgrades to site access and infrastructure.

The works will not adversely affect the ecologically sustainable development strategies noted in the Public Works Committee's earlier report. The energy consumption target specified for the 50 gigalitre per annum desalination plant and marine works will remain the same for the 100 gigalitre per annum capacity. This energy consumption target is a value of below 4.5 megawatt hour per megalitre of drinking water produced, unless the sea water quality falls outside certain prescribed levels.

The consumption of electricity to operate the expanded plant has been assessed as part of the major development approval process for which approval has been obtained. SA Water will purchase renewable energy for the plant. The security of the state's water supply is critically important and numerous initiatives are in place to manage existing resources, deliver alternative supply options and reduce demand.

The Water Proofing Adelaide strategy aims to increase the reliability of Adelaide's water supply and reduce reliance on traditional resources, while allowing the state to grow and develop. Accordingly, the primary objective of the 100 gigalitre expansion works for the Adelaide desalination project is to further secure water supply by delivering a climate-independent supply of up to 100 gigalitres of drinking water per year.

Approximately 75 per cent of the state's population, and the majority of the state's employment—high-value manufacturing capacity, construction and tertiary services—are situated in Adelaide and reliant on a secure water system. Investment in long-term water security for

Adelaide is therefore necessary to continue to support the prosperity, viability and future growth of the state.

Implementing the 100 gigalitre expansion works will satisfy this need and achieve a number of significant benefits. These include: increased security of economic output of businesses, social benefits to householders from gardening and internal water use, domestic and commercial horticulture, and environmental impacts associated with the potential availability of additional water to the River Murray for environmental flows.

The economic impact of the expansion works has been assessed as part of the Greater Adelaide desalination project. While the cost of the proposal is to be borne by water consumers, in addition to commonwealth funding, the impact of the significant capital expenditure of this project and direct job creation will result in a net benefit to South Australian gross state product.

If the inflows to the River Murray remain low or continue to fall in the future, sustainable economic benefits of the proposed development will increase further as it provides greater water security to the metropolitan population and state economy. The plant will provide a level of insurance in water supply that is not climate dependent and is further enhanced by implementing the expansion works.

A significant drought adversely affects gross state product and community welfare and, if more severe water restrictions increase in frequency and duration, these effects are correspondingly greater. The Australian government has committed a further $228 million to the Adelaide desalination plant if capacity is expanded from 50 gigalitres to 100 gigalitres per annum. This funding is in addition to $100 million already committed for the 50 gigalitre plant.

In addition to the other benefits already mentioned, the increased capacity of the desalination plant to 100 gigalitres per annum will provide additional supply capacity to meet forecast demand from population and economic growth. The expansion works will reach practical completion by August 2012, with handover occurring by the end of 2012.

On that basis, based upon the evidence it has considered, and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public work.

Mr PISONI (Unley) (11:23): Again, this was another very interesting Public Works hearing. It was particularly interesting because we know that when the Liberal Party proposed a desalination plant for South Australia in 2006 we were told by the then minister that it was not necessary, that it would cost too much, that we did not know what we were talking about.

Then of course, the government announced a 50 gigalitre desalination plant about six or seven months later. When that came to the Public Works Committee we were told that there was an extra $79 million going on to the cost of that desalination plant to speed it up. There was criticism of a good idea brought forward by the Liberal Party by this government, a delay of six months, and then an extra $79 million of water users' money to speed up the process, to play catch-up for the 50 gigalitre desalination plant.

Then, of course, the Liberal Party announced a stormwater plan about 18 months ago, where we identified 13 aquifers around the metropolitan area where we could return and treat stormwater, and, of course, bring it back into the water supply. The government, led by the Attorney-General, I think it was, was out of the gates with its spurs on saying that it was an outrageous idea. A campaign about not being able to drink stormwater began instantly, and consequently the government has spent the last 18 months or so criticising any stormwater plans.

It is interesting that in the lead-up to an election we hear an announcement of stormwater in South Australia by the Premier. I think the member for Mitchell summed it up very well in his letter to the editor today about the science of water in South Australia—and, of course, it is political science; it is not any other form of science. It is not the sort of science that you would expect our students to learn in high school or primary school, but, of course, political science that we learn in the back room of the ALP head office.

What was interesting about this project, the additional 50 gigalitres, was that it did not include any transfer pipe infrastructure from the southern reservoirs to the northern reservoirs. So, of course, it means that only those in the southern suburbs will get the benefit of the desalination plant, because we do not know when the transfer pipeline is going to happen. We have not seen any money for that yet. Consequently, those in the northern suburbs, those in the seat of Light, will be paying double for their water bills, but will not have any access to desalinated water.

If there is an increase in the number of reservoirs in the south, due to the pumping from the desalination plant, there will be no benefit to those in the north. I am not quite sure how the government will address that, but it certainly was not made clear in the Public Works Committee.

This government's idea of water security is not providing more water but locking it up. The idea of water security is to have a mix and a broad draw of water, a combination of stormwater, harvest, reservoirs and desalination. So, there is some concern about having all your eggs in one basket with half the state's water supply coming out of one plant.

In Perth they have built a second plant instead of doubling the size of the existing plant. They are also reclaiming water and putting it into industry, and they are also addressing their aquifer situation by monitoring and securing their underground water. As we know, Perth is best with underground water. It has a lot of underground water because of its sandy soils, and a lot of the water ends up underground.

One of the difficulties that we have had here in capturing our stormwater is the tremendous increase in hard services. The government has said that it is ahead with its plans to increase the population in South Australia to two million. Originally, it was going to be in 2050. We are now seeing figures quoted by the Premier and the minister responsible for population of around about 2027, but, of course, the infrastructure program is not matching that, and that will be a concern. I can understand the letters to the editor from members of the public who are concerned about water, in particular, and resources and public transport. Anybody who has been travelling the same route in Adelaide over the last 10 years will have noticed how much longer it takes to get into the city in peak hour traffic, because we are seeing more people on the roads and there are also more people using public transport.

In my electorate the streets of Unley, North Unley, Parkside and Eastwood are clogged up with all-day parkers as they drive in from the outer suburbs and walk into the city via that lovely walk across the Parklands. That is a growing problem that the council has had to address by putting more time parking signs around the place, but, of course, that simply shifts the problem. We need to look at planning on a statewide basis. This is an early warning as to what we will be seeing in the longer term, and we need to address that.

We are still waiting, in Public Works, to hear about the plans to double the size of the Mount Bold reservoir. It was announced in the 2006-07 budget, I believe, but it has mysteriously fallen off the agenda. I am sure that many South Australians were convinced by this government to believe that it was never going to rain again and how this government could not make it rain. South Australians were disappointed to see all of that water running over the top of the walls at our various reservoirs around South Australia that was not being captured. I think it is a pity that the government gave up so early on a change in the weather and that we did not move forward with that Mount Bold project or something similar. It was not even replaced. The money was pooled and it was not even replaced, and I think that is very disappointing for the people of South Australia.

Here we have an 'all our eggs in one basket' project at Lonsdale where we are relying entirely on one plant for half of the city's water supply and we are told it is going to be entirely powered by green power. It is a very complicated formula. We heard the Premier trying to simplify that, but I do not think South Australians are convinced about the Premier's green credentials, particularly on the desalination project.

The Hon. R.B. SUCH (Fisher) (11:31): This project is to be considered in the context of a form of insurance. There are some aspects to it which I think we need to put a question mark after, one being the environmental impact. One would hope that is minimal but, given the location and the fact that it is on the edge of a gulf, it has to have a question mark put after it in terms of environmental aspects.

The other significant point is the cost of electricity and the cost of running this plant. I was told recently by a senior executive in one of the power supply companies that the gas supplies for South Australia are somewhat limited in terms of years available. As we know, we generate much of our electricity using gas. I do not think you have to be too talented to work out that electricity is going to cost a lot more in the future, and the demands of the desalination plant for electricity will help push that price up even more. We will get extra water from the project, but we will not only be paying more for water but we will be paying more for electricity as well.

In terms of electricity supply to the plant, it is a pity—and I have raised this before—that the government did not follow the Victorian example of undergrounding the high voltage powerlines to

the plant. They have done that in Victoria in the provision of power to the Wonthaggi desalination plant, and I think that is something that should have been done here.

An interesting question—and I do not have the answer but it is a homework question for members—is: why is the ocean saline? I guess the easy answer is that it just is, but why? If there are any learned scholars here who know the answer to that, I will be interested to hear it. I guess the related question is: why is it so saline? Obviously, if it was not saline, we would not need a desal plant at all. If anyone has the answer to that question, after doing their homework, I will be pleased to hear it.

As I said, this project is a form of insurance. In a modern city like Adelaide with a population of a million or more in the metropolitan area, we need to have guaranteed water supplies. I think it has been shown in recent times that the public is very sensitive to this issue of water availability and usage, and this project will no doubt contribute to the provision of water. I think it is necessary as a form of insurance fundamentally and should not be used as an excuse not to tackle issues such as greater use of stormwater and grey water. I support this project with a couple of question marks relating to the environment and the impact on the cost of electricity.

Mr PEDERICK (Hammond) (11:35): I rise to make a few comments about the final decision to build a 100 gigalitre desalination plant for Adelaide. I note the work that we, on this side of the house, in the Liberal Party did back in 2006 where we took the time to look into this. Most of us went over and had a look at the Perth plant. That is about a 50 gigalitre plant. We instigated that in our policy in late 2006.

It is interesting to note that that initial plant in Perth cost only $300 million to build and then it took $87 million for the piping infrastructure. We have noted that over time, because this government has not had water as a priority and has only started building the desalination plant this year in 2009, with so many cities around Australia building desalination plants prices have risen incredibly. I think the numbers are that, for a 50 gigalitre desalination plant, it would have been $1.4 billion and for this plant now being built at Port Stanvac it is $1.8 billion, and we still will not have it connected to anywhere near most of the metropolitan area.

What troubles me with this is that the government was not taking water seriously in 2006. We have had dry years since 2002 (including 2002) and we have had a government that is so concerned about its coffers and the money it can extract from SA Water that in no way known would it promote people with private options for getting water supply into communities.

We have had the issue recently where River Murray water will be piped to Ceduna. I think that is totally ridiculous. They have had struggles with their local suppliers over there, but a bit of forward thinking would not go astray. In fact, third parties and consortia went to the government wanting to build private desalination plants on the far West Coast but they were not allowed access—

Mr Pisoni interjecting:

Mr PEDERICK: Yes. They were not allowed access to the SA Water pipes. These SA Water pipes seem sacrosanct, and people cannot come up with potable water supply options to run in these systems. We have a structure of pipelines in this state that are probably worth $7 billion or $8 billion, so why would you duplicate it? You can put in duplicated systems when you are building new developments, but it would be far too expensive for a state with a budget at the moment of around $14 billion or $15 billion to reproduce another pipe system.

Options for desalination have been put up, and we certainly introduced three bills into the other place regarding the use of rainwater, recycled water and better use of blackwater, but the Labor Party voted them down, while all the time panicking about a potable supply to Adelaide because of its lack of action. The government said it would build a $20 million weir at Wellington but, thankfully, that has been pushed out into the wilderness—only because, I believe, of polling done by the Labor Party, which showed that it was a totally untenable idea and that it should be doing far more to negotiate a better deal for this state to gain an appropriate water supply.

It is often heard in the Eastern States that, if our end of the river, including Lake Albert and Lake Alexandrina, was in close proximity to Sydney, it would be in pristine condition. Not enough has been done, but now we see a massive capital expenditure, whereby we are tied, potentially, to 50 per cent of the needs of the city and country towns River Murray licence going into an energy hungry desalination plant and, to an extent, that is fine, and we even proposed to build a 50 gigalitre plant.

They should have used more imagination—and it does not take a lot—because collecting stormwater and cleaning it to a potable standard has been done around the world. You only have to go to Orange in New South Wales or to Singapore, where they drink stormwater. However, we just kept being told that it was too risky and too dangerous. But, hang on, if we have the technology to clean up sea water, we have the technology to clean up stormwater.

It is all about the government keeping control of everything down to minute detail so that it can extract the maximum profit. In fact, since it has been in government, I think that $2.8 billion has been extracted from general revenue from SA Water, yet we have no water security in this state. We have irrigators who have to fight for their share of water, we have an environment which is dying before our very eyes and a government which, because of polling, suddenly makes grand statements that it recognises that there is a problem in the Lower Lakes. It is amazing what polling can do to a government.

We also have plenty of people down at Point Sturt and Hindmarsh Island who are only just getting pipelines with potable water, but there are still people indicating that they will not have the opportunity to hook up to those pipelines. So, it is a major issue, and it just reflects the city-centric attitude of this government, that is, 'We'll fix the city, and it'll be right.'

I return to my comments on desalination on the West Coast and an area on Eyre Peninsula that has so much potential and so much mining potential; you only have to see how well they have done in the farming sector with the good rains this year, and I wish them all the best. There is so much opportunity, yet all this government does is give them a drip feed from the Murray and pipe it 700 or 800 kilometres, and I find that totally ridiculous.

Because this government has dillydallied over getting up any desalination plant, we still have water restrictions, although they have been relaxed because of pressure from this side of the house. As I said before, we also have irrigators who are struggling and an environment that I would say has just about gone past the brink of what it needs to survive into the future.

As to the energy needs of the Adelaide plant, I estimate that, if it is contracted to windmills, it will need about 100 wind turbines contracted through the grid. Really, it is a bit of an accountancy thing: you plug in the desal plant to the black grid and sign a document that states you are getting green power, and that can have all sorts of flaws and depends on which way you look at it.

I think what needs to be explored are options such as the CETO technology. I think they are moving ahead as private operators to build their plants and utilise wave technology, with buoys mounted to pumps on the seafloor under the surface of the water. They operate on wave action and can not only pump water for a desalination plant but also pump enough water to generate electricity and certainly generate spare electricity to go back into the grid. A couple of years ago in Sydney, I witnessed a presentation on that technology, so it is out there and it can be done.

As the member for Unley indicated, about 18 months ago we on this side of the house put up our policy on stormwater for 89 gigalitres to offset the needs of Adelaide and this state. It is a far better proposal to have a broad mix, recycling some greywater, capturing some stormwater and having desalination in the mix. We must ease our reliance on the Murray, and we must think bigger than anything this government has been doing, especially in relation to regional water infrastructure.

This government sells the regions down the drain on water supply and thinks it can get away with building a desalination plant which, when we do have water in the River Murray, it will completely switch off and still charge us double for our water. I firmly believe that is what it will do, when any spare water in our Murray licence could have gone to irrigators or shared between them and the environment.

Motion carried.

The ACTING SPEAKER (Mr Pengilly): The member for Giles.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE: PORT BONYTHON DESALINATION PLANT

Ms BREUER (Giles) (11:46): Thank you, Mr Acting Speaker, and what a pleasure it is to see you in that position there—but don't hold your breath, it won't be for long. I move:

That the 64th report of the committee, entitled Final Report Desalination (Port Bonython), be noted.

I have great pleasure in standing here today and reading this because I really thought it was never going to happen. I am afraid that the amount of work that the Public Works Committee does and the number of reports it receives tend to dominate our time. Those committees that perhaps do not produce as many reports, while ours are just as important, often do not get the opportunity to speak on them, so I am very pleased to be here today and I am actually quite surprised.

This report is the second report by this committee on desalination in recent times. An interim report was tabled on 16 December 2008 and that, of course, related to the proposed Adelaide desalination plant at Port Stanvac. I will not repeat the relevant statistics that relate to the two reports. This report was tabled out of session on 5 August 2009 in order to meet the environmental impact statement consultation deadline set for the proposed BHP Billiton plant at Port Bonython.

BHP Billiton reduced its EIS. They wanted a consultation and we felt, as a committee, that it was extremely important that we get that report in and we included our report as a submission to BHP Billiton, of course, as part of the submissions that it was calling for, and then, of course, we also passed it along to the government to consider.

There were 19 recommendations in the report that related to environmental marine impacts and these, of course, reflected the inquiry terms of reference. We received a considerable number of submissions but none of the submissions nor any of the witnesses who appeared were totally opposed to desalination per se. There is generally a consensus that desalination is an important part of our future for water supplies in South Australia, but many were concerned with the issue of adequate dispersal conditions.

This was particularly so in Spencer Gulf, and many certainly suggested alternative sites outside the gulf waters. It was interesting to see the modelling provided by BHP Billiton, and similar saline dispersion modelling from oceanographers at both SARDI and the Flinders University actually challenged the veracity of the BHP modelling. For us, it was a time of soul-searching, looking at this very carefully and considering reports from both sets of experts.

The committee agreed that the key issue for Spencer Gulf focused on the adequacy of brine dispersion and the accuracy of modelling undertaken to certain dispersion profiles particularly during the occurrence of dodge tides. Dodge tides, of course, are a very common occurrence in Upper Spencer Gulf. As a result of that, there were many concerns about the brine dispersion. Because of course I come from the area, this report was particularly important to me, and I do know anecdotally that, at certain times of the year, the water seems much saltier and it is often related to the dodge tides.

The site selected for the desalination plant is in Upper Spencer Gulf. It is near Whyalla and is in a region believed to experience very slow turnover. It is also recognised as the site of the only known mass aggregation of the spawning giant Australian cuttlefish (sepia apama). It is the only place in the world where they aggregate and we were concerned that the eggs could be impacted by the increased salinity.

Just going back to the slow turnover, one of the figures that was quoted to us was that in open ocean areas, the turnover of water is about 10 days but in Upper Spencer Gulf it is actually 400 days, so that was of major concern to us.

The committee believes that further investigations are required into alternative siting of the desalination plant and that this process requires a regional engagement strategy where local experts are involved, with an emphasis on local, regional, company and governmental collaboration.

The release of the environmental impact statement (the EIS) by BHP Billiton addressed a number of design questions that were also raised during the inquiry. The only strategy to prevent entrainment of larvae, eggs and plankton is the use of a low-speed intake. Backwash sludge would be dewatered and disposed of on land, and modelling has been used to design the diffuser system to ensure that dispersion of brine should occur efficiently.

Salinity toxicological studies were undertaken on a number of cuttlefish eggs sourced from the site and on a small number of other local species including western king prawns, a species also known to use this as a breeding ground, and we had submissions from the prawn industry. There were some questions about the toxicological studies that were undertaken on cuttlefish eggs because they were done in a laboratory rather than in the wild. We had some concerns about that.

Our committee believes that desalination can be a beneficial technology if it is established and used in a sustainable and environmentally aware way. Due to the paucity of information, the committee had concerns regarding the dispersive behaviour of the brine stream during the twice monthly event of dodge tides and recommends that stringent monitoring take place during these periods to obtain actual live data to validate the modelling that has been used as the basis for the current plant design. The original proposal discussed the option of storing returned water on land during these periods of low dispersion, but no mention of this actually occurs in the current EIS.

The committee suggests that consideration be given to suspending processing during periods of dodge tides or at other times when water and weather conditions may give rise to an increased risk to the marine environment. The committee is also of the opinion that all monitoring regimes should be designed to include provision for measuring cumulative effects, as Spencer Gulf is already considerably impacted by industrial, stormwater and wastewater discharges, and particularly at the top of the gulf where you have Whyalla, Port Augusta and Port Pirie within a small area all discharging, as I said, industrial, stormwater and wastewater into the gulf.

Given the likely increase in desalination and interest in desalination plants, the committee also believes that reforms are needed to environmental legislation and policies to ensure that proponents have a clear direction as to appropriate locations and the operation of future desalination plants in South Australia, and a framework should be established with explicit site selection criteria that include the assessment of environmental, economic and social factors. I think primarily our concern throughout our report was the issue of the cuttlefish, but, as I mentioned, we had looked at other marine species. Of course, that area is known to be a fishing area. It is well known for its snapper, whiting, etc. Fish farms are also located very close to where the output of the desalination plant would be located. All these issues were of concern to us.

Of course, the cuttlefish are quite unique and provide a significant economic contribution to the Whyalla community, with the number of people who come from all over the world. It is a worldwide phenomenon: people come from America, Europe, England—all over the world. The BBC has been there and filmed; American film companies have been there and filmed; and you will see a program about these cuttlefish regularly on television. They are quite unique in the way in which they breed and the fact that they actually aggregate there. This was our primary concern, but, as I said, we were also concerned about the other fish species in the area, in particular the fish farms.

We were pleased to pass our report on to the government and, since then, I have noted that the government has taken some heed of our report and other reports and has asked BHP Billiton to look at alternative sites. This report was particularly interesting to me as the local member. Of course, the other part of our report included the desalination plant at Port Stanvac. I think it was also a fascinating experience for us all to look at the information that is available throughout the world. Desalination is not new technology; it has been around for many years. We treat it as though it is new technology, but desalination plants have been in use around the world for many years and, indeed, many countries of the world rely almost solely on desalination plants. We wanted to get rid of the some of the hysteria and hype about desalination—and even cuttlefish, etc.—and get to the crux of the matter. I think we did that very well.

Our report is an interesting read and I would recommend it to anyone. I particularly thank our committee executive officer, Phil Frensham, for the amount of work he did and the involvement he had in this report and for steering us in the right direction; and also Dr Sue Murray who helped us prepare the report. She put in a lot of work and we were able to call on her expertise, of course, because she is a marine scientist. It was excellent for us to be able to call on her experience.

As this may be the last report that I am able to present in this term of parliament, I also pay tribute to my parliamentary colleagues who are on the committee with me, particularly Ivan Venning, who should be an honourable considering the amount of time he has spent in this place and the dedication he has given to our committee. It is well known throughout South Australia that he is a member of the Environment, Resources and Development Committee. Whenever we go to our conferences interstate, people always look for Ivan Venning and he is known by everyone. Of course, he always does his report on container deposit legislation and tries to encourage other states to use it. This year, unfortunately, he had to leave a little early, so I did it for him and everyone was pleased that I did. Thank you, Ivan, for all your support and work over the years with our committee.

I also thank the Hon. Michelle Lensink who is a member of the Liberal Party in the upper house. I have very much appreciated her input and support during this time. The Hon. Mark

Parnell, of course, has been one of the most vocal members of our committee. I have to say that we do not always agree on things and, likewise, I do not always agree with Ivan and Michelle. We do not always agree, but generally we are a fairly happy committee and we do have reasonable consensus.

Mark, of course, with his background in planning and environmental issues, has been quite invaluable on our committee. I also pay tribute to the Hon. Bob Such who sometimes goes off on red herrings and you wonder what he is on about, but he has also provided a significant input to our committee over the last four years and been a valuable member. Bob is a very deep thinker and comes up with aspects that some of us may not have considered before. And last but not least, I do want to mention the Hon. Russell Wortley from my side of the house who has been a strong support for me throughout this time. He is quiet, but when he says something, he means what he says. He has had a major impact on our committee.

We have had a very good committee over the last four years. This was one of our good reports and one which I very much enjoyed doing. I enjoyed working with the committee. We were able to go around and look at various issues over the last four years, and I think we have provided a valuable input to this government and parliament. With that, I commend this report to the house.

Mr VENNING (Schubert) (11:58): I commend the committee for the work it has done and thank the chairman for her words of congratulations and thanks, and I commend her on her leadership. In relation to this issue, it is a pity that we were not doing this two years ago, when it was first intimated by the Liberal Party, and it is also a pity that it is as big as it is. I still believe that it is twice as big as it needs to be, but, nevertheless, I am pleased we are making some progress and I certainly support the report.

Motion carried.

MATTER OF PRIVILEGE

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (11:59): I seek leave to make a ministerial statement.

Leave granted.

The Hon. K.O. FOLEY: The member for Bragg raised a matter of privilege in the house regarding comments I made during the examination of the Auditor-General's Report. During the examination, the member asked a question which referred to the legal proceedings between SA Water and United Water. I declined to give an answer, citing that the matter was now before the courts. The member for Bragg interjected (as she often does) and stated that I had made statements previously in the house. I responded, 'Prior to it going to court.' The member for Bragg accused me of misleading the house, to which I responded:

> I am happy to defer to the legal brilliance of the member opposite and clarify that and, if I have given an inappropriate statement, it will be corrected.

Following the dinner break, the member raised her matter of privilege during which she cited a ministerial statement I had made to the house on 8 September which outlined that SA Water had filed proceedings with the Supreme Court of South Australia on 31 August. Also, she cited radio interviews I had given on the matter on 1 and 2 September. In the course of my response to the member for Bragg during the examination of the Auditor-General's Report, I also stated:

> My recollection of events was in fact that I gave a statement saying that we would be serving a notice on United Water but had not done so at the stage that I gave the statement. Subsequent events were the serving of notice and legal proceedings commencing. That is my recollection of the series of events and I will get that checked if I have given incorrect information.

My office is checking with crown law what information I can provide to the house in response to the member's question, and I will come back to the house with an appropriate answer in due course. However, I accept that my ministerial statement on 8 September included reference to proceedings being filed by SA Water on 31 August. As at 8 September there had been no hearings on this matter. First notice signed by United Water was on 9 September.

Since that time there have been several hearings and the matter is now clearly before the courts. Further, I am sure that all members would agree that this dispute is indeed a serious matter and a matter worthy of a ministerial statement to the parliament. If there was any confusion in my comments last night, sir, as I stated, I would seek to correct that information. I did make mention

that it was my recollection of events, and I made it quite clear to the house that, if anything was incorrect, I would correct the statement. I hope that clears up the matter.

AUDITOR-GENERAL'S REPORT

In committee.

(Continued from 17 November 2009. Page 4669.)

The CHAIR: I remind members of the committee that the normal committee rules apply and that people are required to stand to ask and answer questions and that questions must relate to specific lines in the Auditor-General's Report for 2009.

