

HOUSE OF ASSEMBLY

Wednesday 16 May 2012

The **SPEAKER (Hon. L.R. Breuer)** took the chair at 11:00 and read prayers.

SUMMARY OFFENCES (WEAPONS) AMENDMENT BILL

The Hon. T.R. KENYON (Newland—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for Recreation and Sport) (11:02): I move:

That the sitting of the house be continued during the conference with the Legislative Council on the bill.

Motion carried.

CORRECTIONAL SERVICES (MISCELLANEOUS) AMENDMENT BILL

The Hon. T.R. KENYON (Newland—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for Recreation and Sport) (11:02): I move:

That the sitting of the house be continued during the conference with the Legislative Council on the bill.

Motion carried.

PUBLIC WORKS COMMITTEE: PORT NOARLUNGA PRIMARY SCHOOL REDEVELOPMENT

Mr ODENWALDER (Little Para) (11:02): I move:

That the 439th report of the committee, entitled Port Noarlunga Primary School Redevelopment, be noted.

The Department for Education and Child Development has proposed to establish new admin, resource and general learning areas on the Port Noarlunga Primary School site, at an estimated cost of \$4.4 million, excluding GST. The proposed project aims to provide modern, efficient and functional areas for the delivery of primary education and care to the community of Port Noarlunga.

The primary school redevelopment project will deliver one building, which will cater for the following: administration; library resource centre; four general learning areas, one serviced learning area, and associated support spaces and amenities; sealed staff and visitor parking; improved staff and student circulation; and demolition of existing timber buildings. This will make a significant and positive contribution to the families within the district and be of benefit to the community as a whole, and it will improve the accommodation for the school and avoid continuing and escalating high cost of maintenance to the existing school buildings. The project will provide modern educational accommodation, meet legislative compliance requirements and deliver DECD benchmark accommodation for primary school students. It will further provide opportunities for enhanced professional learning for all staff.

The project is expected to be completed by June 2013. Given this, and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public works.

Mr PENGILLY (Finniss) (11:04): The opposition supported this project in the Public Works Committee, and it has pleasure in supporting the report here today.

Motion carried.

TAFE SA BILL

Adjourned debate on second reading.

(Continued from 15 May 2012.)

The Hon. T.R. KENYON (Newland—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for Recreation and Sport) (11:04): I would like to start by thanking all those who have made a contribution to this bill so far, and I imagine there will be further contributions in the committee stage. I will endeavour to respond to concerns as we go through. The member for Unley made a number of points and I will try to address them as I go through. TAFE SA is in a competitive environment and the member for Unley raised questions about how TAFE SA will retain or grow its business in a more competitive

environment. As the honourable member noted, there will be continued subsidies and support mechanisms to help TAFE SA transition into Skills for All.

The Victorian experience has had its ups and downs but even in that time my advice is that TAFE has grown. From my point of view, TAFE has a single great advantage and that is its reputation for quality right around the state. That reputation for quality will be its biggest single competitive advantage. I am advised that it currently provides around 80 per cent of training. Obviously, with an increase in private sector participation its market share will necessarily drop, but the whole point is to have more training and to have greater involvement of the private sector. So, by definition, as the market grows and the increase in private sector participation in that market grows, TAFE's market share as a percentage of the market will drop away but that does not mean necessarily that TAFE will not be growing. We think that TAFE is well positioned to grow.

However, there are a number of issues. Obviously, TAFE is a government-run training provider and, as members would be aware, it comes with the hallmarks of government, which are larger costs than the private sector and a little bit of inflexibility in the way that it operates—and these are some of the challenges that TAFE faces. The measures we have put in place to assist TAFE through that process are based on the Victorian experience.

I will get to the higher subsidies that the member for Unley mentioned in his contribution, but one of the reasons for the higher subsidies is that TAFE has higher costs. Coming into this process of Skills for All on 1 July, TAFE has higher costs; that is, higher wage costs because it does not employ people at the same price as private providers (they pay more), it has a fairly rigid delivery mechanism (as the member for Unley pointed out) and it has a lot of campuses. It has two obligations: it has an obligation to provide almost all types of training and it also has an obligation to provide it in a lot of areas, particularly in regional areas.

That places a cost burden on TAFE over and above the burden placed on a private provider because a private provider, again by definition, can choose to come and go in the market, it chooses where it sets up and it necessarily bases those decisions on profit, or at the very least breaking even and not losing money. That is no bad thing and that is what they are doing but what that means is that private providers will seek those courses where they think they can make a reasonable return.

There are some courses where that is more difficult to do, some courses where there are high capital costs such as engineering and welding courses, areas which require a workshop and tools and those sorts of things. TAFE bears the burden of that and it bears that burden across multiple locations around the state and in country areas particularly. It has a higher cost base right from the start. That is the reason for the higher subsidies—which I will get to at a later point—and it is also one of the mechanisms to help TAFE compete in that environment, understanding that it has higher costs.

There will need to be an attitudinal change in TAFE; that is well understood. TAFE is now in a competitive environment, or it will be from 1 July. It will need to seek out markets; it will need to seek out students; it will need to be more flexible and more responsive. That is the very point of the Skills for All program: to increase flexibility that responds to student demands. TAFE will be working on that within itself, and the government will be assisting TAFE to change that attitude, to change a bit of the culture in TAFE, to work through those issues right across TAFE.

One final point is that TAFE has appointed a number of business development managers to its organisation to help it develop, to help it make that cultural change and move it into that new competitive regime.

Mr Griffiths: How long will they be in place for?

The Hon. T.R. KENYON: Do you want to do that in the committee?

Mr Griffiths: Yes. I'm just trying to help you. It's just that there are big gaps; I thought I would fill it in.

The Hon. T.R. KENYON: I just want to make sure my notes are good. TAFE is already making a lot of changes to the way it works. The cost of delivering TAFE courses, it has to be admitted, was one of the highest in the country, and now that is coming back down and it is approaching the national average.

I think there has been approximately a 17 per cent reduction in delivery costs per hour of training and about a 15 per cent increase in training delivered at that time, so TAFE is becoming

more efficient, which is good—it needed to—and that process is going to need to continue because, as the member for Unley pointed out, the subsidies for TAFE are higher. They are set to be higher, but they are also set to come down over time as TAFE gets more efficient, more responsive and more flexible.

I know I agree with the member for Unley when he says that the quality is a very important component. One of my great focuses in this whole process of changing to Skills for All is that we get quality right. There is no point in the state spending—and taxpayers spending—very large sums of money on training if that training is not worth a lot at the end of it, if no-one wants to employ the people who come out at the end. That needs to be guarded against.

We have implemented a layer of auditing as part of the Skills for All process over and above the federal government's process and I think it is fair to say that Victoria has just started doing the same thing, or is about to do the same thing. We will do the same thing as a result of their experience in moving to this. Again it is another area where we learned from Victoria, and we need to be careful about who the state spends its money with to ensure that that quality is there.

Training providers wishing to access public funding under Skills for All must apply and meet rigorous assessment criteria to become a Skills for All training provider. As I said, this is in addition to the registration as an RTO (registered training organisation) through the Australian Skills and Quality Authority (ASQA), which is the national vet regulator.

The Skills for All training provider applicants must provide evidence against a range of selection criteria that are over and above the requirements for registration and include a satisfactory regulatory record and, where applicable, public funding record as an RTO; sufficient numbers of past graduates to support evidence of RTO performance and capability; learner and employer satisfaction with training and assessment services; engagement with industry to ensure quality outcomes; and evidence that course delivery specifications are sound and comparable with other providers.

Only providers that meet these selection criteria will be offered a contract as a Skills for All provider, and the term and scope or number of qualifications that are offered by each provider will be determined by the extent to which their application meets all the criteria and the risks that are identified through the assessment process. If Skills for All training providers are identified as noncompliant or have breached their contract, the department will investigate and will attempt to get the RTO to make good, but, in the end, if that is an unsatisfactory process, it could then initiate a process that could terminate their agreement with the minister.

The department is also establishing a service level agreement with ASQA. This agreement will allow sharing of information between the department and ASQA to ensure that the department is advised if a Skills for All training provider is assessed by ASQA as being noncompliant with the national registration standards. Similarly, if the department identifies quality concerns with a provider it will refer the matter to ASQA for investigation to determine if the provider is operating in accordance with the standards.

There has been some discussion in the past few weeks about Victoria's experience with a similar program. While Skills for All does have similarities with Victoria as well as reforms emerging in other states, there are some distinguishing features and I have been through some of them already. Under Skills for All the training subsidy is more generous and inclusive of people wanting to retrain at the same or at a lower level, so people who may be looking for a change in career or who are looking to do something completely different are still entitled to access to training subsidies. The Victorian training guarantee has an entitlement for people under the age of 20 to undertake subsidised training. For people aged 20 and over the entitlement is generally only available for training at foundational skills level or for any qualifications higher than those already held.