The Hon. I.F. EVANS: My question relates to page 1776, footnote 28, 'Funding ratio'. It is floated that the board-approved policy requires a funding ratio of 90 to 110 per cent, with any shortfall in funding to be recovered over a board-approved time line. Can the minister advise the committee of the board-approved time line for WorkCover to be fully funded?

The Hon. P. CAICA: Of course, the time line to be fully funded is dependent upon a variety of factors, not the least of which, of course, are the improvements that will need to be made with respect to those people who are on the scheme and our ability to return them back to work, amongst other things. In addition, and as the honourable member would be aware, if we look at the assets of WorkCover, if you like, money is under investment as well as liabilities that exist going forward with respect to the continuation of obligations in respect of workers' entitlements.

To cut a very long story short, it is very difficult to predict a time frame with respect to when a fund, such as WorkCover, will be fully funded. Of course, having said that, with respect to the legislative changes that were supported by this parliament (and the most recent legislative changes), it is certainly the view of the government—indeed, supported by the opposition—that that would have the fund heading in a proper direction with respect to addressing the unfunded liability. It is very difficult, I believe, to put a time frame with respect to when the fund, in the honourable member's words, would be fully funded.

The Hon. I.F. EVANS: The Auditor-General's Report is clear. The board has an approved policy requiring a funding ratio of 90 to 110 per cent, with any shortfall in funding to be recovered over a board-approved time frame. Does the board have a time frame and, if so, what is it? I refer the minister to the annual report which says that as of July 2008 the new legislation would enable the South Australian scheme to be fully funded within six to seven years. The board is saying six to seven years. I am asking you: is that the approved time frame as per the reference in the Auditor-General's Report?

The Hon. P. CAICA: Given the fact that it is an annual report provided by the board, I think it is safe to say that that is the board's objective. In fact, they are the figures that have been promulgated previously—that six to seven year time frame. I am saying that variables will impact upon the scheme going forward, some of which we have, as a fund and as a government, no control over. In fact, we have recently gone through what is one of the most unprecedented economic crises this world has seen for a period of time, and that, of course, has an impact on anyone and any organisation that has money under investment.

I would like, and certainly I would hope, that the time frames that have been promulgated by the board are those that will be achieved. I will temper that by saying there are variables over which the fund, the state and our nation will have little control.

The Hon. I.F. EVANS: Page 1750 talks about the probability of sufficiency (one of my favourite topics), and it mentions that it is noted by the Auditor-General that it is the intent of the board to move to a higher level of probability of sufficiency as full funding is achieved. They talk about going to a 75 per cent and an 80 per cent probability of sufficiency. I wonder why they have decided to do that and, if it is such a good idea, why they are delaying its implementation. Also, is the reason they are delaying the implementation that it will have a negative effect on the unfunded liability and therefore it is politically unacceptable, even though it might be prudent?

The Hon. P. CAICA: The honourable member is correct that the Auditor-General requested as part of the preparation of the 2008-09 financial statement that the management and the WorkCover Board consider the probability of the sufficiency level to be applied for the 2008-09 outstanding claims liabilities estimation. I guess the key point I would like to make is that WorkCover's charter requires it to estimate its claims liabilities using an appropriate risk margin which is based on at least 65 per cent probability and that provision for outstanding claims will be

adequate. Accordingly, WorkCover's estimates of the outstanding liability, as contained in its annual reports, are determined using a prudential margin of 5.2 per cent, which translates to 65 per cent of probability of sufficiency.

Again, the honourable member (as is usually the case) is correct in saying that the Australian Prudential Regulation Authority sets a minimum of 75 per cent probability of sufficiency in its Prudential Standard GPS 310. Public sector entities are not bound by this requirement. However, some WorkCover schemes in Australia, as well as other statutory authorities, use 75 per cent or more. The board, as it does annually, looked at these matters and decided to maintain the 65 per cent probability of sufficiency in preparing its 2008-09 statements. The board also fully disclosed the impact of using a higher level of probability, so I think we were actually upfront about that.

So, as the member might have suggested, there was no political motive in what was happening, because the board fully disclosed the impact of using a higher level of probability. The board also noted its intent to move towards a higher level as full funding is achieved. It, accordingly, notes (as pointed out by the honourable member) that 18(e) of WorkCover's 2008-09 financial statements outlines the increase in net outstanding claims liability with a 75 per cent and an 80 per cent probability of sufficiency.

A prudential margin is a margin added to the best estimate of a particular insurance liability that reflects the uncertainties in the underlying liability, and I think that, essentially, a prudential margin adds a layer of fact to an estimated liability so that it is more likely that the eventual actual liability ends up being less than what is estimated. I think it is adequately answered by the board's having stated and noted its intent to move towards higher levels as full funding is achieved.

The Hon. I.F. EVANS: Minister, is there not a problem there? The board has taken an in-principle decision that for prudential management reasons it is in the best interests of the board to move to a higher level of probability of sufficiency, but only when it becomes fully funded. In its annual report it says it is not going to be fully funded for five or six years, so we have this theory that there will be better management through lifting the sufficiency of probability but we are not going to do it for six or seven years, and the reason for that is disclosed in the annual report, that is, because the claims liability would increase, in the worst case scenario, by $144 million, which would be unpalatable. So, if it is such a good idea, why are we not doing it now? Why are we waiting for six or seven years?

The Hon. P. CAICA: I will reinforce the point. The board fully disclosed the impact of using a higher level of probability. The board also noted, as was highlighted again, its intent to move towards a higher level as we go forward. But it is an accounting standards issue, and my view would be that, if the Auditor-General was unhappy with what is occurring, he would have qualified the accounts.

The Hon. I.F. EVANS: I will go on to another topic, minister, but I note that the Motor Accident Commission, from memory, is not fully funded and has a higher level of probability of sufficiency, and it seems to me that the answer has not really addressed the issue. It has given me a nice brief on what the board's position might be, but we will move on.

I refer to Project Harry. Project Harry is obviously in big strife. I refer to page 1774. Can the minister let me know the original cost of Project Harry, and what is the estimated actual cost of delivery of Project Harry?

The Hon. P. CAICA: The Auditor-General's Report noted that format governance practice was found to be in place for Project Harry and Project WIRE, so I am not quite sure of the orientation of the question in respect of being in strife. The Auditor-General, however, also noted the importance of continued monitoring against any potential risk to the corporation's ability to deliver the projects prior to the 2010-11 cycle, and also a need to continue the ongoing project for an information security classification. He also noted the requirement for the development of a more comprehensive levy system than the current system, access control and procedures documentation, and a need to also reassess the adequacy of testing data and resources for Project WIRE.

The Auditor-General also considered it important that WorkCover continue to actively monitor the status of both projects, and that is appropriate. It was noted that the response from WorkCover was comprehensive. As I said, the Auditor-General's Report considered it important that WorkCover continue to actively monitor the status of both Project Harry and Project WIRE. It was noted that the estimated cost is $40 million, and at 30 June 2009 $26.7 million had been

incurred. The background to this is that WorkCover is currently undertaking an information system replacement program, and it is appropriate that it does so, to move away from the current ageing system.

The Hon. I.F. EVANS: What is the cost of Project Harry?

The Hon. P. CAICA: The estimated cost is $40 million.

The Hon. I.F. EVANS: That is both of them together, according to the Auditor-General.

The Hon. P. CAICA: It is the estimated cost of the two projects because they are certainly projects that are being operated in tandem. With respect to the specific cost of Project Harry, I will continue to say that the costs of the ICT replacement are $40 million, but I will, of course, as I always do, get back to the honourable member with respect to the specific question that he has posed in relation to compartmentalising, if you like, Project Harry independently of the overhaul of the entire ICT system, which needs to be done.

The Hon. I.F. EVANS: There are a number of contracts that are signed by the board where the board members are also representatives of organisations that are parties to the contract: SA Unions, Business SA, Sandra De Poi are three mentioned in the Auditor-General's Report. The Auditor-General's Report states that they represent the same value as if it had gone to other parties. I am wondering: how is that independently audited? Who actually decides that? If it is the board then one assumes the board members declare a conflict of interest and leave the room when those contracts are discussed. How is it independently assessed so that they actually represent the real value that would have been gained outside from other organisations?

The Hon. P. CAICA: I thank the honourable member for his question. The Auditor-General's Report noted that WorkCover Board members Ms Sandra De Poi, Mr Peter Vaughan and Ms Jane Tongs had related party transactions with WorkCover. The key points, of course, are that Ms Sandra De Poi and Mr Peter Vaughan are current members of the WorkCover SA Board, but Ms Jane Tongs resigned from the WorkCover Board on 31 December 2008.

With respect to Ms De Poi and the companies in which she has an interest, De Poi Consulting Proprietary Limited and Refining Skills Proprietary Limited have current contracts with WorkCover for the provision of rehabilitation services as directed by the WorkCover claims agent. As I am advised, these are standard contracts that relate to the provision of rehabilitation services. Mr Peter Vaughan—and we all know Peter very well—is the Chief Executive of Business SA, and WorkCover currently has a contract with Business SA for the provision of services.

In respect to each of the above board members, the terms and conditions of the transactions of these board members were no more favourable than those available or which might reasonably be expected to be available on similar transactions to non-board member related entities at an arm's length, that is, that they are standard contractual arrangements for the provision of that particular service.

The WorkCover Board, as it quite rightly should, and does, closely manages conflicts of interest to ensure that where a conflict may arise appropriate arrangements are made to prevent any issues arising. Board papers are not provided to the member concerned if there is a possible conflict of interest and the member excuses themself, as you would expect, from the meeting for the consideration of that particular item.

I might have implied—more than implied, I might have said—that Peter Vaughan and Business SA's contractual arrangements were standard arrangements with respect to the provision of that service. Indeed, I am advised that the contractual arrangements with Business SA are for advocacy services.

Mr PEDERICK: I have a Primary Industries question. Volume III, page 934, 'Assessment of controls', the last dot point referring to the inadequacy of a spot check of invoices in not including a significant portion of the department's expenditure, and then the top of page 935, that a review of COGNOS financial management reports was not formalised by developing documented policies and procedures. My question regarding these matters is: given that reference is made to these matters having been raised in 2006-07, 2007-08 and 2008-09, why has the department not been more resolute in rectifying them and why has the minister not been more vigilant in ensuring that they are addressed?

The Hon. P. CAICA: I very much thank the honourable member for his question, save and except for that last component of the question because I am, of course, diligent in all that I do. The

audit review of paper-based controls implemented by the department over accounts payable processing has highlighted opportunities to improve controls in the following areas. I make this point, that the Auditor-General is there for a variety of reasons, not the least of which is to audit the financial accounts of the organisation which is being audited, but also to make recommendations about how things can be done better than otherwise would be the case.

The Auditor-General highlighted opportunities to improve controls in the following areas: controls implemented by the department did not provide assurance that all purchasing transactions were authorised, not all purchase orders are raised in accordance with departmental policies and procedures, and the department had not implemented either a manual signature register or an automated approval system.

It is the department's view, and I am advised, that given the current controls in place, the potential risk of fraud, or where an unauthorised office has approved an invoice, is low, and there has been no evidence of unauthorised expenditure. PIRSA maintains the view that contract delegation as defined in Treasurer's Instruction No. 8, 'Financial authorisations', may be exercised in a number of ways other than the raising of a purchase order, and therefore the lack of purchase order does not mean that the appropriate approval to commit the department to the expenditure has not been exercised.

The main concern is the lack of evidence of the contract delegation being exercised and the documentation supporting approved payments. In addition to raising a purchase order, contract delegation can be exercised and evidenced through the approval of contracts or by other approval mechanisms provided by an appropriate purchasing delegate.

It is clear that, despite regular reinforcement and communication of PIRSA policy, the raising of purchase requisitions, and untimely purchase orders, has not been successful, due to the timing, that most purchase requisitions are, in fact, raised and processed after the invoice has been received. It has provided an appearance—and I make that point: an appearance—that a purchasing delegation has not been exercised in these instances, and PIRSA is reviewing its approach to the issuing of purchase orders.

The Department of Treasury and Finance, through Shared Services SA, is now well advanced in establishing a process to implement a whole-of-government e-procurement solution, providing functionality across the full procure-to-pay process. This will include automation of requisition and purchase order creation, automated workflow approvals for requisitions and invoices and automatic matching to purchase orders. Implementation is planned to commence across South Australia during 2009-10. I could keep going, but I think you probably want to ask another question, is that right?

Mr PEDERICK: Yes, a forestry question. I refer to Volume IV, page 1112: implementation of the revised Treasurer's Instructions 2 and 28 and, as stated in the last line, 'the need for the incorporation to finalise and issue a fraud policy'. Does the corporation accept that need, and, if not, why not? If so, when will a policy be developed?

The Hon. P. CAICA: Forestry SA has a vision going forward that is underpinned by policy arrangements, and the review of its various areas of policy are, quite rightly, ongoing. There are many impacts upon the forestry industry going forward, some of which I think will be extremely positive and others somewhat concerning. The impacts may involve the role forestry has going forward with respect to the carbon pollution reduction scheme, what advantages can accrue to forestry in regard to the role that it plays in carbon sequestration and a whole host of issues that will be advantageous to it, and the future of forestry in the context of appropriate water allocation plans.

In my view, and I presume it is your view as well, Adrian, forestry needs to account for the water that is being used in the context of a triple bottom line in regard to the best use of that land and also from an economic and social perspective. There is an ongoing review of a variety of policies in that area in the context of what will be a changing environment going forward with respect to where forestry sits.

One thing that I do know and feel very confident about, notwithstanding the federal government's 2020 vision in relation to the expansion of forestry in this country, South Australia is well positioned, through Forestry SA and our other assets in the forestry area, to leave a very substantial mark with respect to our particular role in South Australia and the advantages that will accrue to our state, our nation and even internationally when we take into account some of those other factors.

I believe that we have a very positive future going forward in forestry, and Forestry SA, as always, is at the forefront of efficiency in the way it runs its business. In fact, I would say that there is probably no other such forestry corporation in Australia. You might say that my view is a bit biased, and you might be sitting over here one day (not too soon, I hope), and you will also have a high regard for the way Forestry SA positions itself in the context of what forestry is in Australia as a whole.

Mr PEDERICK: In regard to the specifics of the question, the report states the need for the corporation to finalise and issue a fraud policy, will you be progressing that in a timely and expedient manner?

The Hon. P. CAICA: It is always the case that, I, as minister and, I expect, many of the agencies and corporations for which I am responsible will take all matters raised by the Auditor-General seriously. Certainly, the development of policy in certain areas is something that will be tempered with those factors that are still evolving in relation to what impact it will have on forestry. The short answer is that we will continue to not only develop but promote and at the earliest possible time promulgate policies in those particular areas. I will just leave it at that.

Mr PEDERICK: I refer to Volume IV, page 1112, paragraph 3, communication of audit matters relating to the purchase of land for a total of $4.5 million, which should have been approved by cabinet as it exceeded the $4.4 million threshold. I note that the corporation deemed the relevant figure to be $4.3 million, with the additional $200,000 being costs related to the transaction. Has it since been determined what the $4.4 million limit refers to specifically and whether future purchase amounts may be similarly dissected?

The Hon. P. CAICA: This particular matter relates to a Forestry SA's purchase of a property in Wattle Range to expand its forest estate. The purchase consideration was $4.3 million. A stamp duty cost of $230,330 was imposed, which, added to the purchase, gives a total cost of acquisition which exceeds $4.4 million, which is the level at which cabinet approval is required by Treasurer's Instruction 8: financial authorisations (paragraph 8, point 13.1). The acquisition was approved by the Forestry SA Board and the Minister for Forests. However, it was not submitted to cabinet, as was highlighted by the Auditor-General and the honourable member in his question.

It is certainly the view of Forestry SA that Treasurer's Instruction 8 does not make clear whether the $4.4 million refers to purchase consideration or total acquisition cost, including the transaction costs such as the stamp duty that I mentioned. As a result, Forestry SA, in accordance with established practice and advice from the Department of Treasury and Finance has interpreted TI8 as being based on the purchase consideration.

Forestry SA has advised me that it submits that it has not breached the Treasurer's Instruction as the interpretation adopted is consistent with the interpretation adopted by the Department of Treasury and Finance being the issuer of Treasurer's Instruction 8.

Having said all that, Forestry SA's view to which I subscribe is that in order to avoid any further confusion about this and similar matters that might arise in the future, Treasurer's Instruction No. 8 should be amended to remove this ambiguity. Of course, it is all well and good for us to say and for me to advocate that the instruction should be amended to remove that ambiguity. It is the subject (and continues to be the subject) of discussions between Forestry SA and me as minister and directly with the Treasurer subsequent to that so that we can come to a landing on that. Our position (that of Forestry SA) is that, if nothing else, we need to clarify that ambiguity.

Mr PEDERICK: This is a regional development question relating to Part B, Volume IV, page 1437. I refer to the table of remuneration of employees on that page. How many worked on the regional development portfolio and what was the total wages bill for the offices of regional development and small business?

The Hon. P. CAICA: I do not have the specific detail in relation to the carve up of the responsibility as to what is being undertaken in regional development. That was the question, wasn't it?

Mr PEDERICK: How many worked on the regional development portfolio?

The Hon. P. CAICA: Yes, and I do not have that with me but I will undertake to get back to you on that specific question. What was the other component of that question?

Mr PEDERICK: The total wages bill for the offices of regional development and small business?

The Hon. P. CAICA: I do not have that compartmentalised either but I will get back to you on that as well.

The Hon. I.F. EVANS: Page 1749 of the Auditor-General's Report shows an increase in fees to EML from $25 million to $49 million over the past two years. There was a special payment of $2 million to EML. Is that included in that fee structure? If not, where is it included and what was the payment for?

The Hon. P. CAICA: I thank the honourable member for his question. I am advised that it is contained within a total of $49 million that was attributed as payment to EML during that period of time.

The Hon. I.F. EVANS: What was it for?

The Hon. P. CAICA: As I have been advised, the contractual arrangements were set in place. Given the nature of the legislative change, some variations to that contractual arrangement needed to be entered into in regard to variations. It was a payment to cover—and I will correct the record if I am wrong—the costs of the changing work patterns required as a result of the legislative change that in turn required a different focus of work from EML.

The CHAIR: That concludes the time allocated for examination of the Minister for Agriculture, Food and Fisheries, Minister for Industrial Relations, Minister for Forests and Minister for Regional Development. We now proceed to the examination of the Minister for Police, Minister for Emergency Services and Minister for Recreation, Sport and Racing in relation to the Auditor-General's Report 2009. The normal committee procedures apply, that is, members must stand to ask and answer questions, and all questions must be referenced to a line in the Auditor-General's Report.

Mr PENGILLY: I refer to the Auditor-General's Report, Volume III, page 1002, and I address my question to the Minister for Police. Page 1002 of the report discusses issues surrounding the SYSB mainframe. One such matter was the need to identify, construct and implement a standard set of security reports suitable for monitoring the overall security environment of SAPOL. Will the minister provide details on the functions of the SYSB mainframe, the problems identified by audit and how they are being resolved? Given the technological nature of this page of the report, I want to ask the minister another question, so I will let him answer this one first.

The Hon. M.J. WRIGHT: The shadow minister, the member for Finniss, asks about the SYSB mainframe which, as he correctly outlines, is on page 1002 of the Auditor-General's Report. When he asks about the functions of the SYSB mainframe, the advice I can give is that the audit finding identified an inability of SAPOL to assess the effectiveness of existing controls within the security environment due to insufficient staff knowledge. SAPOL has agreed to identify the current reports available and to define requirements for reports that need to be constructed and implemented.

A gap was identified in relation to whole of SAPOL training as result of changes to information security policy documents. These changes originated from SAPOL's compliance with the government information security management framework. SAPOL has agreed to identify an appropriate communication strategy to address this finding. I think it would be fair to say that SAPOL acknowledges the comments of the Auditor-General, and it has put in place the required functionalities to deal with those and is getting on with the job.

Mr PENGILLY: As a follow-up to the last question, I want to ask about SAPOL's staff use of the software. I refer to the same volume and the same page. In April last year, *The Advertiser* reported that there may have been some copyright infringement, when officers allegedly used SAPOL's DVD software to copy movies. The commissioner stated that it would be investigated. The minister then informed the parliament that the director of information technology in SAPOL would conduct an audit. What were the outcomes of that audit?

The Hon. M.J. WRIGHT: I do not have the outcomes of the audit with me, but you are right that an audit was done and I undertake to get that information for the shadow minister.

Mr PENGILLY: On page 1004 of the Auditor-General's Report there is a $48 million increase in employee benefit expenses. At the top of page 1005, it states that this is partly due to a small increase in employees. For that $48 million increase how many additional sworn and operational police officers did the state receive?

The Hon. M.J. WRIGHT: I can provide part of the answer. The advice is that at 30 June 2009, the total number of sworn officers and cadets is 4,384.7. We do not have with us the figures for 30 June 2008. I will undertake to get those figures for the shadow minister.

Mr PENGILLY: Under 'Net results', Volume III, page 1004 illustrates the net results of SAPOL over a four year period. The deficit is minus $46 million which is the biggest deficit in four years. The deficit has actually increased by $27 million in the last year reflecting mainly employee-related costs. Can the minister provide a more specific breakdown of the nature of these costs?

The Hon. M.J. WRIGHT: In 2008-09, SAPOL's net operating result is $46.2 million unfavourable. I will run through some of the bigger items that that figure reflects. Firstly, there is the rephasing of major projects, $30.579 million; then we need to look at a cash alignment policy payment to the Department of Treasury and Finance of $3.817 million; a revaluation of workers compensation liabilities of $12.519 million; a revaluation of annual leave and long service leave liabilities, $7.975 million; and a higher accrual expenditure of $4.2 million.

They were the major items, as I said, and they were offset by: vacancies and delays in recruitment, $2.6 million; lower superannuation costs, $2 million; delays of recruit 400 on non-salary and related expenditure, $1.6 million; mixed change from operating to investing capital, $1.8 million; receipt of donated assets over and above the budget, $1.4 million; unbudgeted minimum nationwide person profile funding, $1.2 million—and so the list goes on.

Mr PENGILLY: Minister, you mentioned the WorkCover issue and quoted a figure. Can you break down that WorkCover figure at all into segments; that is, whether it is long term, stress related, accident related, whatever? Are you able break that down?

The Hon. M.J. WRIGHT: I can provide a little additional detail. The most common injuries for claims registered during the 2008-09 financial year were caused by body stressing, 30.2 per cent; being hit by a moving object, 19.6 per cent; falls, trips and slips (which, as the member would be aware, is quite common across a broad range of industries), 17.2 per cent; and mental stress, 12.4 per cent.

Mr PENGILLY: Is SAPOL putting in place any sort of program to try to pick up on some of those major areas of concern so that we do not have it come through to the same extent in the Auditor-General's Report next year?

The Hon. M.J. WRIGHT: The simple answer is yes, of course. All agencies would turn their mind and their energies to what their greater claims and their increase in percentages are. I could give numerous examples, but SAPOL has introduced a number of initiatives to reduce the number of work-related injuries and illnesses to staff. A peer support program is presently being piloted at the South Coast LSA to provide support to fellow staff members. Early indications are that this program will be a resounding success. Similar programs in other states have also been successful.

The police chaplaincy program is being enhanced to ensure that a wide network of chaplains extend across the state to ensure a communications option is available to all SAPOL employees who are linked to the various services. A health and wellbeing project has just completed, focusing on initiatives to tackle the overall community problem of obesity and mental illness within SAPOL. Recommendations from this project have yet to be implemented but will be within the next 12 months. SAPOL's flu vaccination project provided flu vaccinations to all SAPOL members. Information fact sheets have been made available to the Health, Safety and Welfare Branch website and through statewide emails. There are many others, including a daily tactical coordination group.

The Commissioner of Police has endorsed the occupational, health, safety and welfare injury management targets of reducing work related injuries and illnesses. All work site inspections and OH&SW and injury management auditing have been integrated within the existing and well established SAPOL auditing system. Obviously a range of programs are tailored to those earlier areas to which I drew the member's attention. The member made reference to whether we would stop it from coming back here in future years. Obviously, we would be looking to reduce it, to minimise it. Whether you knock it out all together is problematic because you will always have injuries at the worksite. Certainly, these programs, as the honourable member has highlighted, will go part of the way to arresting some of the issues that have been identified by the Auditor-General.

Mr PENGILLY: Page 1005 of the report states that, as at June 2009, SAPOL had a workers compensation liability of $87 million. This is 30 per cent of SAPOL's total $288 million non-

current liabilities. How many sworn operational police officers are currently on WorkCover, and what was the figure for the financial years ending June 2006, 2007 and 2008? The minister might need to take that last question on notice.

The Hon. M.J. WRIGHT: I will take all of that on notice. That is quite a detailed question. It is a relevant question, nonetheless, but we will need to take advice and come back to the shadow minister.

Mr PENGILLY: My final question on the police portfolio refers to page 1019 of the report, which shows that the number of staff at SAPOL on over $100,000 has increased by 377. How many of the total 1,315 staff on over $100,000 are operational police officers?

The Hon. M.J. WRIGHT: I am sorry, I do not have that detail. I will get the precise answer for the honourable member who would be aware that the most recent EBA for police was about two years ago which, obviously, pushed a number of people above $100,000. I am advised that in previous years the total number of employees in this category consisted primarily of senior officers and executives.

The large increases in each of the last three financial years is not reflective of any significant increase in the numbers of senior officers and executives. Predominantly, the large increases comprise middle management and police in acting positions (such as senior sergeant and sergeant) where base salaries have been incrementally increased pursuant to enterprise agreements. I will get a figure for the honourable member. He is asking how many of those 1,315 on a salary above $100,000 are operational. I will get an answer for him.