Another difference is that under Skills for All the course fee for all training up to and including certificate II level, foundation skills courses, priority courses and prevocational courses will be fully subsidised by the government. In contrast, the Victorian government does not fully subsidise foundation level courses or training up to and including certificate II level.

Under this bill, as members would know, TAFE will be established as a single statutory authority comprising three institutes. What we are attempting to do is make sure that the system-wide benefits of TAFE are preserved and that you do not have 14 institutes and four TAFE divisions of universities competing against each other without any coordination. We are not trying to get TAFE to compete against itself, we are trying to get TAFE to compete in a market.

The member for Unley raised a number of questions about the schedule of the bill that contains the terms and conditions of prescribed employees. Under the schedule, the mechanism for transferring employment terms and conditions of employment is different from other statutory authorities because the employment of TAFE SA staff who will be transferred to the employment of the chief executive of the corporation is documented in the legislation in a unique way. We are not putting any employment conditions into the bill that are not already in the relevant bills that exist at the moment. We are trying to make, as much as possible, a clean swap to take TAFE and its relevant legislation as it stands, move it into a new legislative environment, and then move on from that point.

The enterprise bargaining agreement is the terms and conditions of employment and the only time the current act comes into play is where the EBA is silent on those matters. Largely, the terms and conditions in the current acts have been superseded but it was not my intention to come in here and just delete all of those without significant consultation. I think it is best to do that through the enterprise bargaining process. It is best to make sure that that is done with full agreement and I did not want to let the transition to a statutory authority get in the way or be held up by going through that process. Those terms and conditions do not hinder TAFE as it currently stands, and they will not hinder TAFE into the future. They are a bit of a legacy, and we can move through them as we reach agreement to do that, but for now we are concentrating just on getting this statutory authority set up and operating.

The member for Unley also made some comments about growth in salaries in DFEEST. My advice is that those numbers have been distorted somewhat. They are total packages. While there has been an increase in the number of people paid over \$100,000, the reason for that mainly is just the incremental rises in salaries as part of the enterprise bargaining process, but also when people receive a targeted voluntary separation package, the total value of their package is also reflected in those figures. There are only 13, but the vast majority of that rise in the number of people over \$100,000 has just come from incremental rises in enterprise bargaining agreements.

I can tell the house that in 2010-11, under new reporting criteria, the number of employees with remuneration at the base executive level or above was 52, and after removing leave pay (that is TVSPs) the number reduces to 42. This compares to 38 in 2009-10, when compared under the apples with apples arrangement with revised criteria. As at March 2012, the department had 31 executives, which is consistent with the FTE executive reduction strategy target the government is committed to.

The member for Unley also spent quite a lot of time talking about subsidies and the comparative subsidies between TAFE and the private sector. I have been through some of the reasons for that and basically there is a higher cost burden placed on TAFE as a result of the way it is set up. It has a greater number of campuses and it has community service obligations to provide a full gamut of courses across the state, or at least in a reasonably accessible way across the state.

User Choice funding is already in place, which is a training program funded by both the commonwealth and the state. It is a joint program. There are different rates under that program. Industry is already used to these arrangements. We have had 300 providers apply for approval as a Skills for All provider. Eleven of them have responded and provided reasons and suggestions why the subsidy rates are an issue. On the whole, there has been acceptance of the rates as they stand and, of course, over time we will be reducing those subsidies paid to TAFE.

Third-party provision is going to be a matter for the department, because the department will retain control of the assets. The Department of Further Education, Employment, Science and Technology will continue to own the TAFE colleges. The TAFEs will operate in those colleges and the private providers will apply to the department for access to those facilities. Again, coming back to the issues of efficiency and utilisation of assets, I agree with the member for Unley that they need to be better utilised. These are significant assets. They are community-owned assets, and the community expects good utilisation of these assets. That will be one of the challenges under the new regime, making sure that, as effectively as we can, we utilise the assets that we have, that they are used as often as possible at a fair price and with reasonable access for third-party providers.

The member for Unley also mentioned TAFE only qualifications. There are currently, I am advised, 249 TAFE only courses out of approximately 1,400, and that represents 18 per cent of the total list. That number will, again, reduce over time. The reasons for the inclusion of the TAFE only list vary from course to course, but a number of them are superseded qualifications and they are

just teaching them out. So, they take the people who are currently involved in those courses and make sure they complete their studies. Preferably, we will try to move them to the new qualification if we can, because it would be better if we could give them current qualifications when they graduate rather than something that may be superseded, but it is just working through those superseded qualifications.