Mr PENGILLY: Finally, and the minister can take this question on notice also, the number of staff on a salary of over $200,000 per annum has increased from five to 11. What were the five positions attracting that wage last year and what are the 11 listed for this year? If the minister takes that question on notice, that is fine.

The Hon. M.J. WRIGHT: I will come back to the honourable member with that detail.

Mr GOLDSWORTHY: I have some questions relating to the South Australian Fire and Emergency Services Commission. I refer to the Auditor-General's Report, Part B: Agency Audit Reports, Volume III at page 1078. At the top of the page it refers to issues raised concerning purchase card payments. There are seven dot points relating to issues that the Auditor-General has raised concerning purchase card payments. I ask the minister: given the fact that the Auditor-General raised similar concerns on page 1944 of his report for the year ended 30 June 2008, why have these issues again been raised in the 2009 report?

The second to last dot point highlights that terminated employees still had active purchase cards, and the same issue was raised in the 2008 report where it says 'purchase cards are promptly cancelled for terminated employees'. That is an opportunity to improve on practice and for purchase cards to be promptly cancelled for terminated employees. The same issue is raised two years in a row, so what action is being taken to ensure that does not happen again?

The Hon. M.J. WRIGHT: The shadow minister specifically highlighted the termination of employees who still had active purchase cards. Whilst no transactions were reported on two terminated employees' cards, in addition to advice from the supervisor of termination, the notification and deletion of terminated employees has been improved by reporting from payroll services of all terminated staff.

The shadow minister also made reference at the top of page 1078 to other items that have been raised by the Auditor-General. Audit noted that the controls associated with the allocation of purchase cards and accountability for expenditure required strengthening. Action has been taken, and I can report on what has been put in place as a result of the Auditor-General's recommendations.

Purchase card holders not listed on delegation schedule in 2008-09: staff transferring to Shared Services did not have access to updated delegation versions and were forwarded a hard copy of all delegations. In the period between updates, individual delegation changes were advised to Shared Services staff.

Purchase cards not supported by receipts and other documentation: a list is maintained of all purchase card returns for each month for each entity, and card holders are required to provide copies of tax invoices and management authorisation of each month's accounts. Delays in receipt of this documentation were experienced in 2008-09 for several officers and, whilst all returns were

received by June 2009, the delay in completing each month's consolidated return impacts on the clearing account reconciliation. Delays beyond 90 days will be reported to chief officers for appropriate action.

Temporary purchase card limits not being subsequently decreased: applications for a temporary increase in limit for major incidents are unable to be processed by ANZ Visa without a subsequent request for reduction in limit.

An internal review has determined that a small group of appropriately authorised staff involved with major incidents require ongoing increased delegations to enable immediate response in the event of an incident. It would otherwise take one month to process a delegation increase, which would be counterproductive to an immediate response to a major incident. These levels are reviewed quarterly.

Purchase card reports not updated to reflect correct business units: this is a minor administrative matter which has been addressed by closer liaison with Shared Services, in advice of businesses' unit addresses.

Purchase card applications not being properly documented: all purchase card applications require a recommendation by the card holder's supervisor, support by the business manager or regional commander and approved by the chief executive. The ANZ Visa card application form also requires chief executive approval. Existing policy is being revised to reduce administration, thereby requiring approval only once by the chief executive.

Purchase cards applied for but not received from Shared Services SA: in 2008-09, a group of 16 purchase card applications were submitted to Shared Services SA and cards issued but not received within the agency. All cards were subsequently cancelled and reissued. No transactions were recorded against the missing cards.

So, for each of those items that have been identified by the Auditor-General on page 1078, specific procedures have been put in place to remedy those items, and I have confidence that they are being correctly addressed.

Mr GOLDSWORTHY: So, minister, you can give an absolute guarantee, in view of your answer and the response and action taken, that these issues will not appear in the Auditor-General's Report next year?

The Hon. M.J. WRIGHT: What I am confident about is that, as a result of items raised by the Auditor-General, the appropriate action has been taken by the department. We have improved the procuring process with Shared Services and linked the termination of cards with the payroll system, so it is now more automated.

Mr GOLDSWORTHY: So, no guarantees can be given, but we will see how we go. I refer to page 1077, the same volume. Under 'Bona fides' it raises some issues that the Auditor-General has highlighted here. Under the heading 'Expenditure' it states:

> ...the results of the expenditure audit revealed instances where purchases and payments were not approved in accordance with the financial delegations...these instances revealed that they occurred before the transition to Shared Services SA and were also outside of the date range affected by the differing delegation versions. It was recommended that SAFECOM ensure that Shared Services SA is provided with revised documentation and payments are authorised by staff with sufficient, appropriate delegated authority. In response...the chief executive, SAFECOM, advised that the financial authorisations register will be updated independently of the policy approval process, and updates forwarded to Shared Services SA on the same basis as internal distribution.

Have those actions been put in place, have they been implemented and, if not, what progress has been made?

The Hon. M.J. WRIGHT: The issue is that Shared Services SA needs to have access to all current financial policies, including the schedule of delegations. This has been established. The way it has been established is financial delegations are updated on an ongoing basis and are placed on the emergency services intranet for access by staff. In 2008-09, staff transferring to Shared Services SA did not have access to updated delegations versions and were forwarded a hard copy of all delegations. In the period between updates individual delegation changes were advised to Shared Services SA staff.

In 2008-09, as a result of improved internal controls, the emergency services sector has expanded delegations listed from groupings of management levels to an individual listing of delegations, which are supported by a specimen signature of responsible officers. This has

enabled improved internal controls over authorising officers and detection before payment processing by Shared Services SA accounts payable staff. Whilst instances where inappropriately authorised invoices are forwarded for processing are rare, internal controls now detect these before processing.

Mr GRIFFITHS: I refer to Volume III, page 914, specifically as it relates to the Active Club Grants, very important grants across South Australia, no doubt. I note, though, in information provided to me that the value of a grant last financial year was some $2.323 million, whereas in '08-09 it was reduced to $1.266 million. Can the minister provide some information as to why the significant reduction this year?

The Hon. M.J. WRIGHT: I will take that on notice. It does not quite sound right. It may relate to how much of the year was in that particular period referred to. I have some preliminary advice that it might have been nine months of the year, but I want to check that for the member. The advice I am being given is that it relates to the length of time that Rec and Sport were in AGDs, and that was only nine months. But I think we will find, and I am very confident in saying, that the actual expenditure year by year for Active Club is approximately the same.

I am advised that the amount is approximately $2.3 million per annum, and that figure was not reduced this year, but it is because of how long Rec and Sport were in AGDs. As the member would be aware and as he has already highlighted, it is an extremely important program. We have two rounds per annum. Each electorate in the two rounds of funding notionally gets $25,000 each round, so $50,000 for the year. But I am confident in saying that the amount, year by year, for Active Club has not varied by any significant amount. It would be pretty close to about $2.3 million. As I say, the advice I have been given is that the figure you are looking at relates to the length of time that Rec and Sport has been in AGD and payments made in that nine months.

Mr GRIFFITHS: Actually, I am reading from a Premier and Cabinet allocation of grants. I take on board your point, though, that it depends on the period it was in the various departments.

Progress reported; committee to sit again.

[Sitting suspended from 13:11 to 14:00]

MODBURY HOSPITAL

Dr McFETRIDGE (Morphett): Presented a petition signed by 360 residents of South Australia requesting the house to urge the government to reinstate obstetric care, 24 hour paediatric care and re-open the intensive care unit at the Modbury Hospital.

MILLSWOOD RAILWAY STATION

The Hon. S.W. KEY (Ashford): Presented a petition signed by 272 residents of Unley and greater South Australia requesting the house to urge the government to take immediate action to re-open the Millswood Railway Station.

PAPERS

The following papers were laid on the table:

By the Speaker—

Salisbury, City of—Report 2008-09

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

JamFactory Contemporary Craft & Design Inc—Report 2008-09

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

Department for Transport, Energy and Infrastructure—Report 2008-09
Rail Safety Regulator—Report 2008-09
TransAdelaide—Report 2008-09

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

Land Management Corporation—Report 2008-09

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

Electricity Supply Industry Planning Council—Report 2008-09
Energy Consumers' Council—Report 2008-09
Power Line Environment Committee—Report 2008-09

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

Chiropractic and Osteopathy Board of South Australia—Report 2008-09
Country Health SA Hospital Inc—Report 2008-09
Dental Board of South Australia—Report 2008-09
Gene Technology Activities—Report 2008
Health Performance Council—Report 2008-09
Medical Board of South Australia—Report 2008-09
Nurses Board of South Australia—Report 2008-09
Occupational Therapy Board of South Australia—Report 2008-09
Pharmacy Board of South Australia—Report 2008-09
Podiatry Board of South Australia—Report 2008-09

By the Minister Assisting the Premier in the Arts (Hon. J.D. Hill)—

Libraries Board of South Australia—Report 2008-09
State Theatre Company of South Australia—Report 2008-09

By the Minister for Science and Information Economy (Hon. M.F. O'Brien)—

Playford Centre Charter

CHARITIES

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (14:04): I seek leave to make a ministerial statement.

Leave granted.

The Hon. A. KOUTSANTONIS: Charities play an important role in our society. Without the good work of so many of our charities and the thousands of volunteers and workers who support them in that work, our community would be all the poorer for it. Charitable work is a vital and necessary part of helping the underprivileged and the most vulnerable in our community. So, it causes disappointment and some justifiable anger when some less than honest elements insinuate themselves into the industry to raise money for themselves on the back of people's generosity and desire to help those in need.

In September 2008, amendments were made to the Collections for Charitable Purposes Act 1939 to include increased disclosure by charities, the establishment of a charities website to increase transparency for all licensed charities, and the introduction of inspectoral powers. As a result of these investigations and random audits, two charity licences have been revoked and two refused. I can inform the house that approximately 12 charities are currently undergoing an audit and that the Office of the Liquor and Gambling Commissioner intends to investigate a number of others as a result of complaints, police intelligence and audit processes. These include but are not limited to allegations of fraud, misappropriation of funds, collecting at night, the conduct of collectors, the legitimacy of a charity and being strongarmed into signing an ongoing sponsorship.

We believe that the number of complaints is due to publicity surrounding the investigation of licences and increased information provided to the public through the Office of the Liquor and Gambling Commissioner's charities website. There are 516 licensed charities, and the majority do the right thing. They should be commended for their important role in dedicating their life to making a difference.

However, while the system is working, I believe that we can and should do more to make sure that collection practices are consistent with community expectations. I recently instructed the Office of the Liquor and Gambling Commissioner and the Department of Treasury and Finance to draft a new code of practice to help make charities more transparent and to properly regulate the activities of collectors.

I can advise the house today that a new code has been drafted and will soon be available for community consultation. Under the plan, charities will be required to provide a breakdown of all funds, assets and expenditure to the Office of the Liquor and Gambling Commissioner. This information will be published each year on the charities website. It means that South Australians can look up an organisation before they donate and see for themselves how much of their money would go towards wages and administration and how much would be used for charitable purposes.

The code of practice also proposes restrictions on collection times, which includes telemarketing and door-to-door appeals. Except by prior appointment, a licensed charity must not ask for donations on Easter Sunday, Good Friday and Christmas Day. They can on Saturdays between 9am and 5pm and Sundays between noon and 5pm.

All collectors must be trained and keep a current document on their premises detailing the approximate percentage of donations returned to the charitable purpose. They must offer donors a numbered receipt for their donation that shows the name of the charity. Any contract for donations to be collected on an ongoing basis must be subject to a 10 day cooling-off period.

I can also advise the house that an advice line is being set up through the Office of the Liquor and Gambling Commissioner. It will run between 8am and 6pm. In the meantime, complaints can be made through the Office of the Liquor and Gambling Commissioner on 8226 8500 or the charities website, www.charities.sa.gov.au.

We will be keeping a closer eye on collectors in the lead-up to Christmas, when South Australians are traditionally the most generous. A team of inspectors will hit the streets for a four week blitz, concentrating on shopping centres in the city and metropolitan area without warning. People caught collecting unlawfully will face a maximum of one year behind bars and could be fined up to $4,000.

This process is not about creating a cloud of suspicion: quite the contrary. As I said, the majority of charities do the right thing. We want them to be involved in this process. We want their input. We want to get this right for everyone. Members of the public have the right to know where their hard-earned dollars end up. These changes are designed to increase public confidence, which can only be a good thing for our charities. If they are not doing anything wrong, they have no reason to be concerned.

LEGISLATIVE REVIEW COMMITTEE

Mrs GERAGHTY (Torrens) (14:09): I bring up the 30th report of the committee.

Report received.

Mrs GERAGHTY: I bring up the 31st report of the committee.

Report received and read.

PUBLIC WORKS COMMITTEE

Ms CICCARELLO (Norwood) (14:13): I bring up the 354th report of the committee, entitled Ceduna Hospital Redevelopment.

Report received and ordered to be published.

Ms CICCARELLO: I bring up the 355th report of the committee, entitled Hallett Cove and Hallett Cove Beach Railway Stations Upgrade.

Report received and ordered to be published.

Ms CICCARELLO: I bring up the 356th report of the committee, entitled Public Trustee Office Accommodation Fit-out at 211 Victoria Square, Adelaide.

Report received and ordered to be published.

VISITORS

The SPEAKER: I draw to members' attention the presence in the gallery today of students from Kangaroo Inn Area School, who are guests of the member for MacKillop.

QUESTION TIME

ROYAL ADELAIDE HOSPITAL

Mrs REDMOND (Heysen—Leader of the Opposition) (14:15): My question is for the Premier. Given the Treasurer's statement in this house last night that 'unless we can find a way to rebalance how we fund this, in 20 years health will consume, if not all, pretty close to all our state budget', will the government now adopt the Liberal opposition plan and rebuild the Royal Adelaide Hospital on its current site, saving the South Australian taxpayers up to $1 billion in construction costs?

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) (14:15): The Liberals have one solution for our hospitals, which is to privatise them. We caught them out, we took one back—Modbury Hospital—to get it back into public ownership and management. But they were planning to sell the QEH. So, do not be fooled, privatisation of our hospitals is back on the Liberals' agenda. But again, let us go through—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —what a difference the Labor government makes. Compared to when you were last in government, nearly 1,100 extra doctors, 3,600 extra nurses. More doctors per capita than the other states, more nurses per capita than the other states, more beds per capita than the other states. Of course, we had seven different plans and models for the hospital and, in the last two weeks, we have had two more. Total confusion, total division, on the Liberal side.

RENEWABLE ENERGY DEMONSTRATION PROGRAM

Mr KENYON (Newland) (14:16): My question is to the Premier. Can the Premier update the house on South Australia's commercial scale renewable energy projects that have been awarded funding through the federal government's Renewable Energy Demonstration Program (REDP)?

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) (14:17): I want to take this opportunity, because I know how much renewable energy there is in his electorate, to pay tribute to Graham Gunn—

Mr Williams interjecting:

The SPEAKER: The member for MacKillop!

The Hon. M.D. RANN: My view is that Graham Gunn, 39 years a member of this parliament, deserves the very best of send-offs, and I hope we will be able to do that in the lead-up to 20 March. I think that he is someone who is held in great affection by those on both sides of this house and both sides of this parliament, and I want to take this opportunity, lest we do not have an opportunity on the final day, to say thank you to Graham Gunn. You have our affection and respect and we look forward to working with you in the future, because we know you have always put your vast electorate (the size of many European nations) ahead of partisan interest.

The Hon. K.O. Foley: Love ya Gunnie.

The Hon. M.D. RANN: Yep. On 6 November, the federal government awarded $235 million in funding under the federal Renewable Energy Demonstration Program to four successful commercial-scale renewable energy projects across Australia. I am pleased to report to this house that approximately two-thirds of this large amount of funding is coming to South Australia. It has been awarded to two geothermal projects in this state: Geodynamics was awarded $90 million for their 25 megawatt geothermal demonstration project in the Cooper Basin (up near Innamincka); and MNGI Pty Ltd (or Petratherm) received $62.7 million for their 30 megawatt geothermal energy project located at Paralana in the Far North of the state.

I was certainly very pleased to lend my support for these bids through correspondence to the Prime Minister. This is a great announcement for this state—

Mr Williams: It's old news.

The Hon. M.D. RANN: I can't believe—

The Hon. P.F. Conlon: They don't like it.

The Hon. M.D. RANN: You know, member for MacKillop, two-thirds of the federal funding for geothermal is secured for this state and the Liberals are unhappy. Spend your time planning to privatise our hospitals, because I can tell you what the people of this state will say to you again. You got caught out last time. We brought them back into the public system, and the people of this state will not want their hospitals privatised by a bunch of Liberals who cannot even decide—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —the costing of the model.

Members interjecting:

The SPEAKER: Order! The Premier will return to the question.

The Hon. M.D. RANN: Thank you, sir. This is a great announcement for the state. South Australia holds enormous geothermal potential and has a world-leading role in pursuing proof-of-concept and commercial demonstration of geothermal resources. Unlike other forms of renewable energy, such as solar and wind power, geothermal technology is able to supply the baseload power normally generated by natural gas and coal-powered stations. Geothermal energy is expected to play a major role in the low carbon future of Australia, and we are fortunate to have some of the world's finest geothermal resources within our borders.

The South Australian government has taken a proactive approach to supporting renewable technologies in this state, and that support has included the geothermal sector. We have assisted the private sector's progress towards geothermal energy commercialisation through a variety of mechanisms. For example:

- we have developed a supportive legislative framework for geothermal energy investment;
- we have provided grants for geothermal exploration through our PACE initiative, which has seen a tenfold increase in mining exploration in this state; and
- we have recently provided $1.6 million in funding for a world-class Centre for Geothermal Energy Research at the University of Adelaide.

South Australia also plays a national leadership role through involvement in the Australian Geothermal Energy Group, and has international involvement through representation on the International Energy Agency geothermal cluster. These efforts have helped to ensure that South Australian geothermal projects have the assistance and recognition they deserve.

Australian companies are now recognised as world leaders in the proof-of-concept phase for the development of 'hot rock' geothermal—a technology also known as Enhanced Geothermal Systems. Hot rock geothermal projects seek to generate electricity by injecting water deep into the earth where it is heated by naturally occurring hot rocks and then returned to super-heated water and steam that can drive turbines.

Geodynamics' Cooper Basin project will be the world's first multi-well hot fractured rock project. The vast resource that Geodynamics is seeking to tap with partners Origin Energy and Tata Power from India has the estimated potential to provide around 10,000 megawatts of electricity generation for greater than 50 years.

For members who are not up with electricity supply and demand issues—or the engineering and technical considerations, as are the Minister for Energy and I—they should know that 10,000 megawatts is about three times the usage that we currently have of electricity in this state. Petratherm's Paralana Geothermal Energy project is located adjacent to the Beverley Uranium Mine and is a joint venture between Petratherm, Beach Petroleum and TRUenergy Geothermal. This project is also a hot rocks project but will utilise a different technology from that of Geodynamics.

Both the Paralana site and the Cooper Basin site contain some of the highest heat producing rocks found in the world. South Australia not only has some of the hottest rocks in the world but we also have the majority of the world's current hot rock projects located in our state.

An estimated $325 million was spent on geothermal exploration and proof-of-concept projects between 2000 and 2008; 97 per cent of the spending was invested in South Australian

projects. To mid-July 2009, South Australia attracted 28 companies to invest an estimated $874 million in the term 2008 to 2013. These companies are working to define geothermal energy resources in 273 geothermal licences. I am delighted about this. I am also delighted about the work that is being done in terms of biodiesel from micro-algal fuels and the opening of the pilot algal reactor just last week.

ROYAL ADELAIDE HOSPITAL

Mrs REDMOND (Heysen—Leader of the Opposition) (14:24): My question is again to the Premier. Why has the government not listened to the experts when it comes to rebuilding the Royal Adelaide Hospital? Eminent orthopaedic surgeons, cardiologists, plastic surgeons, oncologists and pathologists, as well as—

Members interjecting:

The SPEAKER: Order!

Mrs REDMOND: —Australian Medical Association office holders have stated:

The state does not need a new hospital, and the RAH's patient accommodation could be upgraded for far less than the ballooning $1.7 billion cost.

Members interjecting:

The SPEAKER: Order! I will not have bickering. The Minister for Health.

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:25): Thank you, Mr Speaker, and I thank the Leader of the Opposition for this question. Of course, in the process of deciding whether or not to rebuild the RAH on its existing site or on a fresh site, we sought advice from experts. We sought advice from experts in hospital design—

Mr Williams interjecting:

The SPEAKER: The member for MacKillop is warned.

The Hon. J.D. HILL: We sought advice from hospital experts, planning experts, architectural experts, engineering experts and medical experts. The clear advice—

Mrs Redmond interjecting:

The SPEAKER: The Leader of the Opposition has asked her question. She should at least be courteous to the Minister for Health whilst he is answering it. The Minister for Health.

The Hon. J.D. HILL: The expert advice to government—it was not the government's initiative: it was the expert advice to government—was that we needed a new central hospital in Adelaide, and I will tell members why. The existing hospital, the existing RAH site, as good as it has been over the 50, 60 or more years that it has provided services to the public of South Australia, is deficient in a number of ways, and let me go through those ways for the benefit of the house. First, the hospital is not big enough to provide services to the public of this state for the future. We know as a result of—

Mrs Redmond interjecting:

The SPEAKER: The Leader of the Opposition!

The Hon. J.D. HILL: The hospital is not big enough to provide services for the future of our state. Let me go through those issues—

Members interjecting:

The SPEAKER: Order! The Minister for Health is not engaging in debate. He is answering the question in a straightforward way. He should be heard with courtesy and not have to battle over the top of a barrage of interjections while he is attempting to do so. The Minister for Health.

The Hon. J.D. HILL: Thank you very much, Mr Speaker. This is a very important issue and I think the public and the community deserve to hear the government's position. I am trying to do that in an objective way and for the benefit of all members of the house. For the benefit of the opposition and the public, I am going through the issues that are problematic with the existing hospital site.

First amongst them, and not necessarily the most important, is the size and capacity of the existing hospital. It is not big enough to continue to provide services to our population as it grows. We have modelled the demands on the health system over a period of time—a 10-year plan—and we have analysed what is required to deliver health services to the public of South Australia by the year 2016. What we need to do is create an extra 250 beds in Adelaide for the public of South Australia. We are investing in extra beds at Lyell McEwin and the Flinders Medical Centre, but we need more beds at the Royal Adelaide Hospital. We see in the media from time to time stories about people who have not been able to move from the emergency department into a ward because there is a shortage of beds. We accept that is the case and we need to create extra capacity in the relatively short time between now and 2016. It is impossible, in our view, to properly create that extra capacity in that time frame on the existing site.

However, it is not only a matter of beds: it is a matter of the other parts of the hospital as well. The emergency department at the RAH is at capacity now. It cannot be expanded on its existing site. There is no room for it to move at the existing site. That is not something I say: that is what the emergency doctors tell me. That is what the experts tell me. We know that we need greater emergency department capacity. I think at the moment the capacity of the hospital is around 60,000 or 65,000 patients a year: it needs to be increased by 25 per cent. The new RAH on a new site will allow us to create an emergency department which will be able to treat that number of emergency department patients each year.

We also know that there are not enough intensive care unit beds at the existing hospital. They were upgraded a little while ago and they are not in bad condition, but there is not enough of them. You cannot expand the ICU section of the hospital at the moment on the existing site because it is landlocked. We need to increase—

Mr Pisoni interjecting:

The SPEAKER: The member for Unley is warned!

The Hon. J.D. HILL: We need to increase the amount of intensive care unit capacity by about 35 per cent. In addition, there is not enough capacity in the operating theatres at the hospital, in two ways, both in the number of operating theatres and also the size of the operating theatres. We need to increase the number of operating theatres from about 35 to 40 and, in addition, we need to increase the size of the operating theatres to enable doctors to perform the sorts of surgical procedures that will be more and more frequent in the future, and that means more technology and more people clustered around the patient during the procedure. That is what the experts have said to me, and that is what the experts have said to the government.

So, that is the first point: we need more capacity at the hospital. That is the prime reason for building on a new site. If we had extra land adjacent to the hospital we would be able to build on that land. The hospital is on a very small site, about 5.6 to 5.9 hectares. There is no room on that site to expand. On the railway site there are 13 hectares of land. We will build a hospital which will have a floor site of about eight or nine hectares, which will give us about five hectares of additional capacity to expand.

Mr Goldsworthy interjecting:

The SPEAKER: The member for Kavel is warned!

The Hon. J.D. HILL: The second point about the existing Royal Adelaide Hospital, which members may not be aware of and the public may not be aware of, which is absolutely vital, is that the services that are provided to the hospital, through electricity, gas, water, air conditioning, all of those services which are underground, out of the way, and cannot be seen, need to be replaced. The technologies that are required for running a new hospital into the future are not capable of being properly placed underneath the existing infrastructure. All of it needs to be taken out. The advice to me from the experts is that it is impossible to get the certain parts—

Ms Chapman interjecting:

The SPEAKER: The member for Bragg is warned!

The Hon. J.D. HILL: The infrastructure needs of the hospital cannot be readily addressed. The difficulties of getting access to those services, and even having sufficient space in there to put the new resources that are required, are just not there. The opposition's proposition, which was released today, as best I can read it, does not even go into that issue; they would leave the existing infrastructure arrangements in place. This is a serious deficiency in the hospital.