Qualifications regularly change as part of the process of doing that, and that is an interaction with the federal government that we go through so that there are common qualifications right across the country. Again, that list will come down over time, and I expect we will get to a point in the not too distant future where that will occur within one year. So, within one year there will be no TAFE SA only courses. It is a temporary transfer arrangement, but one that will disappear soon enough.

The member for Chaffey mentioned a firearms course currently undertaken by TAFE. I have spoken with him about that. There is the added complication with firearms courses that they need to have the approval of the police as well as part of the process. Providers need to be an RTO, they need to meet Skills for All qualifications, and they then need to be approved by the police. I have undertaken to look into that matter with the member for Chaffey and work through that issue with him.

The member for Stuart mentioned Cinema Augusta, and the situation there is pretty much as he outlined. We have negotiated with the Coles. We have told them that we are prepared to lease that cinema to them at a fairly low rate if they are prepared to absorb the costs of the maintenance for that site so that it does not become a burden on TAFE. We would rather spend our money on training than maintaining a cinema for a third party to operate. They are very clear on that.

That is not a usual lease arrangement. We will have to work our way through and seek an exemption under that—the Coles know that—and I am prepared to work my way through that. If that lease is refused, we will have to go back and try to work out a more commercial arrangement. In the end, the goal I am attempting to achieve is to have the Coles make a commercial decision as to whether or not they want to continue operating the cinema after we have absolved ourselves of the cost of keeping that cinema operating.

Specifically, the member for Stuart was concerned about how that would work with the transition to a statutory authority. As I outlined earlier, TAFE will maintain control of the facilities, so arrangements made with TAFE now will continue because those arrangements will be made with the department; they will transfer to the department as the owner.

To clarify: TAFE at the moment are one and the same thing, essentially, with the government. As they separate out, the control and arrangements for the leasing of the cinema and other assets will rest with the department. There will be a constant there in that the department will continue to exist, so they will have security of tenure.

Once they sign an arrangement with DFEEST, then that arrangement will continue with DFEEST and will not be part of TAFE. The control will not rest with the TAFE board; rather, it will rest with the department and, ultimately, through the department, the minister. So, with those words, I again thank members for their second reading contributions, and I look forward to any further contributions people may wish to make in the committee stage.

Bill read a second time.

In committee.

Clause 1 passed.

Clause 2.

Mr PISONI: Just on the commencement of the act, minister, you mentioned that business development managers have been engaged. Are you able to advise whether they are permanent employees of the new corporation, whether they are seconded employees of DFEEST or whether they are contractors? Also, how many are there, and what are their salaries?

The Hon. T.R. KENYON: The answer to your question is: it depends a little bit. Chief financial officers are the people within TAFE institutes, so each of the three TAFE institutes has a chief financial officer. They are executive contracts, so they are employees of the department under an executive contract—a standard contract. The other employees are business development

managers and education managers, who are also playing a role in business development; they are permanent employees of TAFE.

Mr PISONI: So what you are saying is there are no additional staff coming in to fill those business development manager roles?

The Hon. T.R. KENYON: The chief financial officers are additional staff, so they have been placed in as part of the setting up of TAFE as a statutory authority, and they are on executive contracts.

Mr PISONI: And the value of those contracts, minister?

The Hon. T.R. KENYON: Are you asking what level they are at?

Mr PISONI: Yes. Basically, what is their salary structure?

The Hon. T.R. KENYON: SAS Level 1, is the correct term.

Mr PISONI: For *Hansard*, can we have that in dollars, please?

The Hon. T.R. KENYON: About \$170,000 to \$180,000 a year.

Mr PISONI: And that is the package, not the salary?

The Hon. T.R. KENYON: That is correct.

Mr PISONI: How many executive level staff will move from DFEEST into TAFE SA, once the act is proclaimed?

The Hon. T.R. KENYON: Ms Elaine Bensted will be transferred from DFEEST to become the CEO. She is acting in that position at the moment and has been running that. We have sort of separated them administratively internally. She has been running that as the CE of TAFE. She was a deputy CE, so she has moved across to that level. We will advertise that role at a later point.