The third point I would make about the existing RAH is that it was developed over a period of time. Historically, decisions were made to place certain parts of the hospital in the positions which they are. It is not a planned hospital any more. It is a collection of bits which have been added together in an ad hoc way, a random way, and as a result of that it is a very inefficient hospital. It means that people have to walk across vast areas of territory to get to various parts of the hospital. It is an inefficient hospital.

On the advice to me from the experts, we would save, in terms of the recurrent cost of running the hospital, between $50 million and $100 million a year by having a rebuild. That is a significant saving, which means that we would have extra resources to put into health in our system.

The final point I would make relates to the question about what the experts say. I have spoken to the experts at the hospital. The head of the cancer unit at the hospital supports what we are doing. The head of intensive care at the hospital supports what we are doing. The head of the emergency department supports what we are doing. The head of surgery at the hospital supports what we are doing.

There is one group of doctors who do not support what we are doing. They have a political objective. They have said in public that they will run a campaign, they will form a political party, and they have said that they will give their preferences to the Liberal Party. That is what this is about. There is a political party being established, which will preference to the Liberal Party, that consists of a small range of doctors who are opposed to what we are proposing. Certain elements of the AMA, selectively quoted by the Leader of the Opposition—and the AMA is a broad church—support the RAH, and certain elements support what we are doing. So, it is misleading in the extreme to say that the AMA supports the propositions that the Liberal Party has put forward.

When you look at the propositions that the Liberal Party put forward today, one can only come to the conclusion that the Liberal Party is confused about what to do in relation to this hospital. When Mr Hamilton-Smith was the leader of the opposition he came up with three propositions, which he said he would consult the community about. They have now come up with a fourth proposition. I do not recall seeing this proposition put out for community consultation in any forum whatsoever. They have now come up with a—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: The Liberal Party has now come up with a fourth proposition, which includes a 15-storey building on the site, which, as I understand it, would be outside the planning regime of the City of Adelaide. It would make it difficult for helicopters to land on the building. They are also still promoting a 12-storey building right at the front of the emergency department, where the car parking is now. It would mean that the emergency department would be inoperable for the entire time that that construction was to take place.

Anybody who has been to the RAH will know that the entrance to the emergency department at the moment is difficult enough to access. If you build a 12-storey building at that entrance, it would mean that the emergency department would be almost incapable of being used. In addition to this, a month ago on ABC Radio, on the Matthew Abraham and David Bevan program, the spokesperson for the opposition on health, Dr McFetridge, the member for Morphett, said that the Liberal Party plan was to build, for $1.4 billion, this particular hospital. Today, the Leader of the Opposition came out with a half price—

Mr Pisoni interjecting:

The SPEAKER: Order, the member for Unley!

The Hon. J.D. HILL: I'm sure we can find a cell in one for you, member for Unley. The opposition's plan today is for a $700 million rebuild. This is not saving a billion dollars; this is magic pudding kind of economics. This is not saving a billion dollars; what this is doing is not completing the job of rebuilding the RAH. It is a putting a small amount of investment in there. If they honestly believe that they can get, for $700 million, the things that they say they would put on that site, they are seriously confused and deluded.

You cannot build a 15-storey building and a 12-storey building and put car parking underground for 1,500 cars for that sum of money. This is magic pudding economics. The

opposition is either seriously confused, seriously deluded, or they are deliberately misleading the public of South Australia.

ROYAL ADELAIDE HOSPITAL

Mrs REDMOND (Heysen—Leader of the Opposition) (14:38): Again, my question is to the Premier. Why has the government changed its position on the rebuilding of the Royal Adelaide Hospital when it made a commitment to the rebuild as recently as the 2006-07 budget? The capital works statement for the 2006-07 budget states:

> Royal Adelaide Hospital Redevelopment Stage 4. Completion due June 2011. Planning will continue in 2006-07 for redevelopment works that will include patient accommodation...

That is what you said, Premier.

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:39): Mr Speaker—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: One has to be rational about this debate.

Members interjecting:

The SPEAKER: Order! The Minister for Health.

The Hon. J.D. HILL: Thank you, Mr Speaker. One has to be rational about this debate. The government's original position—and I have made this plain a number of times—was to rebuild on the existing site, the position that the Liberal Party is now putting. That was our position, too—

Mrs Redmond: Why did you change your mind?

The SPEAKER: The Leader of the Opposition!

The Hon. J.D. HILL: That was our position, and, yes, we did change our mind. Why did we change our mind? Because we went through a rational review of the two options. The—

Members interjecting:

The SPEAKER: Order! If members disagree with what the Minister for Health is saying, then there is an appropriate course of action to take and we have a debate on this issue. Perhaps really that is what the opposition wants to do, but as long as they are asking questions they have to give the minister an opportunity to respond and then, at a further stage, if they want to take issue with anything the minister has said, then there are means available to do that. The minister should be able to respond without having to shout over interjections disagreeing with what he is saying. The Minister for Health.

The Hon. J.D. HILL: Thank you very much, Mr Speaker. I think it is generally true that both sides of politics, until we introduced our Health Care Plan in 2007, were of the view that the Royal Adelaide Hospital was where it was and we would just continue to upgrade it over time. That was the received view, I suppose, without any deep thought going into it. When we announced our Health Care Plan of 2007, we had gone through what the health needs were for our entire community over the next 20 or 30 years. We recognised that—and this is the advice to us from experts—there would be a huge growth in demand as a result of ageing of our population which meant we needed more capacity and we needed to use the existing capacity as smartly as we could. We looked at what we needed for the Royal Adelaide Hospital and the advice was that it is not big enough and, besides that, the services there are run down, the buildings are run-down, and we—

Mr Williams interjecting:

The SPEAKER: Order! The member for MacKillop is warned a second time.

The Hon. J.D. HILL: I will resist from commenting on the interjections but I want to make this point: if the opposition wants to make a point of any of the interjections they make, I would invite them to ask me a question and I will respond formally to them because I am more than happy to answer any of their questions. I can do it all through question time if they would like. The point I was making was that we did a rational review of what we need for our health system in our state and the advice to government, the advice to me, which I took to—

Dr McFetridge interjecting:

The SPEAKER: Order! The member for Morphett is warned.

The Hon. J.D. HILL: The advice to me, which I took to government, which was checked by cabinet and checked by Treasury, was that the most rational and sensible thing to get the extra capacity for the best use of our money was to build a hospital on the new site. I have to say, as I have said frequently before, it came as something of a shock to me to receive that advice, but when I went through it and when I thought about it, when I was able to present it to my colleagues, we all came to the conclusion that it was the right advice. It came from experts who understand these things.

It was not a political idea: it was an idea that came out of the health system. They said the smartest thing you can do is to build the hospital on a new site because it gives you room for expansion, you can get a modern hospital which will be efficient, make savings, and it will be bigger and it will fix up all of the infrastructure problems that are existing at the RAH. Besides that, you will have it available for the public by 2016. To do it on the existing site would mean we would not get the expansion that we need; it would mean it would take longer (through to about 2025, if we were to start it next year) and it would cost more money. So, when you look at this rationally, you come to the only conclusion that everybody else who has looked at this rationally has reached. I invite the opposition to stop being political about this and start thinking through what is in the best interests of the public of South Australia.

BUSHFIRE PREVENTION

Ms SIMMONS (Morialta) (14:44): My question is to the Minister for Emergency Services. Can the minister please update the house on what the state government is doing to protect South Australians from bushfires due to the recent heatwave and higher than expected temperatures?

The Hon. M.J. WRIGHT (Lee—Minister for Police, Minister for Emergency Services, Minister for Recreation, Sport and Racing) (14:44): I thank the member for her question and her ongoing interest in this area. I am pleased to announce that the state government has brought forward the commencement of a number of firefighting aircraft in response to the unprecedented hot and dry conditions that we are experiencing. This means that water bombing and surveillance aircraft are available for firefighting immediately.

The hot weather over the past week has accelerated the curing of vegetation and soil dryness, especially in the Adelaide Hills and interface areas. The decision to start operating aircraft earlier than usual is a response that is appropriate to the risks generated by this unseasonal weather. Since 2002, the Rann Labor government has significantly increased the state's aerial firefighting capabilities from just $831,000 under the previous Liberal government to $6.9 million this year. This is an eight-fold increase.

The CFS will have a total of 15 aircraft operating during this fire danger season. Of the 15, 10 have already commenced, eight of which have been brought forward by two weeks. The five remaining aircraft will be brought online as soon as possible, including the Erickson air-crane, which will begin service in mid-December.

The CFS also has access to the state's rescue helicopters for surveillance activities. Firefighting aircraft are incredibly useful in getting to a fire quickly and laying down fire suppression and providing support to fire crews. On high fire danger risk days, surveillance aircraft will fly circuits of bushfire prone areas, including the Mount Lofty Ranges, looking for smoke or illegal activity.

The state government has been partnering with communities and our emergency services to ensure that South Australia enters this fire season better prepared than ever before to protect lives and communities across the state. The last few days have told us that, for whatever reason, there are still too many South Australians under the impression that they are immune to any real threat and that a fire will magically deviate from their property.

The unseasonal weather, and today's declaration in two fire districts of a rating of catastrophic, should send a loud and clear message to those people who have not prepared, who do not have a bushfire survival plan in place, to do so without delay. With cool weather forecast for next week, I urge everyone in bushfire prone areas to get themselves, their family and their property ready for the threat of fire.

The state government is taking the necessary steps to preserve lives and property for the upcoming bushfire season, but this must be a whole of state effort, and we all need to work together to ensure that our state is as prepared as possible and is as safe as possible this fire season.

ROYAL ADELAIDE HOSPITAL

Mrs REDMOND (Heysen—Leader of the Opposition) (14:47): My question is again to the Premier. Given that there will be a choice in March of saving $1 billion with the Liberal Royal Adelaide Hospital plan, will the government defer the new $200 million research facility it currently proposes for the rail yard site until March 2010 and let the people of South Australia decide which site they prefer?

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) (14:47): I would have thought that the Liberals would support the fact that we have been able to secure funding from the federal government of $200 million for a world-class medical research centre. They cannot believe it. Can't you put our state before your party? Can't you heal your own divisions and come on board and put this state before your own political needs? That is what the people of this state want.

ROYAL ADELAIDE HOSPITAL

Dr McFETRIDGE (Morphett) (14:48): My question is to the Minister for Health.

Members interjecting:

The SPEAKER: Order!

Dr McFETRIDGE: Thank you, Mr Speaker. What is the impact on delivery of services to patients as a result of the government's decision to take at least four clinical directors from the Royal Adelaide Hospital to sit on advisory committees for the rail yards hospital? The opposition understands that at least one of those four clinical directors is an anaesthetist and has been seconded to an advisory role for three days a week.

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:48): The sheer effrontery of this question is staggering. The Leader of the Opposition asks questions about 'listen to the experts', and I gave advice about what the experts were saying. We have now involved a number of experts in the design process of the new hospital, and they are criticising that. Of course, when—

Members interjecting:

The SPEAKER: Order! The member for Morphett has a point of order.

Dr McFETRIDGE: Relevance—the question is specifically: what is the impact on the delivery of services of taking these people away?

The SPEAKER: The Minister for Health has made his point, and he now needs to talk about delivery of services.

The Hon. J.D. HILL: What is the effect on services? If the shadow spokesman thinks that when we take an anaesthetist out of the hospital nobody is there to perform anaesthesia on patients who need it, he is seriously deluded. Of course, if somebody is taken out, they are backfilled, as would occur in any organisation. If you take an expert out—

Members interjecting:

The SPEAKER: Order! The Minister for Health.

The Hon. J.D. HILL: If an expert is taken out, then somebody else will take on that role. We obviously do that quite frequently. If somebody is on holidays, if somebody is ill or if somebody goes on a conference, they have to be backfilled. This is an equivalent set of arrangements.

ASBESTOS VICTIMS

The Hon. S.W. KEY (Ashford) (14:50): Can the Attorney-General inform the house of how the Rann government has improved access to justice for victims of asbestos-related diseases?

The Hon. M.J. ATKINSON (Croydon—Attorney-General, Minister for Justice, Minister for Multicultural Affairs, Minister for Veterans' Affairs) (14:50): I am glad to tell the house that the sufferers of asbestos-related dust diseases will be given a better chance of successfully claiming damages because of the state government's changes to regulations. The Rann government has actively supported victims of asbestos through progressive asbestos legislation, principally the Dust Diseases Act 2005.

The law enables asbestos-related cases to be expedited through a special list in the District Court, aiming for prompt handling and resolution of claims. The act provides for the practice of accepting findings of general application (for instance, that company X knowingly exposed workers to asbestos) and it improves the District Court's discretion in awarding damages with the expectation that victims will receive increased damages than they would otherwise have received without the law. Contrary to claims by the Independent senator for South Australia, the government has no intention to wind back exemplary damages.

Since the introduction of the legislation, cases are being expedited. I continue to be informed on how cases progress through the court and I understand that they progress efficiently. In fact, there has been a marked improvement since the special list was first introduced. Victims are spared the need to go to trial as most cases are either discontinued or settled by agreement.

The member for MacKillop apparently finds my Latvian tie hilarious, but the Leader of the Opposition has explained that today is the 91st anniversary of the declaration of independence of the Republic of Latvia. We have made other moves to assist victims. The dust diseases regulations are amended to provide greater opportunity for sufferers of asbestos-related diseases to bring claims for damages by moving the date of presumption back from 1971 to 1960.

Workers employed by businesses which had more than 20 employees and which engaged in asbestos-related work in the 1960s will be caught by the presumption. Of course, it can be rebutted by evidence. We have moved to amend the relevant date of occupiers' liability. For those who operate an industrial premises at which any asbestos procedures were carried out, the presumption of knowledge applying to them goes back from 1990 to 1976.

The dust diseases legislation includes a presumption of knowledge about the risks of asbestos. This means that, from a relevant date, a defendant in a dust diseases matter (unless he or she is exempt) is presumed to have engaged in a particular process or procedure knowing of the risks of asbestos. From the outset, arguably, this puts the victim in a sturdy position to pursue his or her claim. Until this change, other defendants who engaged in things like the design of objects containing asbestos or installation of products have been presumed to have known the dangers from 1 July 1971.

This is a second change to this presumptive date since the commencement of the act. Last year, the government amended the regulations, changing the presumed date of knowledge from 1 January 1979 to the earlier 1971 date. We are now taking that date back further. After the change, generally defendants in this group will be presumed to have known about the risks of asbestos from the start of 1960.

Through our consultation and research, we have realised that smaller businesses who may become defendants, perhaps a small mechanic using asbestos brake pads or a builder using materials containing asbestos, may not have known of the dangers of asbestos. For those people, the relevant date will remain 1 January 1971. The smaller businesses will be those that employed fewer than 20 people at the relevant time. That said, the presumption is a starting point. It does not mean that a large business cannot rebut the presumption by leading evidence and, indeed, with small businesses, the plaintiff can lead evidence that the proprietor had actual knowledge of the dangers of asbestos.

We have also amended the provision referred to as 'occupiers liability', which is a catch-all for other asbestos-related products. The date of presumed knowledge for occupiers liability has been taken back to 1976—probably the year that the shadow attorney-general and I started at law school. The date—

Ms Chapman: I started before you.

The Hon. M.J. ATKINSON: You did, congratulations. You must have been a child prodigy! It was not until 1976 that our state law required the occupier of industrial premises where any asbestos procedure was carried on to comply with safety regulations. The regulations apply to commercial and government enterprises alike. The same laws apply whether it is private or public.

Weighing the decision about whether to take these dates back has been a difficult task, but I believe that the changes create a fair balance between victims and defendants, and I thank those who made submissions on the discussion paper last year. These changes highlight the fulfilment of the government's pledge to do what is right for victims of asbestos-related diseases.

ELECTIVE SURGERY

Dr McFETRIDGE (Morphett) (14:57): My question is to the Minister for Health. Why is the government cutting hospital treatments for South Australians by closing hospital outpatients, operating theatres and hospital beds for longer than usual periods over the Christmas period as a cost cutting exercise? In a memo on Christmas closures in 2009-10, the general manager of the Royal Adelaide Hospital said:

> Our goal this year is to align our activity management to maximise financial savings through reduced outpatient and theatres sessions and bed closures.

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:57): This was a matter that was canvassed in the media about two or three weeks ago as the—

Ms Chapman interjecting:

The SPEAKER: The member for Bragg.

The Hon. J.D. HILL: —shadow minister knows, and I think he had the answer to the question in the statement that he read from the person from the hospital. We are not reducing, overall, the amount of outpatient services at all. What we are doing is coordinating the leave arrangements so that there is better use of the resources so we do not have to employ, for example, ancillary nurses when other nurses are on leave, so that we can use the facilities of the hospital in the most efficient way. So, the same number of patients will—

Mr Pengilly interjecting:

The SPEAKER: The member for Finniss is warned.

The Hon. J.D. HILL: The number of staff is exactly the same. They are taking no more holidays than they would normally. They will be working the same number of hours that they would normally. They will be delivering the same volume of services that they would normally—

Mr Pengilly: You're cutting back surgery every year.

The SPEAKER: The member for Finniss.

The Hon. J.D. HILL: The question, in fact, related to outpatients, I think. The amount of services will be precisely the same. In relation to the issue of cutting back services, this year gone by, we had a record amount of elective surgery in South Australia—the biggest growth ever in the history of our state, as far as I understand, the most number of elective surgical procedures ever. We will continue at the rate that we established for the previous years into the future, because we have had good additional funding from the commonwealth to get rid of the backlog. So, we have got rid of the backlog, and, by working diligently with the service in the most efficient way possible, we will maintain the standard that we have established.

PANORAMA TAFE

Mr PISONI (Unley) (15:00): Does the Minister for Employment, Training and Further Education still consider the advice provided to him regarding the closure of Panorama TAFE to be accurate? The minister in this house on 29 October 2009 stated:

> I met with Mr Ray Garrand, the Chief Executive of DFEEST, at approximately 10.30 this morning with a view to obtaining further advice on that particular issue. He informed me that no meeting had occurred in which there was any discussion about the imminent closure of that particular TAFE site.

The Hon. M.F. O'BRIEN (Napier—Minister for Employment, Training and Further Education, Minister for Road Safety, Minister for Science and Information Economy) (15:00): I stand before the house and stand by the statement that I made on that day. There is no change.

PANORAMA TAFE

Mr PISONI (Unley) (15:01): As a supplementary question: how does the minister explain the existence of a set of minutes of a meeting held on 2 September 2009 regarding the closure of Panorama TAFE, given that Mr Ray Garrand's advice to him was that no meeting had taken place?

The Hon. M.F. O'BRIEN (Napier—Minister for Employment, Training and Further Education, Minister for Road Safety, Minister for Science and Information Economy) (15:01): If you would like to supply me with the material, I will have a look at it, but, on your past record—

Members interjecting:

The SPEAKER: Order!

The Hon. M.F. O'BRIEN: I can give this assurance to the house: no Church of Scientology courses will be introduced into TAFE SA.

Members interjecting:

The SPEAKER: Order! The minister will—

Members interjecting:

The SPEAKER: Order! The member for Giles.

APY LANDS, HOUSING AND EMPLOYMENT

Ms BREUER (Giles) (15:02): Will the Minister for Housing update the house on developments regarding the provision of housing and employment for people in the APY lands?

The Hon. J.M. RANKINE (Wright—Minister for Families and Communities, Minister for Northern Suburbs, Minister for Housing, Minister for Ageing, Minister for Disability) (15:02): I thank the member for Giles for her question and thank her for her passion and strong advocacy for the people on the APY lands. As members will recall, I signed a memorandum of understanding (MOU) with the APY Executive at the end of August which both committed and allowed the government to improve housing and employment opportunities on the APY lands.

The MOU is an important step that allows coordination with the APY so that we can implement the Remote Indigenous Housing National Partnership, which provides South Australia with more than $291 million over 10 years. The focus of the MOU and the national partnership is on increasing the supply of sustainable and suitable housing, reducing overcrowding and improving the condition of housing, developing responsible housing management services and creating meaningful employment and training opportunities for Anangu and the construction, maintenance and administration of the new housing.

The communities of Amata and Mimili were identified as priorities, and in this financial year 19 houses will be constructed in Amata and 18 in Mimili. I am pleased to provide the house with an update on the progress in these and other communities on the lands. In Mimili, six four-bedroom and four three-bedroom houses will be provided. Five floor slabs have already been poured and another five are being prepared, and wall and roofing framing is complete on two of these homes.

Some off-site construction for two one-bedroom and four two-bedroom houses is underway, and two transportable houses are on site and are at lockup stage. They are due for completion at the end of this month. These transportable houses will be used to accommodate families whose homes are undergoing refurbishment.

In Amata, site preparation, septic tank and service installation is underway on the six one-bedroom and five two-bedroom homes being constructed. Construction of another five three-bedroom and one four-bedroom houses has commenced off site. Like Mimili, two transportable houses are on site and lockup is due for completion by the end of this month. Again, they will be used to accommodate families whose homes are undergoing refurbishment.

Ms Chapman: There are four transportables.

The Hon. J.M. RANKINE: No, they are not all transportables.

Ms Chapman: No, four will be finished by the end of the month.

The Hon. J.M. RANKINE: Four will be finished by the end of the month, yes. I am also pleased to inform the house that, in Fregon, two floor slabs have been poured and five others are about to be poured, for the seven three-bedroom houses being constructed on site. All these homes are scheduled for completion by 30 June next year and, by the end of June 2012, 28 new homes will have been provided in Mimili, 22 in Fregon and 30 in Amata.

This is all great news. As we know, safe, quality housing for Aboriginal people is fundamental to building sustainable, healthy and productive communities, but it is also important to

provide the necessary assistance and social benefits around the houses. That is why we have included the 20 per cent employment target for Anangu in the construction and, importantly, in the maintenance and administration of these houses, and also why participation in the Homemaker service is a condition of tenancy. Further, a Housing SA regional manager has now been appointed to the lands to help communities move towards a public housing standard of management.

This government wants positive changes for the people of the APY lands. Real change is making a real and enduring difference to Anangu communities, and those changes are now underway.

PANORAMA TAFE

Mrs REDMOND (Heysen—Leader of the Opposition) (15:06): My question is to the Minister for Employment, Training and Further Education. If a meeting with staff of Panorama TAFE has not been held, as detailed in the minutes referred to by the member for Unley, how does the minister explain that the minutes of the meeting of 2 September and a letter with signatures of staff from the Panorama TAFE were faxed to Mr Stephen Conway of the department? In the document signed by the staff it is stated, 'In essence, the Panorama campus will be lost to the delivery of education and training.'

The Hon. M.F. O'BRIEN (Napier—Minister for Employment, Training and Further Education, Minister for Road Safety, Minister for Science and Information Economy) (15:07): I have requested access to the minutes. I do not know what they—

Members interjecting:

The SPEAKER: Order! The Minister for Employment, Training and Further Education.

The Hon. M.F. O'BRIEN: It has been brought to my attention that there is a set of minutes, which I have never sighted, and selected extracts have been quoted. I do not know the context. I have been given advice by my chief executive officer that no meeting occurred at which a specific directive was given to the staff at the Panorama college that the college would be closing. I have taken that advice in good faith, as would be expected.

Members interjecting:

The SPEAKER: Order!

Mr Pisoni interjecting:

The SPEAKER: The member for Unley!

The Hon. M.F. O'BRIEN: The statement that I gave previously to the house was that I took advice from the chief executive officer in which he informed me unequivocally that no meeting had occurred with staff at which a clear direction was given that—

Mr Pisoni interjecting:

The SPEAKER: Order! The minister will take his seat for a moment. The member for Unley is warned a second time. The minister.

The Hon. M.F. O'BRIEN: So, I stand by the advice that was given to me. That is all I can rely upon. I will be seeking access to the minutes and, if the minutes contain information that is at variance with the advice that I have tendered to the house, I will return. However, at this particular juncture, I will rely on the information and advice that has been provided to me by my chief executive officer, and that is that at no meeting was a clear direction given to the staff or the students of Panorama TAFE that that TAFE would be closing.

ROYAL ADELAIDE HOSPITAL

Mrs REDMOND (Heysen—Leader of the Opposition) (15:09): My question is for the Minister for Health, and it relates to comments that he made earlier. Why does the Minister for Health claim that the idea for the rail yards hospital originated from experts, whom he says the government consulted, when on 18 February this year the Premier said:

Rather than naming it after John Hill, whose idea was the hospital, we chose a great Australian, a governor of this state.

Members interjecting:

The SPEAKER: Order! The Minister for Health.

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:10): The trivia that is behind this question is extraordinary. We are dealing with the fundamentally important issue of the provision of health services to the public of South Australia. Our side of the house has a plan, a strategy, to ensure that there are sufficient health resources available under very difficult circumstances with the growth and demand and difficulties in supplying trained personnel in key areas. We have come up with a strategy which we believe will provide extra beds and extra services to the public for the future.

Members interjecting:

The SPEAKER: Order! I will not have bickering going on while the minister is attempting to answer the question.

The Hon. J.D. HILL: So, that is what we are trying to do. I said to the Department of Health, 'I want a strategy to deal with the issues that you have told me are facing our community—come back with a strategy.' They went away and then came back with an integrated strategy about health infrastructure, workforce, balance between primary and acute care, and a whole range of things.

One of the elements in that strategy was the proposition that we needed to build the RAH on a new site because it just did not work to keep it where it was. I took that strategy to cabinet and cabinet endorsed it. That is what I have said before. There is no difference between what I have said and the trivial kind of notion in the question that somehow or other the Premier got it wrong because it was really my idea after all.

Clearly, when a minister takes a package to cabinet, it is his submission, it is his or her package, and to suggest otherwise is really demeaning this place and demeaning to all of us in this place. Question time should be about serious matters that are of importance to the public—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: —not about trivial pursuit.