It is possible that some financial capability—so some financial executives or people—will move across from DFEEST to TAFE, but a lot of the financial services will still remain within DFEEST. There will be a service level agreement between TAFE SA and the department that will provide a lot of the financial services and HR services to TAFE. It may be that, over time, TAFE decides to take that on itself but, for the moment, we are trying to ease that transition across.

Mr PISONI: What level of debt will TAFE be carrying? Perhaps you could also explain, for the last five years, what the cumulative deficits have been for TAFE and how they will be dealt with, either before TAFE is transferred to the corporation or later, and how future deficits may be dealt with.

The Hon. T.R. KENYON: Member for Unley, we do not have a level of debt figure for you at the moment, but I will get that to you. The financial deficit in the last financial year is approximately \$6 million, which is around 2 per cent of its budget. Ultimately, once the statutory authority is up and running, TAFE will need to manage its budgets in such a way as to be responsible for its deficits and its surpluses. They will obviously been done in close consultation with the government and, ultimately, the government will have to stand behind TAFE. Certainly my intention is for TAFE to move at the very least to a break-even position. Very small slight surpluses, which would give it a little bit of a buffer, would be a better situation. It will not be too different from any other statutory authority in that it is required to break even or make a slight profit, and that is the situation with that.

Mr PISONI: Have you been advised or are you planning to make any changes to employment conditions in the current EBA negotiations for TAFE employees?

The Hon. T.R. KENYON: In fact, just as I was walking out of my office this morning to come to parliament the representatives of the Australian Education Union were walking into the building to begin negotiations, so those negotiations are underway and, until we have concluded them, it is not possible to say what the final conditions of the EB will be. That is a matter of negotiation between the government and the AEU or the representatives of the employees. I cannot give you a definitive answer on what the final conditions will be.

Mr PISONI: Have you been advised that it is recommended to make changes to the EBA in order to begin TAFE on the path to becoming more cost-effective and to take control of its budget and be more competitive? Have you been given any of that advice as minister?

The Hon. T.R. KENYON: My focus, the focus of the government and the department at the moment is to use the full flexibility built into the current EB more effectively. I do not particularly want to go into the details of the negotiation process between the government and the union over what we would like and what they would like in the parliament. But the member makes the point, over time there will need to be more flexibility in the employment arrangements of TAFE, but we are not rushing headlong into that. I can categorically say that will occur through an enterprise bargaining process, so if there are to be changes they will be made through an enterprise bargaining process and we will work our way through that.

Mr PISONI: With all due respect, my question was about whether the minister was advised that there should be changes to the EBA.

The Hon. T.R. KENYON: I have certainly received advice that one of the major costs on TAFE is its employment arrangements and that the way to change those is through the EB. There is no secret in that matter that if you want to reduce the costs there needs to be more flexibility in the EB, and that is something that we will try to achieve over time.

Mr GRIFFITHS: If I can just pick up on a couple of the answers provided by the minister in some recent questions from the member for Unley, firstly, the minister referred to the preference for TAFE to break even and to make a slight profit. I am intrigued though: what will happen if it does not do that? Are you going to have a monthly reporting back to you as the responsible minister about financial issues? How often, therefore, will you have to take some issues to cabinet for funds to be released potentially to ensure that it is propped up so that it is at a break-even point?

The Hon. T.R. KENYON: My advice is that it will be monthly reporting on financials and quarterly reporting on performance agreement arrangements. You make the point: if it goes into a deficit, the government will have to make arrangements to address that. It is a publicly owned corporation and it will play an important role into the future, but I would expect that the board and TAFE will hit that break-even point, that they will use their money as efficiently as they can and hit that break-even point.

We are asking them to set realistic budgets, but they will have to make a number of business decisions about how they operate. As the member for Unley has pointed out, there is a lot of scope within the operations of TAFE to do that: greater utilisation of facilities and better use of resources. I think we have proved that we can do that. As I said earlier, we have had a 17 per cent reduction in cost per hour of delivery of services and I think we are going to have to keep going down that track.

Mr GRIFFITHS: I recognise that TAFE is a cash-flow sensitive organisation though, particularly as the majority of its courses are focused within a 40-week period of the 52-week year. I think that is how it works. I understand there will be monthly reporting back. That is fantastic, but is there going to be a trigger point where deficit projections will prompt you to take some form of action? Have you put an internal control in place to ensure that it will never become an excessive amount that is going to embarrass you, the government and the Treasurer, who is going to need to find some more money to prop things up? What sort of controls have you determined will be in place for this system?