GLENSIDE HOSPITAL REDEVELOPMENT

Mr GRIFFITHS (Goyder—Deputy Leader of the Opposition) (15:12): My question is for the Minister for Mental Health and Substance Abuse. What project plans and documentation exist to support the approval provided by the minister, and subsequently cabinet, for the expenditure of $117.823 million for the construction of Precinct 1 (new health facilities, public open space and site-wide infrastructure) at Glenside, and is it normal practice for the government to endorse this level of expenditure based on concept drawings and a nine page report?

At the Public Works Committee meeting held today, committee members were asked to support the Precinct 1 project while being provided with only nine pages of information, with the costs components broken down into: health facilities, $75.323 million; site works and infrastructure, $24 million; principal contingency, $2 million; and professional fees, $16.5 million.

While breakdown details were provided on the $16.5 million professional fees cost, no detailed information was provided to the Public Works Committee on the remaining $101.323 million of this project. The committee was told that the details provided were identical to that provided to cabinet when it resolved to support the project.

The Hon. P.F. CONLON: I rise on a point of order. It is a point of order that has been taken by the opposition quite recently. I understand that the particular report is set down for debate before the parliament very soon.

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: It is, then, before the committee and it is specifically on the matters before the committee, that being a committee of the parliament.

Members interjecting:

The SPEAKER: The house will come to order. No, I do not uphold the point of order. It is an interesting point of order that the minister raises, and I will have to consider it, but for the

moment I will allow the question and allow the minister an opportunity to respond. The Minister for Mental Health.

The Hon. J.D. LOMAX-SMITH (Adelaide—Minister for Education, Minister for Mental Health and Substance Abuse, Minister for Tourism, Minister for the City of Adelaide) (15:15) I thank the member for his question relating to the project on the Glenside site. Of course, this is a very exciting project, a 129-bed hospital that will replace many old buildings that are up for renewal and, appropriately, should be replaced.

This is a great project that will provide good facilities for staff to work in and good opportunities to rehabilitate the patients there. I suspect that the substance of the member's question was: what went to cabinet in terms of documentation? I can assure the member that there was adequate information, but I am not in a position where I can tell the member what went to cabinet, because that is not how the process works, at least from this side. I know that on that side there has been a tradition of declaring information that goes through cabinet and leaking it to various people. That is not how we operate.

Certainly, it might well have been possible for the member to get information had those members of the committee stayed to the end instead of staging what I regard as a somewhat theatrical walkout in the middle of those questions actually being answered.

Mr PENGILLY: On a point of order, the minister is engaging in debate without sticking to the substance of the question and straying into grounds about which she knows nothing.

The SPEAKER: I think the minister is in order. Has the minister completed her answer?

The Hon. J.D. LOMAX-SMITH: Yes.

GRIEVANCE DEBATE

STORMWATER HARVESTING

Ms CHAPMAN (Bragg) (15:17): I rise today to inform the house that on 2 November 2009 a significant water forum on stormwater harvesting was hosted at SA Water House. It was a program under Smart Stormwater brought to fruition by the Water Industry Alliance in South Australia.

One of the keynote speakers was Steven Marshall, the General Manager of the Textile Division of Michell Pty Ltd. Steven has a Bachelor of Business degree from the University of South Australia and an MBA from Durham University in the United Kingdom. He has a passionate contribution to make about sustainability and the role that business can play in protecting our environment. I know how proud he is to work for a company with a strong commitment to reducing water use throughout its operations worldwide.

I am very proud to stand here to say that I am working with Steven, as he has been endorsed by the South Australian division of the Liberal Party as a candidate for the seat of Norwood at the 2010 election. I well look forward to him being the member for Norwood and bringing to the parliament expert advice on the questions of water and, in particular, stormwater harvesting, an area involving the engineering and security of water for South Australia, which the Rann government has utterly failed to deliver after seven years of drought.

This concerns me, because project after project has been put together and presented, and all the government has done is introduce a water authority and given Nick Bolkus the job as chair of the authority for water projects. What have we got out of it? Absolutely zip! We have to have harvesting from South Australia's eastern area in the Adelaide Hills to collect the hundreds of thousands of litres that come off the hills face areas and the eastern suburbs every year. It is enough to water the whole of Adelaide.

I am pleased to report to the house that a draft plan for maps of 15 potential stormwater harvesting sites between Campbelltown, Norwood, Payneham & St Peters, Burnside, Walkerville and Tea Tree Gully councils is now under consideration. They are taking action where the Rann government has failed and they are putting together a package for consideration—a $38 million eastern stormwater plan—which will involve the creek diversion and biofiltration, together with creation of wetlands and park areas, including Kensington Park, Penfold Park, Magill and Tusmore Park.

It is a great initiative. It is a great collaboration between councils which cannot wait any longer for state and commonwealth governments to deliver in relation to these matters. I applaud

Steven Marshall and others who have put their name forward to support such incredible projects to ensure that we have some water security, so that we do not have to have these water restrictions, dead gardens, exhausted people trying to keep precious garden areas alive, and so that we do not see dead trees along our streetscapes. This will also ensure that we do not carve into this enormously important food production area in South Australia. Of course, the protection of the environment is very important, particularly the River Murray.

It continues to be a great concern to people in the eastern suburbs that we are not doing enough about this. They want to do something about it; they want to participate in programs that will help support the provision of water for urban South Australians, particularly in the greater Adelaide metropolitan area. They are keen. They understand the problem. Steven Marshall understands the problem. He will be the great warrior for water in this house which has failed to be delivered by the Rann government as we move into 2010. I look forward to welcoming him into this parliament to ensure that that happens for the provision of water for all South Australians.

KOSMIDIS, MR G.

The Hon. M.J. ATKINSON (Croydon—Attorney-General, Minister for Justice, Minister for Multicultural Affairs, Minister for Veterans' Affairs) (15:22): Today I would like to place on record the state's recognition and appreciation of the extraordinary life of Gervasios Kosmidis who was born near Ankara in Anatolia in the former Ottoman Empire on 20 November 1904 and died peacefully in Adelaide on 1 November 2009.

Gervasios's parents and ancestors were from Imera, a flourishing township of 200 Greek families in Pontus, on the southern coast of the Black Sea in modern day north-eastern Turkey. Pontus had been colonised by the Greeks in antiquity. Most of the residents were landowners, millers, bakers, merchants and miners. The Pontians had, over many generations, become recognised for their knowledge of mining and metal processing.

Gervasios's ancestors left Imera and settled at Akdagmanden (White Mountain) where they got work as miners. Gervasios was born at Akdagmanden and had three younger sisters. During the early years, they lived well, but after famines his father left to enlist in the Turkish Army and life became hard. Gervasios retold the story of the day when, at the age of 10, he was taking the family's animals to pasture—two cows in calf and 12 goats. Thieves threatened him and stole all the stock. When he told his mother, she sought and found the thieves and asked for her animals to be returned. In return, she received a beating and later the thieves robbed from their house and then burned it.

Gervasios's family escaped with a few clothes which they had salvaged from the burning house and then they began to walk to Ankara. After two months, they arrived in Ankara where conditions were peaceful but life was difficult. At times, Gervasios was driven to begging to feed the family. When Gervasios was 18, the family travelled to Constantinople where they were reunited with his father who, in the meantime, had been discharged from the army. It was good having the family together again. However, this was also the time when Pontians were being mercilessly driven from their homes and many Pontians were passing through Constantinople on their way to Greece. Gervasios Kosmidis's family was among those who went to Greece where they settled in Grevena, south-east of Thessaloniki. Thessaloniki became the 'Pontian heartland' after the exile of the Pontians.

Of course, Pontians were forced to flee from Turkey to escape the genocide. Earlier this year, I was lucky to be invited to address a rally in Thessaloniki organised by the Pan-Pontian Federation to lend my support to the Pontian cause to have the genocide recognised internationally and acknowledged by the Turkish government. At age 24, Gervasios married Chariklia, a Pontian compatriot from Imera. She was only 18. They lived together for 81 years.

Many Pontians later chose to migrate to Australia, and South Australia has a strong and active Pontian community of which Gervasios Kosmidis and his family were active members. Gervasios, Chariklia and their family migrated to Australia in 1962 on the ocean liner, *Patris*. At last, he put down roots. Gervasios and Chariklia had nine children, though two died as infants, 24 grandchildren, 49 great-grandchildren and six great-great-grandchildren. Gervasios spoke Pontian and, Greek, Turkish and a little English.

When he came to Australia, to make ends meet Gervasios first worked at two jobs simultaneously—as a farmer and as a builder. He later worked for seven years with the E&WS from where he retired. He lived with Chariklia in a small flat at Alberton with his children,

grandchildren and great-grandchildren nearby. Gervasios did not smoke or drink alcohol, and each day Gervasios and Chariklia would go for a walk.

He had a love of reading and of singing psalms. From a young age, he liked chanting in church, and he knew many psalms and Bible readings by heart. Gervasios would never miss church, and he had taken the opportunity to visit Mount Athos, the centre of Eastern Christian Orthodox monasticism, Jerusalem and many other monasteries. Gervasios and Chariklia strictly kept all the fasts.

Gervasios Kosmidis is survived by his widow, aged 98, six children and many adoring grandchildren, great-grandchildren and great-great-grandchildren. Gervasios will be greatly missed, and I offer my condolences to his family and friends.

EASLING, MR T.

The Hon. I.F. EVANS (Davenport) (15:27): In July 2004, in the weeks leading up to Tom Easling's arrest on 31 July, the Department for Families and Communities received so many complaints from the industry sector about the conduct of the Special Investigations Unit that it wrote a memo to the then chief executive, Kate Lennon, on 27 July, just four days before Tom Easling's arrest.

That memo recommended to Ms Lennon that she appoint a consultant to look at the Special Investigations Unit. The consultant the department called in was none other than ex-deputy police commissioner Neil McKenzie. I received a copy of that memo through an FOI application so, when I read that there were industry complaints about the Special Investigations Unit, I put in a freedom of information application seeking copies of those complaints from the industry sector.

I got an FOI response back from the department saying that no documents existed. Yesterday, the department issued a media statement, which stated:

> The department is confident that its searches under the FOI Act are rigorous and it stands by its determination in the matter. Notwithstanding the Hon. Iain Evans's belief that such documents exist, the department, after repeated and thorough searches in accordance with its obligations under the FOI Act, has concluded no such documents exist.

I bring to the attention of the parliament, I bring to the attention of the South Australian people and I bring to the attention of the South Australian cabinet the existence of the very documents the department has had all the way along. The department has had these documents from day one, and it dare respond to the media and it dare respond to the member of parliament concerned that these documents simply do not exist.

Let me tell the parliament: these documents do exist, and they existed at the time within the department—a letter from CREATE Foundation, an industry group, complaining; and a letter to Steve Edgington, who was the general manager of the Special Investigations Unit, complaining about the conduct of the Special Investigations Unit. That is dated 16 July 2004, and it was copied to Kate Lennon, the then chief executive of the department. If you believe the department now, this document simply does not exist. Then there is another one from the Lutheran Community Care dated 16 July 2004, again to Steve Edgington, again copied to Kate Lennon. The department would have you believe that this letter of complaint about the Special Investigations Unit simply does not exist.

Then there is another one. There is one here from the Connecting Foster Carers of South Australia dated 15 July 2004. That goes to Steve Edgington, head of the Special Investigations Unit. There is another one dated 16 July again from the Lutheran Community Care which again goes to Steve Edgington and again to Kate Lennon. The department says these documents simply do not exist.

This is a shameful day for South Australia in my view. This department has said no such document exists. I put this question to the parliament and I put this question to South Australia: why is it that these documents existed prior to the call for a royal commission and yet when someone calls for a royal commission into the investigation of that very unit, where all these documents were sent, when someone calls for a royal commission into that particular agency, the department says the documents do not exist? They just do not exist.

It is obvious to me that this department is lying. It is obvious to me that this department is involved in a cover-up, and I say this to the government: if you are too gutless now to implement an independent inquiry into this agency, which is lying to the members of parliament and lying to the public, then it is on your heads because the South Australian public deserves better. The South

Australian public deserves an independent inquiry into what was going on in the investigations unit of the Department for Families and Communities. They did Tom Easling over. He deserves an inquiry and this is an absolute disgrace.

Time expired.

FAMILY VIOLENCE

Ms BEDFORD (Florey) (15:32): As we come to the end of 2009, I would like to wish everyone a safe and happy festive season. In doing so, I recognise that it is also a time of great strain and stress for many families. It is a sad fact that domestic and family violence can surge at this time of year and, as a society, we need to renew our commitment to safe environments for all.

The Rann government is strongly committed to ensuring that all women and children and, indeed, the whole community live safely, free of all forms of violence. After a consultation process, this government has recently taken legislative steps to this end and, federally, we have also seen a good deal of work done on highlighting binge drinking.

Drinking to excess, rightly recognised now as a significant problem in Australia, is a key trigger for violence, and I feel for those working hard to provide safe venues for students who have travelled to Victor Harbor for Schoolies to celebrate the end of their year 12 studies and exams. Recent reports on Hindley Street underline the problems that alcohol can bring here in the CBD. In homes all over this nation, domestic consumption of alcohol to excess can add to tensions accompanying daily life in these times and push people beyond reasonable behaviour.

Alcohol addiction, as with other addictions, is a symptom of other underlying problems and, as a child, I witnessed firsthand how family life can crumble when appropriate action is not taken. Prevention is better than cure in all situations and that has been a driving force behind the government's new measures in initiating a pilot Family Safety Framework approach to addressing the devastating and debilitating issue of domestic and family violence.

At its beginnings, what may seem to be benign changes in behaviour can involve little more than raised voices. The common denominator is that the person on the receiving end of this verbal abuse feels uncomfortable enough to begin to dread similar confrontations. At the other extreme, a person's safety can be threatened and, sadly, there continue to be far too many high profile and very tragic cases with the death of a partner, child or, even worse, total familicide.

Too often the signs are seen but action seems too hard to take with people often feeling totally helpless to prevent the devastation of broken families or loss of life. The Family Safety Framework strategy importantly aims to have agencies work together in a coordinated, consistent approach with improved responses to women and children at risk and also the men who use violence.

A feature of the initiative is the Family Safety Meeting. In a similar way, I would like to see a restorative justice style of meeting introduced, where possible involving the perpetrator or the person likely to become violent, where they might receive assistance before a crisis transpires. It is apparent from the Department of Justice's November 2008 final evaluation report that better ways of engaging perpetrators must be identified and implemented as a matter of urgency.

I commend all who work to expose and prevent domestic violence and those who deal with the families affected by it. A local Tea Tree Gully group, NEDVAG (North-East Domestic Violence Action Group) does great work and I thank them for their important contribution. I also commend the commitment, dedication and passion of those involved with the Coalition of Women's Domestic Violence Services in South Australia and the Domestic Violence Death Review Advocacy Coalition South Australia.

Returning to the theme of alcohol being associated with violence, and especially violence against women, it has been heartening to see the government's changes to rape and sexual assault become law. Rape and sexual assault have been a very prominent part of problems sporting clubs deal with on an all too regular basis. End of year club trips especially see young people particularly vulnerable, as both victims and perpetrators. Some very good work is being done by sporting codes and academic research is shining a light on this very phenomenon; that is, where alcohol and testosterone meet.

To me, it highlights that, as a society, we are not yet comfortable naming the boundaries and behaviours that are not acceptable, let alone dealing with them. Much like whistleblowing, the mechanism to control and counter extreme and violent behaviour is still to be defined. Like bullying

and corruption, it seems to be difficult to identify, with some feeling it is only a trifling issue. Peer pressure and the need to conform are other powerful factors.

Very little seems to have changed to strengthen the resolve of those who witness and wish to intervene in powerful emotional situations. We must develop clear guidelines and processes to deal with situations before they escalate. Help must be available and coping strategies put in place until the behaviours are changed. In the past, women, children and pets have been forced to flee. Lives which are disturbed by violence are being completely turned upside down and damage to children especially is enormous inside the family and well beyond when extended family members are also involved.

This Christmas, as we each ponder the meaning of peace on earth and goodwill to all as we spend precious time with our loved ones, families and friends, let us spare a thought for those facing fear, sadness and despair and those who will care for them, the health care workers and personnel of emergency services who deal with these incidents as they occur. We owe them a good deal of thanks and wish them, too, time with their families in this festive end of year period.

UNLEY SALVATION ARMY

Mr PISONI (Unley) (15:37): Today I would like to speak about a celebration event that happened in my electorate just a week or so ago. On Monday 26 October, I hosted a morning tea in the Old Chamber for the Salvation Army volunteers in my electorate. The Salvation Army has just celebrated its 125th anniversary. In 1884, a group of volunteers commenced Unley Salvation Army and currently they are celebrating 125 years. At that morning tea, we were blessed with the visit of General Eva Burrows, who, of course, is a remarkable woman. Born in September 1929, she was elected General of the Salvation Army in 1986 and served as world leader until her retirement in 1993. We were very honoured to have her join us in celebrating the success of the Salvation Army in Unley for that week in October.

There was a whole week of outreach at the Unley Shopping Centre, where the Salvation Army offered special commemorative shopping bags. General Burrows shared in a meet and greet picnic at the Mitcham Reserve. She led a Sunday celebration service. She visited the struggling in our community and shared a meal with them. She was guest speaker at the Rotary Club of Unley. She was interviewed on radio and was given a tour, with the Salvation Army officers, of Parliament House, and I was very pleased to host that tour.

I will mention some of the achievements of the Salvation Army in Unley over the years. They have given support to the lonely and the lost in our community. In a recent innovation under the leadership of Major Reno Elms, we have seen the lounge in Marion Street open on most days, where people either can grab a coffee or a free lunch provided by volunteers. The open program supports young families in the area with weekly parenting groups and preschool activities. The thrift shop is very successful and is open daily. It provides recycled clothing and volunteer opportunities and a supportive network to many.

They provide a volunteer counsellor who talks to anyone who needs support. On Sundays the Salvos have a prayer corner from about 9am. They provide weekly Sunday services for all their community, followed by a coffee and a biscuit.

I was very fortunate on 26 October as part of my tour to meet some of the hardworking volunteers in the Unley Salvation Army. They included Major Reno Elms, and, of course, the Mayor of Unley, Richard Thorne, joined us; as well as Wendy Marshall, Robert Rosenthal, Barbara Tinning, Judy White, Jean Gill, Alf and Mavis Ball, Ev Shate, Margaret Gross, Sharon Allen, Doreen Hynes, Alison Vaughn, Beverly Foy, Marlene Whiting and her husband Ron, Susan Lehmann and Lyn Davies.

I would like to take this opportunity to congratulate the Salvation Army, and Major Reno Elms in particular, for pulling off such a great celebration of an organisation that does nothing but give in the community. I know that when I doorknock during the Red Shield Appeal weekend it is never difficult to ask people to contribute because of the work the Salvos do in the community. Their work is well known in the community and they are valued by all.

MORIALTA ELECTORATE, COMMUNITY EVENTS

Ms SIMMONS (Morialta) (15:41): I rise today to talk about two community events that took place in my electorate last weekend. First, I want to congratulate the Rotary Club of Morialta on the 10th anniversary of its Disco Roll event. In 1999 a parent of a teenager with a disability (June) talked to her respite carer about how she wished that her son, Damien, could enjoy going to

a disco with other children of a similar age without unfair judgment or alienation. His respite carer, Judy Cushway, and her husband, Alan, were and still are active members of the Morialta Rotary Club and decided to take on the challenge.

The event has been so popular that it has taken on a life of its own, with participants starting to phone about March to check that the Disco Roll will again take place in November. I must admit that my husband, Ken, and I had tremendous fun on the evening—most of it from watching the pure joy and excitement of the youngsters and their parents and carers. About 300 participants in all were at the event. For just a $3 entrance fee everyone gets a free soft drink and a sausage sizzle, and families bring their own snacks to share.

It was a great disco throughout the night, with a full dance floor of most competent dancers, especially when it came to *Nutbush*, which was particularly enjoyed. A clown walked around and entertained each table with card tricks and jokes. There were many give-aways, such as flashing rings, headbands, goofy glasses and luminous bracelets, which went down extremely well with the participants; and there was also a face painter. Probably the highlight of the night was a visit from the *Star Wars* Association of South Australia, which I had never come across before. That association included Darth Vader, storm troopers, sith laws, Jedi masters and more.

All these wonderful people volunteered their time and really joined in with the youngsters, posing for photos with the kids and dancing with them in full costume. It was a very hot night, and I commend the way they stayed in character throughout and delighted everyone present. My sincere congratulations go to the members of the Rotary Club of Morialta who all volunteered their time—June and Damien, Judy and Alan Cushway and all the volunteers who made this evening for the youngsters so fantastic. We had a great birthday cake to celebrate, and that was shared around with everyone present. I would like particularly to thank them for their very kind invitation to be part of this most enjoyable night.

On Sunday the Morialta Residents Association (MRA) hosted a lovely afternoon to celebrate the final purchase of the portion of the Morialta Conservation Park, affectionately known as Lot 100. The MRA has been campaigning for this purchase for over 20 years. In 2007 I was approached by local residents, Dr Owen Burgan, Trish and Nick Malbon and Steve Swann, to advise me of the background to this land purchase. I have been pleased to work closely with the previous minister for the environment and heritage (Hon. Gail Gago), the current minister (Hon. Jay Weatherill) and the Minister for Urban Development and Planning (Hon. Paul Holloway) to make this purchase finally happen. I thank them all profusely for their guidance and advice throughout my research and negotiations.

The Morialta Residents Association has been diligent and tenacious in its approach. People would phone weekly to find out where we were at in our progress and kept me on task throughout this period. The current president, Peter Sydenham, also needs to be mentioned, as he took up the cudgel. This group has endured setback after setback over the decades, and there have been many players over this time—too many to mention here. I congratulate them all for not letting go of their aim.

This park is a state treasure, and the only conservation park accessible by public transport from the Greater Adelaide area. The addition of this parcel of land ensures that everyone has easy access to this popular natural resource, and helps conserve South Australia's unique and diverse plants and animals. I congratulate everyone involved in making sure that this purchase happened.

AUDITOR-GENERAL'S REPORT

In committee (resumed on motion).

(Continued from page 4738.)

The CHAIR: We will now deal with matters relating to the Minister for Education, Minister for Mental Health and Substance Abuse, Minister for Tourism and Minister for the City of Adelaide. I remind members that normal procedures for the committee of the whole house apply, and participants are required to stand to ask and answer questions. Questions must relate to identified lines in the Auditor-General's Report for June 2009. The member for Unley.

Mr PISONI: This question relates to Part B of the Auditor-General's Report, Volume I at pages 288 and 289. Is the minister able to explain to the committee the section headed 'Certification of school maintenance charges (metropolitan sites)'? The third paragraph states:

Contractor invoices are paid by DTEI's Facilities Manager, who recharges DTEI for this work. DTEI then recharges DECS for work performed.

Is the minister able to advise the committee how that process works; and, in the case of the Building the Education Revolution (BER), if we look at, say, the school halls program, is she able to give a figure as to how much of the grant allocated to the school is actually spent at the school?

The Hon. J.D. LOMAX-SMITH: The question relates to the amount of funding that is allocated through the very generous funds donated as a stimulus package by the federal government. This, I believe, started as a $14.9 billion project and is now over $16 billion. I am very happy to say that every part of the allocation to the schools goes to the schools. The state government does not, as has been misrepresented in some quarters, take a service fee out of the funds that are allocated. They get 100 per cent of the money that they have been offered for building halls, gyms or whatever. Part of the Primary Schools for the 21st Century funding comes through to them.

Mr PISONI: So, are you saying that DTEI does this work for nothing? It states:

Contractor invoices are paid by DTEI's facilities manager, who recharges DTEI for this work.

So, I would imagine that there would be costs to be recovered in both those instances. It continues:

DTEI then recharges DECS for work performed.

Are you saying that public servants do this work for nothing? What I am interested in is the actual cost of that process.

The Hon. J.D. LOMAX-SMITH: I think the member for Unley is talking at cross purposes. The BER projects, on the line that he is interrogating, are not recorded there. I have given him the correct answer for the BER project but, in fact, it does not relate to this page or this issue. This is about maintenance issues, so he is actually asking a question unrelated to this budget item.

Mr PISONI: Are you telling me that DTEI does not have anything to do with maintenance in schools? I am asking how this process works? It states that contractor invoices are paid by DTEI's facilities manager, who recharges DTEI for the work, and then DTEI recharges DECS for the work. I want to know what that costs. It is a simple question. It relates purely to this page and this line; I have read it out.

The Hon. J.D. LOMAX-SMITH: As I said, I think the member for Unley has addressed his question in relation to the Building the Education Revolution, a federal government project, and I will reiterate my answer that this page does not reflect that program.

Mr PISONI: Minister, you are deliberately avoiding the answer.

The CHAIR: Order! Member for Unley!

Mr PISONI: This is about costs incurred—

The CHAIR: Member for Unley!

Mr PISONI: —inside a department for invoicing.

The CHAIR: Member for Unley! This is not the place for debate or asking general questions. It relates to matters contained specifically in the Auditor-General's Report. Your reference was to page 288 of Volume I, Part B. The headings on that page are: 'School maintenance. Development and documentation of a service level agreement with Department for Transport, Energy and Infrastructure' and 'Certification of school maintenance charges'. The minister has indicated that the question you are asking does not relate to school maintenance charges and is, therefore, not related to this page. I ask you to move on.

Mr PISONI: I beg to differ, chair. It states on page 288:

Contractor invoices are paid by DTEI's facilities manager, who recharges DTEI for this work. DTEI then recharges DECS for work performed.

I want to know what it costs to do that. We have all this handling of money and invoices and I want to know what it costs.

The CHAIR: Member for Unley, sit down!

Mr PISONI: For heaven's sake.

The CHAIR: Member for Unley, sit down!

Mr PISONI: If she does not want to answer she should just say that she does not want to answer.

The CHAIR: Sit down and keep quiet. Member for Waite.

Mr HAMILTON-SMITH: I would like to ask a question about substance abuse. I refer to Volume II, page 589, which deals with the Southern Area Health Service. I observe that it is difficult to find clear information in the budget papers about spending and investment on drug and alcohol services through DASSA. Similarly, there is not a lot on it in the Auditor-General's Report. Could the minister advise the house what is the total budget of DASSA and how much money is being spent, and, in particular, could she tell us where we might find a more detailed statement of the breakdown of DASSA expenditure?

The Hon. J.D. LOMAX-SMITH: I thank the member for that question. He is quite right, it is difficult to find those numbers within these documents. I think that is one of the challenges with mental health, because the funds are not easily identifiable. I am very happy to take that question on notice and give the member a briefing, if he would like, about how the DASSA system works. It would be quite useful for the member to understand that and I am very happy to arrange it.

Mr HAMILTON-SMITH: Thank you, minister, I appreciate that. I do not know if we could do that before the end of the year, but it would be great. I will contact your office. My second question deals with the same volume and page, Southern Area Health Service. I am interested in the value of DASSA's properties at Norwood, Joslin and North Adelaide. Is the minister able to give us that information?

The Hon. J.D. LOMAX-SMITH: I think you are referring to Norwood, Joslin and North Adelaide?

Mr HAMILTON-SMITH: Yes.

The Hon. J.D. LOMAX-SMITH: For those properties I do not have an evaluation. Clearly, there would be some Valuer-General comments for those pieces of land. We can find that information for you.

Mr HAMILTON-SMITH: I refer to Volume II, page 589, recurrent funding to the various health services. I understand that it is the government's intention to sell Norwood, Joslin and North Adelaide and reinvest the funds from the sale of those properties elsewhere into the budget. Could you inform the house of those plans, when we might be planning to sell those, and will the proceeds be going into the new mental health facility at Burnside, or will they be expended on other items?

The Hon. J.D. LOMAX-SMITH: Clearly, there is a significant change in the bed locations and how the services will work in the future across the whole system. Those items are not in the Auditor-General's lists. I am very happy, again, to give you a complete briefing on the bed plan and where the services will be located in the future. It is actually quite complicated. It is not delineated in these documents.

Mr PISONI: Okay, let's try this: can the minister explain the process that is outlined in paragraph 3 under the heading 'Certification of school maintenance charges'—page 288?

The Hon. J.D. LOMAX-SMITH: The member is now discussing maintenance within schools, and this item reflects metropolitan sites only, as the heading suggests. School maintenance is managed by a whole of government facilities management contract. That is administered by DTEI. I am informed that a standard contract management fee of approximately 2 per cent is paid by DECS to DTEI, and those matters are managed through accounting processes with proper audit control and proper monitoring.

You will note that this is clearly the case, because, in relation to the Auditor-General's Report, it is quite clear from his comments that he has advised that in all material aspects the financial statements present fairly the financial position of DECS in accordance with Treasurer's Instructions and the Australian accounting standards.

In terms of all of the matters that had been raised, actions were taken, as outlined throughout the document. So I think that the general audit facility in terms of checking those transfers of costs and moneys are acceptable to the Auditor-General.

Mr PISONI: I again refer to page 288, school maintenance. The AG noted that DECS has not developed a service level agreement with the Department for Transport, Energy and

Infrastructure for the provision of facilities management services; therefore, basic specific roles and responsibilities are not detailed, such as approval to incur expenditure responsibility for verifying quality work, monitoring and reporting the subcontractor report performance, auditing charges, and responsibility to verifying work quality. Why, minister, has DECS waited for the Auditor-General to draw its attention to such a significant fault in processing in dealing with contractors—the quality and timeliness of their work and payments made to them?

The Hon. J.D. LOMAX-SMITH: The question that the member asks relates to a new agreement that was begun in July, and the service level agreement is currently in draft form and will be finalised by the beginning of next year.

Mr PISONI: I refer to the same volume, page 289, reconciliations from International Education Services. The Auditor has noted inconsistencies in reconciliations dating back as far as July 2005. When will the firm contracted to resolve these variances complete its investigation and when will the results be available, and will they be publicly available?

The Hon. J.D. LOMAX-SMITH: Will you excuse me? I think you were asking about International Education Services.

Mr PISONI: I will give you the question again, minister. It states that the Auditor has noted inconsistencies in reconciliations dating back as far as July 2005, and this is in reconciliations by International Education Services. Then I asked the question: when will the firm contracted to resolve these variances complete its investigation and when will the results be available? Will they be made public or published? This is on pages 289-90.

The Hon. J.D. LOMAX-SMITH: I have identified the paragraph in question. It does relate to the International Education Services. These reconciliations have been completed and the general ledger and IES database now both reconcile, but this reconciliation will continue as part of our normal processes and it will be monitored on an ongoing monthly basis.

Mr PISONI: Referring to pages 286-87 on outstanding monthly leave returns and flexi sheets, the Auditor-General noted that 31 per cent of monthly leave returns and flexi sheets due in 2008-09 remained outstanding to May this year. This is an ongoing problem which was identified some years ago. When in 2010 is the electronic system projected to be in place and how will it solve the problem?

The Hon. J.D. LOMAX-SMITH: Considerable effort has been put into improving this area of activity and, in order to make the process more efficient, DECS has indeed developed an electronic bona fide certificate system to simplify the process. It is anticipated that implementation will occur in term 1 of 2010. I think that most people would understand that an electronic system would be more effective than a manual one, and I think that goes without saying.

Ms CHAPMAN: I refer to Part B, Volume II, which covers the health portfolio. I think, as the minister has indicated, she does not have any discrete division of this for mental health; however, all of mental health is incorporated therein. At page 567 is the provision for comment by the Auditor-General in respect of the $147 million spent on capital funding for health services, and I think in response to previous questioning on page 589, the capital funding incorporated by each unit spent in the relevant year which is to 30 June 2009. My first question is: how much has been spent to 30 June 2009 on the Glenside Hospital redevelopment?

The Hon. J.D. LOMAX-SMITH: Clearly, this has been a very technically challenging exercise. You can imagine that to be involved in rebuilding a hospital it has been necessary to move those staff who were occupying office areas and move the patients to suitable accommodation. It would not be acceptable to the government to put patients in substandard accommodation which they would have to occupy, albeit for a short term stay. It was important that we refurbish the temporary accommodation to a proper standard. So, the funds that have been expended on the site are the interim arrangements for those staff and patients who have been moved from the southern side of the site to the northern side of the site.

In addition, there have been fees involved in the design of the new hospital and only a couple of months ago building work began on one of the non-hospital facilities on this site—again, on the eastern side of the location. The funds that were expended in 2007-08 were $1.402 million and, in 2008-09, $4.095 million. That related to master planning, design processes, project enablement (which is the jargon for supporting the occupants of the site while they are in interim accommodation) and project management. As I have said, there was the beginning of one of the

developments on the site, not the actual 129 bed hospital but the intermediate care centre, which is on the far east of the site, as you would know, very close to Masada College.

Ms CHAPMAN: During that time, the property in the centre of the site was sold to the Department of the Premier and Cabinet for the Film Corporation, and I think $2.5 million was the price. Has your department received that on the income side, or has it gone to someone else?

The Hon. J.D. LOMAX-SMITH: We have not actually sold any land at this stage. As far as I am aware, this was an internal transfer.

Ms CHAPMAN: That is why I need to be clear about this, minister. Internal or not, it is disclosed on the Premier's side of the ledger, and he has to pay that money because he is getting that land, and it will be transferred across to him. It has a value, and it is property that will now be inalienable for the purposes of development in your portfolio—obviously, it has taken on a new flavour—and that is the figure that is there. Are those funds being transferred to you on paper or in reality? Are they coming to you, or are they going to some other department?

The Hon. J.D. LOMAX-SMITH: I am sorry, but I am unaware of the item line the member is talking about. I am not sure which item in the documentation she refers to.

Ms CHAPMAN: I am referring to the redevelopment of the hospital. I can also refer to the actual Premier's provision in the budget for 2008-09, which is the year the subject of the Auditor-General. He developed a $43 million development but, in addition to that, $2.5 million is the consideration agreed upon. He has told the parliament that it was as per the evaluation, so neither I nor anyone else could buy it. He has bought it and he has developed it already.

So, it would be concerning to me if, in fact, you ever let him start building on it without actually paying for it or having the title transferred to him. I would like to be clear on whether or not he has it; if so, has he paid for it and do you have the money?

The Hon. J.D. LOMAX-SMITH: I think that the item to which the member refers occurred in a subsequent financial year and not in the one under question, so I am not sure that it is the subject of debate in this Auditor-General's inquiry. However, if the member recalls, the letter that was written by the Hon. Iain Evans, suggesting that sale of land at Glenside would be possible, was written under the cover of a minister, I think, of the Department for Environment and Heritage.

Ms CHAPMAN: We know that the title is held by the Minister for Environment and Heritage, and minister Gago has told us that many times and answered questions about it when she was the minister; she held both titles of minister for mental health and minister for environment. She confirmed that the title was in her name as the minister for environment, which was not unusual for some properties under the old minister for lands.

Some property ended up in the Department of Health and some ended up in the department for environment. This is a mental health facility, and it has been there for over 100 years. It is on the books as an asset of the Department of Health. When we asked this question, minister Gago did not know whether or not she was getting the money. It would be concerning if this asset was sold off, remembering the statements made by the government to date that they need to sell off part of this property to facilitate the development of the hospital. I would like to know whether you are sure that you are getting it or whether you have it.

The CHAIR: Member for Bragg, I think that the minister has acknowledged that looking at the mental health area is rather difficult, given the current layout of the accounts. She has also indicated that the events to which you refer occurred after the period to which the examination relates. I am just not sure that the minister can go any further. Does the minister wish to say anything or have I summed it up?

The Hon. J.D. LOMAX-SMITH: I think I have explained that the transfers that she refers to are in a different financial year and relate to the Department for Environment and Heritage. I do not think there is any more to add.

The CHAIR: The member is welcome to ask questions in the remaining question times.

Ms CHAPMAN: Thank you. I think I am entitled to that, irrespective of your approval. So I can be clear about this, minister: do you expect to receive it one way or the other into your department or haven't you budgeted to receive that money?

The CHAIR: Member for Bragg, this is not a question relating to the Auditor-General's Report for the year ending 30 June 2009. Does anyone else have any questions?

Ms CHAPMAN: I have a number of questions. There are letters to the Auditor-General in respect of the proceedings in the District Court at the moment, as you know. They are both against me as the defendant, in the case where the Department of Health is seeking to overturn the decision of the Ombudsman for the production of documents in relation to the Chapley preference arrangement for part of the subject property.

My question to you is: has your department received a bill yet from the Crown Solicitor's Office as to how much it has spent in the 2008-09 year for legal costs associated with those proceedings, and if so, how much?

The CHAIR: Member for Bragg, can you give us a reference for your question?

Ms CHAPMAN: I am referring to 'Supply and Services' at page 575, which is $228 million for the subject year, and that relates to expenses that are paid. As the minister knows, if she uses the services of the Crown Solicitor's Office for her department, they get a bill.

The CHAIR: I think the member for Bragg has been here long enough to know that every component of the line it is not subject to scrutiny, but is the minister able to provide any assistance?

The Hon. J.D. LOMAX-SMITH: Any matter that is before the court is beyond our ability to comment upon.

Ms Chapman: I was just asking how much you paid for it.

The CHAIR: Order!

The Hon. J.D. LOMAX-SMITH: But judging from the fact that the member describes something that is happening currently, I do not believe that it is relevant to discuss that matter within last year's budget.

Ms CHAPMAN: Do you know anything about these proceedings, minister?

The CHAIR: Member for Bragg, that is not a subject for the Auditor-General's Report.

Ms CHAPMAN: Can I ask you whether you or your department have actually informed the Auditor-General about these proceedings?

The CHAIR: I doubt that that is a subject for the Auditor-General's Report, either.

The Hon. J.D. LOMAX-SMITH: I do not believe that is an item that one would generally inform the Auditor-General about because he is reflecting on last year's documentation for last year's accounts, and I would refer you to the fact that you have told me that you are asking about an action that is occurring now.

Ms CHAPMAN: It is probably more disturbing to hear that answer than anything because these are proceedings that have been going on since prior to the end of the financial year 30 June 2009. Obviously, you do not know anything about what costs might have been paid for them so far by your part of the department as the action being taken to challenge the production of those documents as directed by the Ombudsman.

Yes, they are ongoing and next year I might ask you or your successor some questions about what you might have spent in the 2009-10 year on these proceedings, but if you do not know anything about these proceedings or you do not know how much money is being spent on the them, that is of great concern to us and I would be concerned if you were to tell me that you are not even aware whether anyone in your department has told the Auditor-General about these.

The CHAIR: Order! The member strays into areas that are for general question time questions. They are not areas for which the minister is expected to be briefed for this report. Minister, do you wish to say anything?

The Hon. J.D. LOMAX-SMITH: I remind the member that freedom of information is something that we have opened up significantly since being in government. We are more accountable, more responsive and faster to respond, and as a minister, of course, I have no role in making those determinations. They are made by officers within the department and I would always allow them to make the proper decisions. I know that previous governments have interfered and been involved more closely but that is not the way we operate.

Ms CHAPMAN: If you are not aware whether the Auditor-General has been informed about the costs, is it your intention, minister, to inquire as to what might have been spent on these proceedings to date, a cost which comes out of your budget?

The CHAIR: Again the relevance of this to the Auditor-General's Report is doubtful.

The Hon. J.D. LOMAX-SMITH: I do believe that it is incumbent on us to cooperate in any way with the Auditor-General and we will do that in whatever way is necessary. We will make any documentation available to him and we are very happy to do so. We have nothing to hide.

Ms CHAPMAN: I think minister Conlon answered this question without any detail at the time, but my question is: has the government signed a contract to sell part of the Glenside site to the Chapley family (or its nominated company) and, if so, for how much?

The Hon. J.D. LOMAX-SMITH: This is a question that we have answered several times before. The answer does not change, but, in any case, whatever the answer was, it is not relevant to this discussion, and perhaps you would like to turn to your left to the member for Davenport who also offered this land for sale.

Ms CHAPMAN: Wrong. Don't mislead the house on that.

The CHAIR: Order!

Ms CHAPMAN: You may not be aware of this considering that, so far, I am not sure you even know about the proceedings or you certainly have not told the Auditor-General, but I will ask you this question anyway for the record. Has the Auditor-General been informed that, even if the appeal is successful—

The CHAIR: Order, member for Bragg.

Ms CHAPMAN: I haven't finished the question, yet, Madam Chair. If you let me finish asking the question—

The CHAIR: That's right; and I would ask you to take your seat for a moment.

Ms CHAPMAN: No, I won't. I dissent from your ruling to sit down, thank you. I will conclude my question and I will invite you as chair, of course, to give your ruling on whether you think it is acceptable—

The CHAIR: Member for Bragg, I am going to allow that to pass because of the time.

Ms CHAPMAN: —that there is a liability to pay the legal costs of the respondent.

The CHAIR: I warn the member for Bragg.

Ms CHAPMAN: What, for asking a question? Give me a break.

The CHAIR: For arrogance and contempt of the chair.

Ms CHAPMAN: Under what standing order? I dissent from your ruling, Madam Chair. It is a disgrace that you should try to silence this parliament when we are entitled to ask about billions of dollars that are being spent by a government. We all have a responsibility, every single one of us, to question ministers about what the Auditor-General has already gone through. When this government does not even tell the people of South Australia, let alone this parliament or the Auditor-General, what is going on in the courts and what it is costing, then it has a lot to answer for.

The CHAIR: The member for Bragg is aware that there is a standing order relating to disobeying the order of the chair. I think it might be useful if we just report that the examination of the Auditor-General's Report has concluded.

The Hon. J.D. LOMAX-SMITH: Madam Chair, the examination of my portfolios is complete.

The CHAIR: I declare the examination of the Auditor-General's Report concluded.

LIQUOR LICENSING (PRODUCERS, RESPONSIBLE SERVICE AND OTHER MATTERS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 14 October 2009. Page 4299.)

The Hon. I.F. EVANS (Davenport) (16:19): I indicate that I am the lead speaker on this matter. I suspect that it will not take the house long to deal with this bill. We are debating the Liquor Licensing (Producers, Responsible Service and Other Matters) Amendment Bill 2009, which deals with a series of issues generally relating to the wine industry and the restaurant/hotel industry under a number of different topics. I will deal with the topics rather than the clauses.

We will start with the producers, and we are talking essentially wine producers. The opposition has been advised that a Survey of the Holders of Producers Licences, conducted by the Liquor and Gambling Commission and the South Australian Wine Industry Association, identified various proposals to ensure that the licence keep pace with the growth of the wine industry. Changes in structure, grape supply, production practices and new business models (including capturing and catering to the tourism markets) needed to be considered in any licensing regime.

Currently, the Liquor Licensing Act 1997 allows the holder of a producer's licence to sell liquor (that is, their own product) and to sell or supply liquor for sampling. The bill provides for amendments to the act that will benefit the holders of a producer's licence by allowing liquor other than their own product be provided as a sample in comparative tastings and to be offered to consumers in a designated dining area. It will also enable a producer to provide a complete dining experience without the requirement to hold both a producer's licence and an additional licence to sell other types of liquor for special functions.

The bill provides that an amount of liquor of a particular kind will not be considered to be a sample if it exceeds the prescribed amount for that kind of liquor. Can I suggest that the regulations should say that a normal wine glass of Grange should be considered a free sample. The prescribed amount will be included in the regulations at a date following further consultation with the industry. Currently, a licence may relate only to one licensed premises or to one premises.

This bill provides that, in the case of a producer's licence, a licensee may have up to two licensed premises approved under a single licence. It is interesting as to why it is restricted to two. However, two is better than one, so two it is, and I will be questioning the minister about that issue in a second. The bill provides that they can have up to two licensed premises under the single licence: one of these at the licensed production premises and one elsewhere, for example, a nearby town.

If the licensee does not have a production premises or does not wish to have an outlet at the production premises, the licensee will be able to have only one licensed premises. In the case of a producer of wine with production premises in a wine region, the second outlet must be in that wine region. They are deregulating it to the point where you can have another outlet nearby in the region, but, for instance, if you are an Adelaide Hills winery you cannot have one in the Coonawarra because that is in a different wine district.

In the case of a producer of wine with a production premises in a wine region, the second outlet must be in that wine region. The region for a wine producer is determined by the wine regions defined in accordance with the Australian Wine and Brandy Corporation Act 1980. Currently, the act does not allow two or more licence holders to operate from the same premises. The amendments will allow the holder of a producer's licence to enter into an arrangement with other producers to participate in a collective outlet.

A collective outlet is the part of the licence where each of the producers can sell or supply their products. The area to be used for the collective outlet will be approved under individual producers' licences; and, to the extent that premises are shared, each participating licensee will be responsible for all compliance matters and the employment of a responsible person at the collective outlet. An additional licence will not be required for the collective outlet, thereby reducing the cost to business. It does not reduce the cost: it just does not impose an extra cost because, currently, you cannot have collective outlets, but that is a minor debating point. The point is: the government is trying to do this as simply as possible.

The number of producers permitted to form a collective will be determined by the licensing authority, and an application will not be approved if the number of licensees involved or the nature and extent of trade mean that it will be better authorised by the retail liquor merchant's licence or the licence of some other category. The establishment of a collective outlet is designed to enable producers to reduce administrative staffing and other overheads, and also to assist in the promotion of tourism in the various wine regions. So, the government is trying to develop a structure that allows producers to expand their retail outlets, whether individually or collectively, but

not to such an extent that they become a quasi bottle shop and compete against the bottle shop industry, for want of a better word.

Currently, holders of a producer's licence cannot sell or provide samples of their product off the licensed premises unless they apply for a limited licence each time they wish to attend a local market or festival. The bill will allow producers with production premises to sell or sample their products at regional festivals and farmers' markets under the producer's licence. The details of the markets will be endorsed on the licence and, in the case of the wine, the approval will be limited to sites and events occurring within the same region as the producer's licensed premises. The licensing authority will have the power to impose conditions on the licence to ensure noise and disturbance issues are addressed.

It is not intended that large festivals such as the Schutzenfest, the Glendi and various food and wine festivals be included. My understanding is the reason behind that provision is that, if you go to something like the Glendi, the crowd is so big that there are special circumstances that need to be dealt with in the way that the product is going to be served, and I guess control becomes the issue in the very large festivals. However, my experience of the Schutzenfest at the Hahndorf Oval in my youth was that there was not always a lot of control during such festivals.

The bill provides the licensing authority with the power to exempt a producer from the requirement that a substantial proportion of blended wine is the licensee's own product in special circumstances beyond the control of the licensee (such as a failed crop or a fire). This will allow producers to continue to operate, reducing the financial and other impacts of the circumstances on wine production. Logically, if you have set up a business structure with overheads and a fire wipes out your crop, you obviously want to be able to keep trading, particularly in the retail area, so, allowing other people to bring in product, with the approval of the commissioner, to carry you over that time of difficulty makes a lot of sense to the opposition.

That deals mainly with the issues to do with producers. I should say that the opposition totally supports this bill, so there will not be any amendments from the opposition to the bill.

The second area I want to touch on is the use of codes of practice. The act currently provides for the Liquor and Gambling Commissioner to issue codes of practice that minimise the harmful and hazardous use of liquor and promote responsible attitudes in relation to the promotion, sale, supply and consumption of liquor. A code of practice effectively contains mandatory licence conditions. The bill provides for the scope of the codes to be broadened to allow a code to deal with any matter designed to promote compliance with the provisions and objects of the act, including:

- requiring staff to undertake specified accredited training;
- prohibiting advertising that is likely to result in liquor having a special appeal to minors (it would be interesting how that would go during Schoolies Week);
- regulated schemes for the promotion of liquor on licensed premises;
- preventing offensive behaviour on the licensed premises (including offensive behaviour by persons providing the entertainment);
- measures designed to minimise offence and disturbance to residents;
- protecting the safety, health or welfare of minors, customers and staff; and
- ensuring public order and safety at events attended by large crowds.

So, through these codes the commissioner is going to have very broad powers to address what are, I guess, the public niggle points, if you like, or can become the niggle points, within the industry when things go wrong, as they sometimes do in this type of environment.

One of the more interesting areas of the bill relates to intoxicated persons. I am glad the member for Kavel is here to listen to this particular section of the act. The bill provides for the expansion of section 108, which relates to the sale and supply of liquor to 'intoxicated persons'. It is currently an offence for liquor to be sold or supplied to an intoxicated person. The offence is committed by the licensee or responsible person, the person by whom the liquor is sold or supplied.

The bill also makes it an offence to serve liquor to a person in circumstances in which the person's speech, balance, coordination or behaviour is noticeably impaired and it is reasonable to

believe that the impairment is the result of the consumption of liquor. As the opposition has been briefed, the current—

Mr Goldsworthy interjecting:

The Hon. I.F. EVANS: The member for Kavel says that is just his normal behaviour. The defence rests. The member for Kavel will be pleased to know that the current defences will apply. It is a defence for the bar staff if the defendant believed, on reasonable grounds, that the person to whom the liquor was supplied was not intoxicated, and for licensees and responsible persons, if the defendant exercised proper care to prevent the sale or supply of liquor in contravention of this provision.

The amendments will bring the provision more into line with the approach in other jurisdictions—I think there are three or four other states with this particular model—and are designed to make it easier for licensees, bar staff and those enforcing the act to make an assessment of a person in those terms.

I will make some comments on this provision. I know the intent of the provision is to make it easier. I am not convinced that, in practice, it will actually end up that way, and I suspect that we might be back here in a few years' time talking about this particular provision again.

The issue that comes to my mind—and this is not the Liberal Party's position, it is just a matter for consideration for parliaments of the future—is that given the continuing increase in drug use within the community and the, I think, recognised problem of drug use in licensed premises generally, the question then comes: how does the person selling the liquor know whether someone is intoxicated, which I assume means through the use of alcohol, or simply off their face on some other drug?

So, is my speech slurred because I am on ice, heroin, amphetamines, or whatever, or is it slurred because I have had one too many Bundies? Somehow the salesperson has to make that distinction, because the salesperson has no capacity to address the issue of people's behaviour, as in the stopping of service in relation to people's behaviour for drug use. We are only doing it for people who are intoxicated through alcohol. Of course, when alcohol and drugs are mixed you quite often get indifferent human behaviour.

I did give some consideration to moving an amendment so that 'intoxication' had a broader definition than just intoxication by alcohol. I consulted the Hotels Association and spoke it through with Ian Horne of that association, and that association is of the view that at this point no other jurisdiction has moved, from memory, to that point, and that we should let these new laws run for a few years and see what the impact is at the bar level, the service level, because in the Hotels Association's view it might become even more difficult for the responsible person, or the bar staff, to actually get involved in that judgment.

In fairness to the industry, I have not proposed any amendments in relation to that principle, but I think the parliament will be back here within three or four years addressing that very principle. Elsewhere in this bill there are provisions that will stop licensed premises from operating and having entertainment outside of their licensing hours, because there are so many people dancing and drinking lots of water. They might be taking other things, but no alcohol is being served; they are just dancing all night and drinking lots of water and taking, I suspect, other vitamins to carry them through the night.