The Hon. T.R. KENYON: The controls are, essentially, the monthly reporting of financials and then performance against the performance agreements. Basically, there will be continual monitoring of the situation. You have to say to yourself, every time you read those reports, if everything is going well that is excellent, but if it is starting to go bad then that is when you are going to need to make a decision. We have basically a monthly opportunity to think that issue through. The opportunity to do that will be at the point when you start receiving your monthly financial reports and your performance against the performance agreements. That is when you will have to make decisions as they come up, because it is hard to anticipate now what they may be and what the causes for it may be. I think there needs to be some flexibility built in to that to make the decisions as you need to, as you go along.

Mr GRIFFITHS: I do not want to be pedantic about this, but I understand those concerns that you have. For me, it is as though an internal control needs to be a trigger point of a certain dollar figure, where there is a projected deficit or an actual deficit from a month-by-month operation, that needs to prompt you to take a firmer hand or to be prepared to offer a high-level investigation and, indeed, to have a conversation with the Treasurer about a potential risk being exposed here. I am interested in what you as the responsible person have determined should be in place.

The Hon. T.R. KENYON: In the first instance the commercial board or the board of the statutory authority are responsible as directors for the financial performance and the financial position of the statutory authority. They will have obligations to report back to me and they will be doing that monthly, as I said, and quarterly for the performance agreements. So, it will be the board at first whose job it is to work their way through that and then it will be my job to oversee that at the top. Under the Public Corporations Act, Treasury also has the right to request special reports and to review the way the corporation is running.

I understand the point that the member for Goyder is trying to make, but the internal controls at the first instance will be the responsibility of the board and then I will monitor that, and the department will monitor that, through the receipt of reports at monthly intervals for financials, and that will give us the opportunity to make decisions. It is hard to set down iron laws when the nature of what may be a problem in the future cannot really be fully determined by parliament, the minister or a department. You could have particular circumstances where revenues may drop away very, very quickly simply as a result of an Asian currency crisis where we are relying on strong inflows of foreign students for income. If that dropped away very quickly that could cause a problem, but it is hard to anticipate that, other than going through the monitoring process and having the board be very rigorous in its assessment of its financial position.

Mr GRIFFITHS: I ask the questions because I am a bit of a process-driven person. I understand that it is difficult to try to pre-empt what might occur in future issues and try to put a process in place. The minister's comment about the oversight responsibility of the Treasurer and his ability to ask for reports does not necessarily allay my fears, given that the Treasurer thought we had observers on the Zoos SA board. If I can go to another one of the minister's previous answers where he talked about DFEEST taking on responsibility for HR and financial issues within TAFE. Is that going to be on a fee-for-service basis, or is that part of the physical support that DFEEST will provide to TAFE operations?

The Hon. T.R. KENYON: It will be a fee-for-service arrangement. It will be a service agreement between TAFE and DFEEST. A contract price for that will be negotiated. Ultimately, TAFE has the right to choose who it purchases those services from, or whether it decides to take it on and do it internally and employ its own people, that is up to it, but in the first instance where there has been that interaction between the department and TAFE up until now we will slowly separate that out as we go. The first formal way of doing that is to have that service level agreement so that there is a purchaser and a provider.

Mr GRIFFITHS: Just for the record, that agreement will be for what period initially?

The Hon. T.R. KENYON: Initially, our intention is to have a one year agreement and once the board is in place we will let it have a look at those arrangements and work out whether it would like to continue with them. We will give that responsibility back to the board at an appropriate point.

Mr VAN HOLST PELLEKAAN: I am seeking some further clarification and assurance with regard to the Port Augusta cinema issue. I did hear the minister's comments before, and I thank him for those comments. I would also like to point out that while this is a business issue it is also a very important community issue. This is not a business that makes the people who run it millionaires. The key issue for me here is the fact that it is an incredibly important service to Port Augusta and the surrounding district.

I heard the minister say before that if the Coles are able to enter into a lease agreement then the impact of this bill, the corporatisation, the statutory authority, will have no impact on that ongoing agreement. I would like you to tell me, please, that it will also have no impact upon them entering into the lease. I did hear what you said about the fact that you need to seek special permission for that lease to happen, and I understand that, that has always been the case, but I would like to know, very clearly, that this bill will have no negative impact whatsoever on their ability to enter into that lease along the lines that we have discussed.

The Hon. T.R. KENYON: Yes, I am happy to give that assurance to the member for Stuart. As I outlined before, the department (DFEEST), which answers to me, will be managing the assets, the campus, as it were. Those arrangements will have to be negotiated, therefore, with the department. I have made that commitment and I will carry it through.

Mr PISONI: Will the department have been up to date with its targeted voluntary separation packages prior to divesting itself of TAFE, how many of those targeted separation packages were for TAFE employees and have they been met?

The Hon. T.R. KENYON: Currently, the department and TAFE combined have 80 surplus employees. I am not able to separate them out to TAFE and DFEEST at the moment; I do not have those numbers here. The majority of them, though, are likely to be from TAFE given that, at the moment under the current arrangements of a combined TAFE and DFEEST, there are approximately 3,000 employees and 500 of them, approximately, are inside DFEEST proper and the other 2,500, approximately, operate within TAFE.

Obviously, Treasury is demanding from us further TVSPs as part of previous budgets, and we have those commitments to meet. Some of them will come from within the department and some of them will come from within TAFE. Again, TAFE will need to adjust its operations to become more efficient, and the TVSP program will be part of that.

Mr PISONI: Is the minister able to bring back to the committee the list and job titles of those surplus employees—the department of education has done it previously—and, of course, with their salaries so that we can get an idea of the total value of the surplus employees?

The CHAIR: Can we have that question again, please?

Mr PISONI: I asked the minister whether he can bring back to the parliament—I do not expect him to have this answer here and now—a list of the 80 or so surplus employees who are with the department at the moment, their job titles and their salaries.

The Hon. T.R. KENYON: Yes, we are able to provide that, and I will get that to you.

Clause passed.

Clause 3.

Mr PISONI: This question relates to the new position of Chief Executive of TAFE. The minister explained earlier that the deputy CEO is in charge of TAFE at the moment. Will there be an increased salary from the deputy chief executive's salary for the new Chief Executive of TAFE?

The Hon. T.R. KENYON: My advice is that, in fact, the former deputy chief executive officer of DFEEST, Ms Elaine Bensted, has transferred across to TAFE SA under her current salary and conditions; so there is no change there. She is now the Chief Executive of TAFE SA. Ultimately, who is the CEO and the rate at which they are paid will be a decision for the board once the board is set up and the corporation is operating, and that will be in the same way that other public corporations set their payment and remuneration terms for their CEO.

Mr PISONI: What is that salary now, minister?

The Hon. T.R. KENYON: Also, I should mention that under the charter of operations between TAFE SA and the minister, the minister will have to approve the terms and conditions of the CEO. My advice is that the current salary package is worth around \$280,000 for the CEO of TAFE but, with the member's indulgence, we will check that and get back to him if that answer is incorrect.

Mr PISONI: On the TAFE SA grounds, I note the interpretation says that it means all land occupied by TAFE for which TAFE has care, control and management. Is TAFE responsible for all maintenance and capital programs, and will it also be responsible for the holding costs of those assets, or is that something that the department, or some other department, will hold for them?

The Hon. T.R. KENYON: The normal lease arrangements between the department and lessee, the entity of TAFE in this case, will apply. The day-to-day maintenance of things that a renter of a property would normally undertake will be undertaken by TAFE, then there will be an arrangement for maintenance and control of the buildings and everything else. We will come to arrangements about how that will be met but, ultimately, it will be the responsibility of the department. So the operational matters and day-to-day maintenance will be taken care of by TAFE but the department remains the owner of the facilities.

Mr PISONI: So I can be clear, minister, are you saying that the holding costs of the assets—which, certainly, industry believes is one of the reasons for the larger Skills for All subsidies to TAFE to provide courses, the larger amount of money compared to what is available in the private sector—is not actually the responsibility of TAFE, that is, covering the full costs of those assets, and they will be covered by the department, or somebody else?

The Hon. T.R. KENYON: The department will be charging TAFE a facilities charge, which will account for holding costs and depreciation, as you mentioned. There will be a payment by TAFE back to the department.

Mr PISONI: Will it be actual costs or a partial offset?

The Hon. T.R. KENYON: It will be the actual depreciation and holding costs of the facilities.

Mr GRIFFITHS: I am interested in capital works that might be needed. If there is an expanding opportunity for TAFE to provide training courses in any one particular area, and then through its network they acknowledge there is a need to invest in some form of physical structure, do they themselves then have responsibility to self-finance that and make it an amendment to a lease agreement for the new structure to be built, or do they put in a budget bid through you that goes as part of the state government and cabinet consideration?