In this bill we are introducing provisions that prevent that from happening, so a licensed premise cannot provide entertainment outside of their hours of licensing, but, of course, anyone can, I assume, do that in their private capacity in other venues. The point I am making is this: the bill recognises that there is a high level of drug use in the party culture. We are trying to address it in licensed premises by restricting that activity, but we are not addressing it in the service of alcohol to people who are affected by drugs. I am saying that we will be back here dealing with that sooner than we think, because the level of drug use is high and increasing.

The act provides powers to refuse entry to or remove a person from a licensed premise if—and the member for Kavel needs to listen to this one—the person is intoxicated or behaving in an offensive or disorderly manner. The bill provides an additional power to remove the person if it is reasonable to suspect having supplied liquor or about to supply liquor to an intoxicated person or to a person in the circumstances where that person's speech, balance, coordination or behaviour is noticeably impaired and has reason to believe the impairments involve the consumption of liquor; so, you cannot provide liquor to your drunk mate.

Currently, there is no provision in the act that enables the minister to ban certain liquor products that appeal to minors in the way they are packaged, for example, alcoholic milk, which was around at one stage. In fact, I see there are some products still on the market—moo juice or alcoholic ice blocks and icy poles. They have been banned in other jurisdictions because of the potential for them to be confused with the products that traditionally have been consumed by minors such as flavoured milk and traditional ice blocks.

The bill gives the Minister for Consumer Affairs the power to prohibit the manufacture, sale and supply of undesirable liquor products in South Australia if satisfied that, because of its name, design or packaging, the liquor is likely to have a special appeal to minors or be confused with confectionery or non-alcoholic beverage. A ban can be brought into effect quickly by means of a gazette notice. Such a ban expires after a maximum of 42 days. Before any permanent ban is brought into effect by means of regulation, a consultation process must be undertaken and the manufacturer, distributor or importer given an opportunity to show cause why the product should not be prohibited.

Ministerial power to ban undesirable liquor products operates in the interstate jurisdictions of New South Wales, Queensland and Western Australia. The bill provides for expiation notices of certain offences. Expiation notices will be issued only for offences which are clear cut and of a less serious nature where the breach is clearly defined in law and the facts reasonably verify the evidence is noncontroversial, as they always are with expiation notices.

As minor offences will be diverted from the court system, this proposal will result in a reduction in the time and cost involved for the offender, the police, the office for liquor and gambling and the courts. The bill provides for expiation notices that range from $116 to $1,200. Currently, section 104 of the act permits a person who has brought liquor onto the premises for consumption with a meal provided by the licensee to take the unconsumed portion home from licensed premises. The bill will extend this concept in order to enable a person to remove from the licensed premises a partially consumed bottle of wine purchased on the premises.

The Hon. J.M. Rankine interjecting:

The Hon. I.F. EVANS: No, that does not affect the member for Kavel, minister, because he always finishes his bottle of wine. That is unfair to the member for Kavel.

The bill makes it an offence for a licensee to provide entertainment unless the entertainment is provided while the licensed premises are open for sale or the supply of liquor—this is the provision I was talking about earlier—or unless the licensing authority has expressly allowed entertainment to occur at other times. This is designed to ensure that licensed premises cannot be used as entertainment venues at times that have not been taken into account in relation to disturbance and noise in the neighbourhood.

Finally, the bill makes some technical amendments designed to improve the administration of the act, including: empowering the licensing authority to release information held by the authority in whatever manner it considers appropriate in the exercise of its absolute discretion; empowering the licensing authority to seek further documentation as part of the application process; and amending the defence provisions in section 110 to restrict requests for the evidence of age to prescribed forms of identification.

That is a reasonable summary of the various clauses of the bill. The opposition is going to support the bill. We think it brings a simplification of the process for the wine industry and a good opportunity to promote their products. For those serving alcohol, hopefully it will provide some clarity as to who they should serve and when and what protection they are going to have. For those in the restaurant industry, it allows you basically to take your unfinished bottle of wine off premises. We think it is a collection of sensible reforms and the opposition supports it, but we might have a few questions in committee.

Mr BIGNELL (Mawson) (16:42): I rise briefly to add my support for this bill and to pass on some feedback from the people in the seat of Mawson who are involved in the wine industry. They are very appreciative of these changes. There is a lot of common sense being brought into this place that will make changes that are good for the wine industry and also good for individuals. As the member for Davenport pointed out, if you have a half empty bottle of wine that you have had over dinner, then it is common sense that you would be allowed to take that home with you rather than have to drink it all down and then run the risk of breaking the law and putting yourself and others in danger on the roads. I support the bill.

The Hon. J.M. RANKINE (Wright—Minister for Families and Communities, Minister for Northern Suburbs, Minister for Housing, Minister for Ageing, Minister for Disability) (16:43): I thank the opposition for its support for this legislation. It has been some considerable time coming. As the member for Davenport pointed out, there has been considerable consultation with all sectors of the industry and, by and large, we think that some very sensible proposals are encompassed in this legislation. I want to thank the member for Mawson for his brief contribution. I know how hard he works in his electorate promoting the wine industry. I am sure they are looking forward to the innovations in relation to the producer's licence. On that note, I thank everyone for their support.

Bill read a second time.

In committee.

Clauses 1 to 33.

The Hon. I.F. EVANS: I just want to clarify how the collective licence will work. Is it possible for a producer to have second stand-alone premises in their wine region and be part of collective premises somewhere else?

The Hon. J.M. RANKINE: It has to be all within their wine region. They can have cellar-door premises at their place of production, and they can have a second outlet, either with other producers or on their own.

The Hon. I.F. EVANS: For ease of explanation, they cannot have 2½ premises: they cannot have a facility at their production outlet, a stand-alone facility of their own and then join in a collective in their own region. Why not? Given that it is restricted to 2½, if you like, under this model—not your model, but the model I am proposing—it would be restricted to two outlets plus a collective. The question is: what is wrong with that?

The Hon. J.M. RANKINE: The object was to allow people to have premises other than their production premises, give them two outlets but allow them to go into a collective if they could not afford to do a stand-alone. That was the reasoning.

The Hon. I.F. EVANS: I understand that, but I just question why we are restricting it to that level. Indeed, in relation to collectives, why are we restricting it to just their wine region? I live in the Adelaide Hills, so all the wineries in the Adelaide Hills can have a production facility, or a stand-alone facility, or they can go into a collective, so I am restricted to only Adelaide Hills wines. With the collective especially, why are we not allowing a cross-pollination through wine regions? Some of the wine regions are enormous in geographical distance; for example, the Coonawarra area is massive. I do not understand what the policy reason is—that, with a collective licence, you are not allowing them to take wine from outside their wine region, outside a disaster, such as fire.

The Hon. J.M. RANKINE: I guess it was a case of considering all the factors. It was about ensuring that we did not have quasi bottle outlets set up and that they did not turn into retailers; it was about giving producers the opportunity really to promote their region, their wines and their tourism without impinging on another region. Their products can still be sold in other regions through retail outlets, but we did not want the wineries turning into those retail outlets. My understanding is that this was really the preferred model that came through from the industry. In relation to the number of outlets, you could have two, 2½ or four. At some point, you have to draw a line, and this is changing substantially the way the industry is able to operate currently.

The Hon. I.F. EVANS: If a new hotel wants to open, there is a public interest test, and I think when a new bottle shop wants to open there is a public interest test. So, is there a public interest test for a winery that wants to open up in the town next door to the bottle shop and the pub? Does it have to go through exactly the same process in relation to opening up the facility?

The Hon. J.M. RANKINE: There is no public interest test in the first place, in getting the producer's licence, and this just expands what they can do under the producer's licence.

The Hon. I.F. EVANS: There are two pubs in Naracoorte, and they have gone through a process. Naracoorte is in the South-East wine region, where there would be a couple of hundred wineries. My understanding is that there is no limit on how much wine they can stock from that region, so you could knock up a fairly good outlet with a couple of hundred wineries. In small regional communities, what process protects the local pub or the local bottle shop from being opened up to competition from a totally different licensing and taxing regime liquor product?

The Hon. J.M. RANKINE: Those are all the issues we had to deal with in coming up with the content of this legislation, so that is why we are not having 2½, three, four or five outlets by the same producer. They are restricted to selling their own product; it may be a collective of people within the region, but they can sell only their own product. They are winemakers selling wine. They cannot sell, as I understand it, beer and other products that they have not produced, and it is subject to the commissioner's discretion.

The Hon. I.F. EVANS: If I could now move off producers and go to clause 24, which deals with the principle about liquor not being sold or supplied to intoxicated persons. I am just wondering what the feedback has been from the other states, particularly from the staff that actually sell, in relation to what reaction they get from people who are alleged to be intoxicated simply because they slur their speech or they have a balance or coordination problem. How much anger has gone back against the pub staff, and what has been the feedback interstate? When it is 3 o'clock in the morning and you say to some big six foot four rugby player or someone, 'You are not going to get your next Bundy because your speech is slurred,' what has been the experience interstate?

The Hon. J.M. RANKINE: It is the case currently that you are not supposed to serve someone who is intoxicated, so this clause is clarifying that for people. It is consistent with legislation that is operating in four states, as I understand it, and my advice is that there have not been any particular issues of concern that have been relayed to us in relation to that operation. People working in hotels and clubs currently do have that responsibility, but there has been some concern about what it actually means.

The Hon. I.F. EVANS: I am just wondering what provisions the commissioner is going to put in place in relation to obligating the hotel to deal with issues outside their premises when they remove an intoxicated person from their premises. For instance, at 3 o'clock on a Saturday night, the rugby team comes in for a big night out—I had better not pick on rugby. The rowers go in for a big night out and the bar staff say, 'I'm sorry, but we're removing you outside.' Is there any power for the commissioner to actually enforce onto the publican or the licence holder that they actually have to do something outside in relation to security? I know some hotels have security staff outside, but is there going to be a possibility of an obligated provision enforced on them by the commissioner or is that simply left to the hotel's discretion?

The Hon. J.M. RANKINE: My understanding is that it is currently often a condition of the licence that they are responsible for a particular area external to their hotel. Many hotels, when they operate late at night, have security staff, and I am sure you are aware of issues in hotels where it currently has been a problem. Certainly, there are issues that I have had to deal with out in my electorate in years gone by where that has been a problem.

The Hon. I.F. EVANS: In relation to clause 29, which deals with the power to refuse entry or remove intoxicated persons or persons guilty of offensive behaviour. This is the provision where the authorised person may, if necessary, use reasonable force to remove a person from the licensed premises if they think that that person has supplied or is about to supply liquor to another person on the licensed premises where the other person is intoxicated or the person's speech is affected. This is the mate buying his intoxicated mate a drink. Whose judgment is it as to whether that person is intoxicated? I buy the member for Kavel a drink; he is always uncoordinated, so—

Mr Bignell: He's a good cricketer.

The Hon. I.F. EVANS: He's a good cricketer.

The Hon. J.M. Rankine: You are so unkind. He's such a lovely fellow.

The Hon. I.F. EVANS: Without being unfair to the member for Kavel, what I am saying is that when I buy a drink for my mate and my mate is deemed to be intoxicated, is there a defence for me (who is about to be penalised) to say, 'Well, in my opinion, he's not intoxicated,' or is it only the opinion of the responsible person, and does the responsible person have to give a warning? Does the responsible person have to say, 'I'm sorry, Bill, if you are buying drinks for Fred, I think he is going to be over the limit. His speech is slurred. He can't have any more. If you serve him any more, you're out.' Does there have to be a warning or can it just be cold?

The Hon. J.M. RANKINE: We would hope that generally in most circumstances some common sense applies, but in the circumstance where you are buying the member for Kavel a drink and I have said to the member for Kavel, 'I'm not going to serve you any more,' you already know that he has not been served. That is generally the reason they would get a third person to come and buy a drink for them. There has usually already been refusal of service.

The Hon. I.F. EVANS: What happens if there hasn't been?

The Hon. J.M. RANKINE: Technically, you could still be asked to leave. This is about asking you to leave but, in the main, it is expected that it would be in a circumstance where refusal of alcohol has already occurred.

The Hon. I.F. EVANS: The commissioner has put licensing conditions on the licensee that they have to do something outside. I assume there is a section of the exterior area which may well be covered by the licence, so there is a line somewhere on the licence that says that the hotel has power over this area but not over an area outside the line. When they ask me to leave, what powers does the licensee have other than to ask me to move off the licensed premises? Isn't there an issue here in your big party centres like Hindley Street that you are simply getting intoxicated people out onto the street where they become vulnerable to attack because they are drunk, not coordinated and easy targets?

I guess what I am asking is: what reform is proposed to deal with the outside licensed premises issue, because it is all right to give the licensee an obligation to deal with the drunk person inside and on the licensed property, but if their only obligation is simply to move them off and then there is no system from there, all we have done is move the problem two metres down the road. What is the commissioner proposing in relation to dealing with that issue and is there a working party with the hotels association, or what strategy does the government have, because every weekend you hear in the media about problems in Hindley Street and, to a large extent, that is drunk people being shoved out onto the street where they are totally uncontrolled, and that is where the issues arise?

The Hon. J.M. RANKINE: I am told that the example that you use is not necessarily what is happening in Hindley Street; that is, in fact, often people are coming into Hindley Street who are already intoxicated and being refused entry. This is about ensuring that a third person does not continue to buy someone who is already intoxicated more alcohol.

Clauses passed.

Schedule and title passed.

Bill reported without amendment.

Bill read a third time and passed.

SECOND-HAND VEHICLE DEALERS (COOLING-OFF RIGHTS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 9 September 2009. Page 3791.)

The Hon. I.F. EVANS (Davenport) (17:06): I indicate I am the lead speaker on this bill, which the opposition is supporting. We have no amendments to the bill. I have a very short contribution and then I think we might all go home. This bill deals with second-hand vehicle dealers' cooling-off rights. This is a consumer affairs issue. It deals with clarifying cooling-off rights for those people purchasing a second-hand car from vehicle dealers. It introduces a cooling-off right on the sale of second-hand vehicles, and the cooling-off process has a number of features. It does not apply to private sales or auction sales, or purchases by companies or dealers. The cooling-off period begins at the signing of the contract and expires two days later—and I note that 'days' include Saturday, because the motor trade is basically a six-day trading industry.

The dealer may require payment of a deposit of up to 10 per cent but no more than 10 per cent of the contract price. If the contract is rescinded, then that is refunded, except the dealer can keep up to 2 per cent or $100 (whichever is the lesser) to cover minor administrative costs, which I think is reasonable. Even though a deposit has been paid, if you like, and a contract signed, during the cooling-off period an option can be offered to a third party on the basis that, if the contract falls over, the third party then gets first option on the next purchase of that car, given the failed contract.

The purchaser will be entitled to waive his or her rights to a cooling-off period. The waiver will contain a statement of the rights of the prospective purchaser and a statement warning the prospective purchaser of the legal effect if he or she waives the right to rescind. I thought I saw somewhere that you are not allowed to offer an inducement to waive your right. I am sure I saw that in the explanation of clauses, which I will find while I speak. I assume that is to prevent retailers saying, 'If you waive your cooling off period we will give you $500 off the car.' I assume it is

to prevent that. I am not sure why that is an issue, but, if it is to prevent that, that is what the bill is intending.

Legal title and physical possession remain with the dealer during the cooling-off period. The dealer, of course, has to allow the prospective purchaser reasonable access to test drive and have the vehicle inspected. Legal title and physical possession of a trading vehicle offered by the purchaser remains with the purchaser until the cooling-off period is completed.

A contract of credit entered into to finance the sale does not take effect until the cooling-off period is completed and is void if the contract fails or the contract of purchase is rescinded. It will be an offence for the dealer to induce someone to waive their cooling-off right. I knew I saw it there somewhere, Mr Speaker.

To enhance the ability to prosecute unlicensed dealers, there is a clearer definition of a 'dealer', and it is widened to include buying and exchanging second-hand vehicles and what is called a 'rebuttal presumption', that is, if a second-hand vehicle is transferred in and out of a person's name, that person has bought and sold the vehicle.

The rebuttal presumption is also created that a person and a close associate are dealers if the person and close associate buy or offer to buy or offer for sale more than six second-hand vehicles in aggregate in a 12-month period. That is an interesting concept. There are families around with eight, nine and 10 members. I have four teenagers, all with vehicles and all purchased in the last 12 months. If I go out and buy a vehicle and if my wife goes out and buys a vehicle we are dealers under this provision because we are all closely associated. I might ask the minister to explain in her response to the house at the end of my contribution what is a close associate for the purposes of this bill, because I think there are large families with teenage kids who would go through more than six cars or up to six cars. I am wondering how that will be dealt with in actual fact.

The bill also amends the existing rebuttal presumption that a person is a dealer if he or she sells or offers or exposes for sale four or more second-hand vehicles in a 12-month period. That is confusing. I will reread the minister's second reading explanation:

> A rebuttal presumption is also created that a person and a close associate are dealers if the person and the close associate buy or offer to buy sell or offer for sale more than six second-hand vehicles aggregate in a 12-month period.

That is all the close associates together and the person—

An honourable member: Six.

The Hon. I.F. EVANS: Six, okay. The bill also amends the existing rebuttal presumption that a person is a dealer if he or she sells or offers or exposes for sale four or more second-hand vehicles in 12 months. Okay. An individual can offer up to four and is not a dealer. The fifth vehicle makes them the dealer, as I understand it. However, a collective can offer up to six without becoming dealers. I suspect that a few people will get caught on that provision, and I think the industry would say, 'Quite rightly so.'

The penalties in the act have been increased to at least double, and the expiation fee is increased to a maximum of $315. I understand that the minister might have an amendment in relation to some expiation notices. I make the point that a $315 expiation notice is the same as a littering fine. One would have to wonder about the gravity of the offence given that car dealers are making their livelihood out of this particular industry and that the penalty is only the equivalent of a litter fine, $315.

A negative licensing scheme is introduced for salespersons employed or otherwise involved in second-hand vehicle dealerships. Obviously that is to try to weed out people who have convictions for dishonesty offences or who have previously been disqualified as second-hand vehicle dealers but who have effectively remained involved or who are running dealerships through a third person, such as a spouse or another dealer—a 'compliant third party', as it is known in the industry. Their conduct would, in many cases, be within the definition of a 'second-hand vehicle salesperson'.

Under the proposed scheme it would be an offence to act or employ a person to act as a second-hand vehicle salesperson if the person has been convicted of an indictable offence of dishonesty within the past 10 years or a summary offence of dishonesty or the person has been disqualified from another regulated occupation. The scheme will allow disciplinary action to be taken against a salesperson for unlawful and improper negligent conduct and to exclude persons

from being involved in the industry where they have a relevant criminal history or are suspended or disqualified from this or any other occupation.

I did note that, interestingly enough, people's past behaviour will not be considered: it will be only their future behaviour. I thought I read in the transitional provisions that, under these particular provisions, it is only future behaviour which will cut them out of being a licensed salesman, which I found rather an interesting concept given that we did not do that for security people in the hotel industry, for instance. Those involved in the security industry had a police check and, if they had a criminal history, they were not to be relicensed.

The way I read the transitional provisions here, there were going to be only issues from the time of the bill going through, or the provisions being enacted, about their behaviour affecting their licensing, and I could not quite work out why the government had decided to do it that way. But that is the way I read it.

The bill deals with the Second-Hand Vehicles Compensation Fund. I note that some of the costs of the department have been transferred, essentially, into the compensation fund—things that I think are properly done by the department rather than paid by the compensation fund. My understanding is the Motor Trade Association and other industry bodies have been extensively consulted. There has been to-ing and fro-ing on the various positions and the Motor Trade Association is accepting of the compromise bill that is before us.

The opposition will not move any amendments, given that we acknowledge there has been quite an extensive consultation period on this. It is quite a complicated area, and we think that the government has probably got it about right in relation to this particular issue. With those few words, I indicate the opposition is happy to support the bill and, other than the questions I have raised during this contribution, has no further questions of the minister.

The Hon. J.M. RANKINE (Wright—Minister for Families and Communities, Minister for Northern Suburbs, Minister for Housing, Minister for Ageing, Minister for Disability) (17:17): I thank the member for Davenport for his contribution. I will just make a couple of brief comments and, if the member for Davenport wants to ask more questions in the committee stage (because we have a couple of amendments that need to go through), I am happy to take those.

In relation to the compensation fund, it was originally proposed to expand the uses of that fund to allow for education programs for the benefit of the public, dealers and salespeople; and also the costs of investigating compliance with the act or possible misconduct of dealers or salespeople. I assume that is the area to which the member for Davenport was referring. As a result of feedback from the industry, it was decided only to expand the use of the fund for education programs and investigating compliance, and the industry has indicated it accepts this.

In relation to close associates, the detail that I have (and I can go through an outline of the definition of a close associate) is really the issue around determining whether someone is acting as a dealer. I know the industry was very keen for the government to tighten up on these provisions. It is about buying and selling privately. It is about backyard dealers. It is about clamping down on those people who are moving vehicles constantly, and I know the office for consumer affairs is always looking to see where people are doing these things. Generally, it is the public that misses out because those vehicles are purchased without any warranty, and there have been circumstances where people have bought dud cars and not been able to get any recompense once they find out the vehicles are not up to standard. The department always operates with common sense, and it really is about clamping down on those unscrupulous people in the community who take advantage.

Bill read a second time.

In committee.

Clauses 1 to 4 passed.

Clause 5.

The Hon. I.F. EVANS: Clause 5 seeks to insert new section 3A into the act, which deals with the term 'close associates'. Close associates can buy six cars or sell six cars in a 12-month period before they are a dealer, and I want to make sure I understand this. Two persons are close associates if they are related bodies corporate. Solver Paints Pty Ltd has a fleet of 20 vehicles and is a body corporate. If it sells six vehicles in a year, is it a dealer?

The Hon. J.M. RANKINE: There need to be two related bodies corporate, and it is a rebuttable presumption. So, if they have proof that they are not operating as a dealer, that is fine, but they cannot set themselves up as a car dealer.

The Hon. I.F. EVANS: No, but they become a car dealer once they sell six vehicles, if they are closely associated with another body corporate, one assumes. For instance, what about Solver Paints, which is owned by the Smith Family Trust? The Smith Family Trust has 15 members and Solver Paints has 30 staff—in fact, I think at one stage they had 200—at what point do they have to prove that they are not trading in vehicles and what proof can they possibly provide?

They sold 13 vehicles in the last year. 'Yes, that's true, we did, Your Honour.' 'Did you advertise them?' 'Yes, we did.' 'Did you sell 13 last year?' 'Last year it was 12; the year before it was 16.' 'So, you always sell about 15 vehicles?' 'Yes.' So, what distinguishes them from being a second-hand vehicle trader to Mr and Mrs Jones down the street, who simply sell their four vehicles out of the backyard? How do they actually defend themselves from the accusation? It seems to me an impossible point to prove.

Businesses always buy and sell cars. I guess that somehow you are going to have to argue that it does not become their sole source of income, or a main source of income, but that is nowhere in the bill as a point of measurement. I am interested now in this issue of close associate. For instance—and you are far better qualified than I, Madam Acting Chair, given your legal background—a close associate:

> (1) 2 persons are close associates if—
>
> (j) 1 is in a position to exercise control or significant influence over the conduct of the other.

So, that means that every corporation, except those excluded, that being the ones in public—the stock exchange is excluded—every private company is now going to become open to question as to whether they are a car dealer. I do not see how they defend themselves. What is the defence?

The Hon. J.M. RANKINE: It would be a rebuttable defence if they are exchanging their car fleets. It is a rebuttable defence to do that. It is a normal part of a business renewing the assets of the business, but it cannot set itself up and have a business on the side trading in cars. Solver Paints cannot be a car dealer and a paint manufacturer, unless it licences itself.

The Hon. I.F. EVANS: The biggest car reseller in the state is the government. The government is the biggest second-hand car retailer in the state. Are you saying that the government is not a second-hand car retailer? I think there are going to be a lot of people caught up in this issue about how you are now defined as a close associate. I think people are going to be taken to court to prove the rebuttable defence, or whatever you call it. I think a lot of people are going to be taken at least to the authority to explain themselves, because, of course, businesses off-load their cars. I think there are a few issues there.

The Hon. J.M. RANKINE: The focus of this is about targeting backyard dealers. We have a lot of consumer laws in South Australia and the office has always used common sense in the application of those laws, and I cannot imagine that it is going to be going out there prosecuting businesses that are conducting normal everyday business practices. This is about dealing with shonky backyard dealers.

The ACTING CHAIR (Hon. S.W. Key): Member for Davenport, I will take this as question 3½ on this clause.

The Hon. I.F. EVANS: When the question is asked about whether they have purchased six vehicles, is it the purchasing of six vehicles or the selling of six vehicles, or is it the purchasing and selling of six vehicles? If it is the purchasing and selling of six vehicles, does that mean that it is actually the purchasing and selling of the same three vehicles? In other words, I buy three vehicles in and I sell the same three vehicles out. Does that count as my six, even though it is only three?

The Hon. J.M. RANKINE: It is six combined: three in, three out.

The ACTING CHAIR: Minister, can I ask whether you are prepared to take more questions from the member for Davenport on this clause?

The Hon. J.M. RANKINE: Do you need more clarification or do you want advice from the department?

The Hon. I.F. EVANS: I just have one more. My understanding of that answer, and please tell me if I am wrong, is that now close associates may get caught or may get questioned about their involvement as a car dealer. If they are buying three cars in and selling the same three cars in a 12 month period they could then get questioned about whether they are a car dealer, and that then must flow on to the second provision that an individual, who is restricted to four transactions, could get caught if they buy in two and sell two.

Am I right in saying that if someone buys a car and a motorbike—is a trailer a vehicle under the act? No; okay. So, a car and a motorbike, or a car and a truck. So, if a truckie buys a truck and a car, or someone buys a car and a motorbike, that counts as their two; that counts as a vehicle? It is not just cars, is it, it is second-hand motorbikes as well?

The Hon. J.M. RANKINE: It is about when you are trading privately. You can buy your car from a dealership, and then, if you sell it privately, that is one transaction. It is when it is sold privately, not through a dealership, as I understand it.

The Hon. I.F. EVANS: With due respect, minister, I do not think that your advice is right. Let me read to you your second reading contribution on the bill. It states:

To enhance the ability to prosecute unlicensed dealers, the definition of 'dealer' is widened to include buying and exchanging of second-hand vehicles and a rebuttable presumption includes that if a second-hand vehicle is transferred into and out of a person's name, that person bought and sold the vehicle.

Fine. It goes on:

A rebuttable presumption is also created that a person and a close associate are dealers if the person and close associate buy or offer to buy or—

not 'and'—

sell or offer for sale more than six second-hand vehicles in aggregate in a 12 month period.

Because it is 'or' and not 'and' they are separate. So, someone privately buying in is one transaction, and then selling is the second transaction. They do not add together to be one transaction.

The Hon. J.M. RANKINE: If you buy from a licensed dealer, that is not considered to be a transaction. That is my understanding. If you buy your vehicle legitimately from a licensed dealer and then you sell it privately that is one transaction, but if you do that six times, then you are trading. Does that not make sense?

The Hon. I.F. EVANS: That makes sense; but let's take the person who buys from a private buyer, not a dealer. When they buy is it counted as a transaction when they sell?

The Hon. J.M. RANKINE: Yes.

The Hon. I.F. EVANS: The answer is yes. So then, if I am buying from private people, isn't there a possibility that I will get caught as a dealer, as an individual, when I am making only two transactions? I am buying a car and buying a motor bike, and then if I sell them, that is four transactions. If anybody buys a car and motorbike and sells them in the one year they are deemed a dealer.

The Hon. J.M. RANKINE: Yes, that would be counted as four, but it is still rebuttable if you are not acting as a dealer. Again, I stress that Consumer Affairs operates with a great deal of common sense. They would be looking at what you have been doing over a period of time.

Clause passed.

Clauses 6 to 16 passed.

Clause 17.

The Hon. J.M. RANKINE: I move:

Page 8, after line 30 [clause 17, inserted section 18B(7)]—After the penalty provision insert:

Expiation fee: $500

The Hon. I.F. EVANS: For the purposes of the record can you explain what the expiation notice is in relation to?

The Hon. J.M. RANKINE: This amendment introduces an expiation fee penalty for dealers who do not return the deposit paid by a purchaser within the required time after receiving the purchaser's cooling-off notice.

The Hon. I.F. EVANS: The opposition understands that the industry has been consulted and is accepting of this, so the opposition is supporting it on that basis.

Amendment carried; clause as amended passed.

Clauses 18 to 30 passed.

Clause 31.

The Hon. J.M. RANKINE: I move:

That clause 31, which has been printed in erased type, be inserted.

The ACTING CHAIR (Hon. S.W. Key): The minister has a number of amendments to this clause which the committee can deal with together.

The Hon. J.M. RANKINE: I move:

Page 14—

Lines 12 to 14 [clause 31(1)]—Delete subclause (1)

Before line 15—Insert:

(1) Schedule 3, clause 2(1)—after paragraph (a) insert:

(ab) made a payment to a dealer in respect of the purchase of a second-hand vehicle under a contract that has been rescinded in accordance with section 18B; or

Lines 19 to 21 [clause31(4)]—Delete subclause (4) and substitute:

(4) Schedule 3, clause 2(1)—delete 'that person' and substitute: 'the claimant'

Lines 27 to 29 [clause 31(7), inserted subclause (3) of Schedule 3, clause 2]—

Delete subclause (3)

Lines 33 to 37 and page 15, lines 1 to 8 [clause 31(7), inserted subclauses (5) to (7) of Schedule 3, clause 2]—Delete subclauses (5) to (7) (inclusive)

Page 15—

Lines 10 to 16 [clause 31(8), inserted clause 2A of Schedule 3]—Delete the clause

Lines 31 to 33 [clause 31(9), inserted subclause (2)(d) to (f) of Schedule 3, clause 3]—

Delete paragraphs (d) to (f) (inclusive)

Page 16, lines 1 and 2 [clause 31(10)]—Delete subclause (10)

The Hon. I.F. EVANS: I have a question to the minister. For the sake of the committee, I point out that these are amendments to do with the Second-hand Vehicles Compensation Fund. The minister's amendments seek to put more areas where the fund can be expended. Can the minister explain the new areas the money can be expended on? Can she explain to the committee where the budget that funded those areas of activity previously came from and how much are they?

The Hon. J.M. RANKINE: I outlined at the completion of the second reading speech what areas the money was going to be used for—namely, education for dealers, traders and the general public and also some compliance issues. I am advised that, in fact, we did not have a budget previously for education and the industry has been very keen for us to ramp up the compliance area.

The Hon. I.F. EVANS: Public education campaigns are now going to be paid out of the compensation fund.

The Hon. J.M. RANKINE: For prescribed education programs.

The Hon. I.F. EVANS: Your answer just 30 seconds ago was that it would be for education and public awareness campaigns. I can understand the industry being supportive of their dealers being educated and brought up to appropriate levels through prescribed training but I am a bit curious about public education campaigns. Does this mean that the compensation fund can be used for what could have been normal government public education campaigns funded out of

Consumer Affairs? What control is there for the industry to say that it does or does not want that education campaign funded out of this fund? What mechanism of control is there? Why should this fund be paying for public awareness campaigns?

The land agents indemnity fund does not pay for public education campaigns. The legal indemnity fund in the law industry does not pay for public awareness campaigns. After all, this is an industry fund. What the government is proposing here—and this sets a precedent—is to start running government public education programs out of indemnity and compensation funds. I am wondering what control mechanism there is. Does the industry (whose fund it is ultimately) have a veto right over the public education fund and is it at the minister's approval or the commissioner's approval in relation to the use of the fund?

The Hon. J.M. RANKINE: I am advised that it is at minister's approval in relation to the fund and the minister will be consulting with the industry in determining the education programs that will be prescribed and regulations in relation to that. In talking about that, this is to the benefit of the industry so that the public understands the benefits and pitfalls of buying and selling vehicles.

Amendments carried; clause as amended inserted.

Schedule 1 and title passed.

Bill reported with amendment.

Bill read a third time and passed.

SERIOUS AND ORGANISED CRIME (UNEXPLAINED WEALTH) BILL

Consideration in committee of the Legislative Council's amendments.

The Hon. M.J. ATKINSON: I move:

That the Legislative Council's amendments be agreed to.

Ms CHAPMAN: I indicate that the opposition welcomes these amendments after fiery debate in this house about the importance of having the DPP as the gatekeeper for these applications. I see that the wisdom of the other place has prevailed, and it has presented to us almost exactly those amendments. There appears to be one variation; that is, the Crown Solicitor can still have some role in the process, but the DPP gets the first chop. The opposition welcomes this and appreciates the wise consideration by persons in another place.

Motion carried.

CORRECTIONAL SERVICES (MISCELLANEOUS) AMENDMENT BILL

The Legislative Council agreed to the bill with the amendments indicated by the following schedule, to which amendments the Legislative Council desires the concurrence of the House of Assembly:

No. 1. New clause, page 4, after line 33—After clause 10 insert:

10A—Amendment of section 37—Search of prisoners

(1) Section 37—after subsection (1a) insert:

(1b) The manager of a correctional institution may, in exercising a power under subsection (1a), use a detection dog.

(2) Section 37(6)—after paragraph (a) insert:

(ab) the number of times a detection dog was used during those searches; and

(3) Section 37—after subsection (6) insert:

(7) In this section—

detection dog means a dog that has completed training of a kind approved by the Minister for the purpose of detecting the presence of a drug or any other prohibited item.

No. 2. New clause, page 5, after line 26—After clause 16 insert:

16A—Amendment of section 51—Offences by persons other than prisoners

Section 51(1), penalty provision—delete the penalty provision and substitute:

Maximum penalty:

(a) in the case of an offence against paragraph (b) of this subsection where the prohibited item is a controlled drug (within the meaning of the *Controlled Substances Act 1984*)—imprisonment for 2 years;

(b) in any other case—imprisonment for 6 months.

No. 3. Clause 17, page 5, after line 31 [clause 17(1)]—After inserted paragraph (ab) insert:

(ac) a prisoner if any part of the imprisonment for which the prisoner was sentenced is in respect of an offence against section 85 (being an offence consisting of arson) or 85B of the *Criminal Law Consolidation Act 1935*; or

No. 4. New clause, page 6, after line 16—After clause 17 insert:

17A—Amendment of section 82—Unauthorised dealings with prisoners prohibited

(1) Section 82(1)—after 'contract' insert:

or other dealing of a prescribed class

(2) Section 82(3)(c)—delete 'class prescribed by the regulations for the purposes of this section' and substitute:

prescribed class

No. 5. Clause 20, page 6, after line 34—After subclause (5) insert:

(6) Section 89(3)(b)—delete 'matters' and substitute:

persons, things

No. 6. Schedule 2, clause 1, page 8, line 4—After '*Correctional Services Act 1982*' insert:

(the *principal Act*)

No. 7. Schedule 2, clause 1, page 8, after line 6—After its present contents (now to be designated as subclause (1)) insert:

(2) However, if, before the commencement of this clause, the Board had, under section 66 of the principal Act, ordered a prisoner to be released from prison or home detention on parole, the prisoner is, subject to the provisions of Part 6 Division 3 of the principal Act as in force immediately before that commencement, to be released on parole.

Consideration in committee.

Amendment No.1:

The Hon. A. KOUTSANTONIS: I move:

That the Legislative Council's amendment No. 1 be disagreed to.

The government does not accept this amendment from the other place. To be completely frank, the department for corrections does a number of searches every year at random based on intelligence to keep good order in our prisons and we do it with very broad powers that are already enshrined in the act.

My concern here was that, in effect, codifying the particular use of a device, being a detection dog or sniffer dog or canine, may preclude other forms of software, machinery or hardware that we may wish to use. I have spoken to the Hon. Robert Brokenshire in the other place and have given him assurances that I understand his intent, and he has accepted the government's position and will be not insisting on these amendments in the other place.

Ms CHAPMAN: The opposition understands, on information from the minister, that this provision is not necessary and that furthermore the mover in another place is willing to withdraw the same. It is certainly the opposition's view that, in circumstances of a search, dogs can be useful in the detection exercises, so we would accept that, as the minister has indicated, if that is appropriate in the circumstances and recommended, that is an option available for the purpose of searching prisoners. We do not have any comment other than to note that it is the intention of the mover of the motion in another place not to press for this amendment in any event.

Motion carried.

Amendment No. 2:

The Hon. A. KOUTSANTONIS: I move:

That the Legislative Council's amendment No. 2 be agreed to.

This is another amendment moved by the Family First party in the other place and the government is happy to accept it.

Ms CHAPMAN: The opposition also supports the same and it is to ensure that there is an extra penalty at a higher level for those who might be involved in the use of a prohibited or controlled drug under the Controlled Substances Act. Essentially it will mean that there will be a penalty if you throw a tennis ball into a prison, and there will be a massive penalty if it is full of drugs.

Motion carried.

Amendment No. 3:

The Hon. A. KOUTSANTONIS: I move:

That the Legislative Council's amendment No. 3 be agreed to.

May I just say to the member for Davenport: thank you very much for this amendment. I put out a press release congratulating the member for Davenport on his tireless efforts and if he had read the press release he would have known that. Instead, unfortunately and alas, he claimed that I did not give him any credit. It could not be further from the truth.

I cannot control what the radio stations and TV news crews put to air so I want to reassure the member for Davenport that I did give him the credit he deserved for this amendment and I thank the opposition for moving it in the other place through the Hon. Terry Stephens. I also thank the member for Davenport for giving me the opportunity to consider this amendment between the houses.

The Hon. I.F. EVANS: I thank the minister for accepting our amendments in another place. They were on file here, from memory, for six months prior to that. I can understand how having two extra weeks after six months has made all the difference. It is an important reform. I am pleased that the government saw sense, and I am pleased that the record will show that the member for Davenport has moved another reform that the government has accepted. I congratulate the government on accepting the idea, and thank the minister for his contribution.

Motion carried.

Amendment No. 4:

The Hon. A. KOUTSANTONIS: I move:

That the Legislative Council's amendment No. 4 be agreed to.

This is a government amendment relating to unauthorised dealings with prisoners, which are prohibited, amending section 82(1) by inserting the word 'contract'. I understand that the opposition is cautious about this amendment and I understand its caution. However, it is inappropriate for prisoners and officers to be entering into any form of contract.

There will be a number of classes dealing with this where the opposition asked anecdotally, 'What about setting a minimum monetary standard to this level of contract? Should we prosecute an officer for handing a prisoner a cigarette or a cigarette lighter?' My answer to the opposition is that the department always uses common sense. However, if we do define a monetary value, what is the value you would put on, say, sexual favours, gifts, articles of property from high notoriety prisoners, for example, hand-drawn postcards or watercolour paintings?

[Sitting extended beyond 18:00 on motion of Hon. A. Koutsantonis]

The Hon. A. KOUTSANTONIS: The carrying out or passing on of threats, I am not sure how we put a dollar value on that. A prisoner passes on a threat to an officer and that officer—and I am not saying this happens—passes on that threat through another inmate: how do we put a dollar value on that kind of conduct? The improper performance of duties with the passing of information could undermine the security of the prison and therefore the safety of the staff and the prisoners. Many of these things which we are trying to stop do not have an intrinsic value, but they are totally inappropriate. I understand the concern of the member for Bragg would be: does that mean that, if an officer hands a cigarette to a prisoner, they could then be charged and be facing two years prison? No, we would not be doing that. For minor infringements, we would be using the Public Service Management Act to deal with those officers.

What I am concerned about is those contracts which are entered into which have no dollar value and which cannot be easily defined, yet are still dangerous to the good order of the prison and dangerous in the way that prisoners interact with officers. Ultimately, the public of South Australia would expect, and I think demand, that prisoners and officers not interact in a way that they are doing deals or contracts. The idea of a prisoner saying to an officer, 'Give my family a call. I have some spare parts at home or some furniture at home that I don't need that we're going to throw away, you can have that for free. Give my family a call and get that furniture or goods.' The moment that prisoner has said that they are worthless and are to be discarded, I wonder whether we could argue a monetary value.

Then again, of course, the passing of threats. I flagged earlier that, if we were unsuccessful in the courts, I would be coming back to the house with amendments to fix up this area, because I think South Australians would believe that our officers would not be allowed to enter into contracts with prisoners and that prisoners would not be allowed to enter into contracts with officers. While I understand the concerns of the member for Bragg—and I am sure she will outline them in detail now—I am happy for her to speak to the chief executive officer afterwards about the protocols we have put in place to manage these issues and give her an assurance that the department always acts honourably and with common sense.

Ms CHAPMAN: The opposition does not support this amendment. I think we need to be quite clear about the position. It is already an offence pursuant to section 82 for a correctional services officer to enter into a contract with a prisoner. A contract is something that arises out of a relationship between one or more parties where there is usually an invitation to treat, followed by an offer and acceptance, and is distinguishable from a gift if consideration is exchanged. It can be monetary. It can be a favour of some kind, some in kind benefit. That, if it occurs and is established, is an offence.

This amendment seeks to extend conduct which attracts a penalty as an offence to any other dealing of a prescribed class. Let us look at some examples that have happened. When it was discovered that Bevan Spencer von Einem had entered into an arrangement with one of the prison officials (I cannot remember his or her rank at this stage) and it was discovered that he was offering to sell some kind of artwork via that party, it was a very embarrassing incident for the minister's predecessor in this government to find that this had occurred. That type of conduct of entering into a contract in respect of the consideration paid is an offence under the current legislation.

The Hon. A. Koutsantonis interjecting:

Ms CHAPMAN: No, I will come to that in a minute. That is an offence. What has happened since that time—and, in fact, as we were advised at the briefing—is that Magistrate Tracey at the Adelaide Magistrates Court delivered a judgment on 29 September this year in Police v Nelson in which a prison officer was prosecuted for entering into a 'contract' with a prisoner in which he was entitled to collect, I think, some kind of motorcycle or motor wheel rims (or something of that nature) from a venue some place away from the prison and under the care of someone who was known to the prisoner. This was a benefit that he was to obtain in exchange for some funds. Magistrate Tracey dismissed the case on the basis that no contract had been established.

She identified the defect. She even, apparently, according to her own judgment, offered the opportunity for the prosecution to introduce evidence to remedy it—it did not. In summary terms, it stuffed up the prosecution. So, we have a request from the Commissioner of Police—who, of course, is responsible for the officers who prosecute these matters—saying, 'Well, look, the way we can deal with this is to extend this definition so that we are not forced to prove a contract but that we can have a dealing.'

The reason we had a problem in that case was because this was not properly prosecuted. Legislation is there that could have covered this matter if it was dealt with properly, so I am not persuaded by that to change the law which would otherwise have been adequate to deal with this matter. What the minister then says is, 'Look, there are other circumstances where it is inappropriate for a prisoner to have a dealing of some kind with a prison officer that in some ways could compromise the integrity of the operation and management of the prison and put other parties at risk—safety issues and the like,' and I accept that.

Let us just consider them. There are, I think, three categories here. One category is where a prison officer or prisoner is given something as a gift and, if a gift transaction occurs between these parties, I agree that that would potentially compromise the efficient and fair management of

the prison. These parties are exposed to each other in a confined circumstance. There is a relationship of imbalance (as there needs to be), and the integrity of that working relationship must be protected. There is no question about that.

We have rules such as this for all sorts of relationships. We have rules against teachers having relationships with children because of that situation and the special relationship. We have rules between medical practitioners and patients. We have rules between nurses and patients. We have rules that are very strict, for example, between psychiatrists and patients, and sometimes there are criminal sanctions to going over that limit. But often there are not. Often there are penalties for the capacity of a party to continue operating professionally. For example, if it is found that a psychiatrist has had a relationship with a patient even after the treatment of that patient has completed, it is incumbent on the Medical Board to remove the right to practise. It is a pretty serious offence, because even post treatment that relationship has to be protected.

Prisoners and prison officers also have to be protected. So, a gift transferring between either party needs to be dealt with and clearly identified as being prohibited. But if you are going to throw someone in prison for giving the other party a gift it has to be for a pretty good reason. We make laws in here which relate to loss of employment or loss of professional qualification. In some circumstances an offence can attract a fine and in the most serious situations a prison term.

The opposition will not support a gift being transferred in the relationship between these two parties without at the very least there being a financial limit on that. That is fundamental to what is necessary, and it is fundamental throughout the criminal law system in this state that we protect against that. It is totally unacceptable to us that there be no limit at all on a gift and that gifts will be in the prescribed class, as identified within a dealing that is proposed.

There are two other categories about which the minister raises a question, that is, where there is a relationship of some kind of act or favour, or that is for the benefit of an inducement, which again could compromise that relationship. That is not a criminal offence. That is something which is totally improper for the purposes of that relationship. For a prison officer, for example, to seek it from a prisoner or expect it from a prisoner, or being vulnerable to being a party to that, is totally unacceptable. I would suggest that, on the face of it, in terms of employment, it is ultimately a dismissible offence or at least a suspension. But we already have that in the act. There is no need for it in this measure: there is no need for a criminal penalty for it.

The third new area—apart from contracts, gifts and the situation where some kind of favour or inducement is offered—is this question of threat. It may be a threat of physical harm, it may be a threat of a withdrawal of privilege, it may be a threat that some kind of management tool will be imposed on a prisoner (or vice versa), or a threat of disorderly behaviour by the prisoner towards the correctional officer. Whatever the threat is, it is a criminal offence already and needs to get to the threshold to be established. So that is covered by the current criminal law.

A number of these things which would be improper, inappropriate and unacceptable in terms of the conduct of a correctional services officer could result in their having their employment suspended or perhaps in their being fined. I am not sure what the Public Sector Management Act says about that, but there may be some termination of their employment and/or their contract. These are the proper tools by which they are to be managed.

To come in here and acquiesce about what we are informed is a request by the Police Commissioner arising out of a case that, frankly, they stuffed up, is not an acceptable reason for us to introduce what I would see as draconian and quite unique legislation that would act against Correctional Services officers and put them at risk. I wonder whether the union covering these officers has been consulted about this matter and, if it has, what it has said about it. Frankly, if I were representing Correctional Services officers—which is probably unlikely, but if I were—I would be saying to you, minister, that it is unacceptable that they be placed at that risk.

If you were the Minister for Police I could half expect you to come in here with this sort of proposal. You would be wanting to cover the prosecutors who might have mucked up this case. I could understand that. You are the Minister for Correctional Services. You have a very important responsibility to protect the interests of those who undertake the training and professional work they do as correctional services officers. You expect a certain standard of them, which you are entitled to expect. We do not yet know what 'dealing in a prescribed class' will be, because it will be done by regulation which, in itself, is offensive to this side of the house. We like to see what you can be charged with. It must be in the legislation in the first instance. This is not just some civil liability: this is a criminal offence of a prescribed class. It would be unacceptable.

I am shocked, minister, that you would even attempt to introduce such an amendment when it is your own officers who are at risk of this very draconian piece of legislation. In another place, it has gone through. Perhaps others were not alert to the seriousness of what will be imposed but, frankly, I think when the union in charge of correctional services officers finds out about this it will want some answers.

The Hon. A. KOUTSANTONIS: Comrades: to the barricades! I have never heard such a wonderful speech from a person who would be at home at the Port Adelaide sub-branch on a Friday night or may be at a Trades Hall meeting. It was amazing. It inspired me.

The one thing that the member for Bragg failed to do was change her point of view. When the previous minister dealt with the PSA about inserting the principle that employees of the government, correctional officers or DCS officers, are not to enter into a contract with any inmate, they accepted it in 2007. We have since tested that legislation, and it has failed. The member for Bragg says, 'Well, it's not the fault of the legislation. It is the fault of SAPOL. The police are sloppy and lazy and the police commissioner, rather than get his act together and get his police prosecutors to do their job properly, has got me to come in here and do this for the people of South Australia.'

Ms Chapman interjecting:

The Hon. A. KOUTSANTONIS: I advise the member for Bragg that the police commissioner is one of the most conservative police commissioners this state has had. There is no greater example of that than in the Taser debate. The opposition has offered up 500 Tasers to be put on officers' belts and, if the commissioner refuses, they will instruct them to do so. We take the advice of the commissioner. Quite frankly, I disagree that it was a sloppy prosecution. I disagree that SAPOL prosecutors are not doing a good job.

Ms CHAPMAN: I did not say that. I have a point of order, Madam Acting Chair. The minister just asserted that I had suggested sloppy action on behalf of police officers. That is not the case. That has never been asserted in this house. I have said, in relation to that particular prosecution, there was a stuff up. That is very different from 'all prosecutors or police officers' in that situation.

The Hon. A. KOUTSANTONIS: Okay; comrade Chapman says that one police prosecutor stuffed it up, in her words.

Ms Chapman: He was given an opportunity to fix it.

The Hon. A. KOUTSANTONIS: We are fixing it here.

Ms Chapman interjecting:

The Hon. A. KOUTSANTONIS: The government's view is that we do. The Crown Solicitor's Office thinks we do, the department thinks we do, I think we do and the upper house thinks we do. I am a bit surprised that comrade Chapman is taking such a view on this bill. However, I do understand it, because when I was a younger man I was a bit left wing, and she is tugging at my heartstrings. However, the truth is this: there is no reason at any stage of an officer's career to enter into any dealing with any inmate, innocent or not. All officers must deal with all prisoners in the same way, that is, there can be no favourites; there can be no dealings. The South Australian public expects it of us.

I understand the honourable member's arguments and perhaps her fear that a well intentioned officer may err and end up inside the prison where they have worked. However, I am assured by the department that there is a level of steps before we even head down the track of going to police prosecutions. I think there are three steps involved before we even get down that path of seeking advice about whether or not we do go to police prosecutions.

Just to make it clear, if an inmate says to an officer, 'Come and pick up some tyres at home that I don't use any more,' the question is: why to an officer? The second question is: why is the officer agreeing? The third is: can we successfully prosecute our case? We tried and we did not, and now we are here before the parliament. The upper house agrees with the government. I urge the committee to support the amendment.

The committee divided on the motion:

AYES (24)

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

NOES (10)

Chapman, V.A. (teller)	Evans, I.F.	Goldsworthy, M.R.
Griffiths, S.P.	Gunn, G.M.	Hamilton-Smith, M.L.J.
McFetridge, D.	Pederick, A.S.	Venning, I.H.
Williams, M.R.		

PAIRS (6)

Weatherill, J.W.	Redmond, I.M.
Fox, C.C.	Pisoni, D.G.
White, P.L.	Pengilly, M.

Majority of 14 for the ayes.

Motion thus carried.

Amendments Nos 5, 6 and 7:

The Hon. A. KOUTSANTONIS: I move:

That the Legislative Council's amendments Nos 5, 6 and 7 be agreed to.

Ms CHAPMAN: The opposition consents to the same.

Motion carried.

MARALINGA TJARUTJA LAND RIGHTS (MISCELLANEOUS) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

CONSTITUTION (APPOINTMENTS) BILL

The Legislative Council agreed to the bill without any amendment.

At 18:31 the house adjourned until Thursday 19 November 2009 at 10:30.