The Hon. T.R. KENYON: If TAFE wants an expansion of the facilities, it will need to negotiate that with DFEEST, but DFEEST owns the site and if they want new assets on the site they will be responsible for building them. There is a capital budget within DFEEST. If it cannot be accommodated within the capital budget of the department, it would then need to go and make a budget bid through the normal cabinet processes, so the latter option in your question. The department will need to fund the construction of new facilities. I do not think that precludes an arrangement between TAFE. If TAFE can find another funding source to build on the site, again that would be a negotiation between the tenant and landlord. There would need to be an arrangement about how that asset is treated in the event that TAFE vacates the site, and all of those contingencies, whereby the normal commercial arrangements would be in place.

Mr GRIFFITHS: As an extension of that, and it may be a possibility, is TAFE actually able to go out to the marketplace to borrow funds? It would have to present a business plan that proves that it has a positive revenue stream that identifies its ability to pay back funds, but as I understand it, it is an incorporated body, can it go out to the marketplace to secure funds? If it goes through your system, but invariably there are no funds available as part of DFEEST capital works projects for TAFE to have buildings built, and it identifies the importance of it, can it go out to the marketplace to borrow dollars?

The Hon. T.R. KENYON: Legally under the Public Corporations Act it is able to take on debt and borrow money, as long as they comply with the Treasurer's Instructions around taking on debt. However, in the first instance, under our charter arrangement (we have a charter with the TAFE board) we will be restricting that. We would rather them get themselves settled first and then think about that sort of thing, but initially we will be restricting the ability to take on debt. Under this act, and as with any public corporation, as long as they comply with Treasurer's Instructions they are legally entitled to take on debt.

Mr GRIFFITHS: So that I am sure, 'restricting' means zero and not just a figure that might be in some agreement, like \$2 million or something like that?

The Hon. T.R. KENYON: It will be none at all without the written approval of the Treasurer and the minister.

Mr WHETSTONE: Minister, how many members will be on that board? Can you elaborate on the process by which those board members will be selected, and what will the budget be for that board?

The CHAIR: I will have to redirect that question to clause 7. If you are going to ask a question about the director and the relationship to the board, that is fine. There is a specific clause that deals with the establishment of the board, etc., so we will ask those questions then. It is fine if you want to ask a question relating to the interpretation of a director but, in terms of the structure, etc., I am happy for you to ask a question about that under clause 7.

Mr PISONI: Point of order, Mr Chair. The actual interpretation is, 'Director means a member of the board of TAFE SA', so I think it is fair and reasonable for the member to ask for details regarding the qualifications of the director.

The CHAIR: The actual requirements of the board, etc., is actually under clause 7. You would have read the draft bill so you would know that. My ruling stands.

Mr PISONI: Point of order, Mr Chair. You have allowed questions on the interpretation of the chief executive and the interpretation of TAFE grounds, but you are not allowing questions on the interpretation of a director. It is quite clear here: it states, 'Director means a member of the board of TAFE SA.' We are seeking clarification as to what a director is.

The CHAIR: The question was about the qualifications required of a board member. That is clearly covered by clause 7. I have been a bit relaxed with the earlier questions. The question is valid; it can be asked under clause 7. We need to move on.

Clause passed.

Clause 4.

Mr PISONI: This refers to the establishment of the TAFE Corporation. Will TAFE have to apply for approval to the Department of Industry, Innovation, Science, Research and Tertiary Education as an approved VET provider in order to offer VET FEE-HELP to all students, and will the process of this application for TAFE be the same as it is for private providers?

The Hon. T.R. KENYON: The short answer to both of those questions is yes. It does have to apply; it applies to the federal government. That process is currently underway, and it will come under the same processes as with private providers.

Mr PISONI: How will TAFE SA satisfy the financial quality and governance requirements of VET approval under the Higher Education Support Act 2003?

The Hon. T.R. KENYON: I think the easiest answer to that is just to say that the government stands behind TAFE, and the federal government will want to assure itself that it does stand behind TAFE. That will be the way we deal with it. Quite clearly, TAFE will continue to be owned by the government (the state), and the government is not making any attempt to walk away from that. Obviously, we will have to assure the commonwealth of that, but I do not know that it is necessarily a difficult process.

Mr PISONI: Minister, I am quite sure—

The Hon. T.R. KENYON: Sorry to interrupt you, member for Unley, but under the Public Corporations Act there is also a guarantee by the Treasurer, so public corporations have a guarantee by the Treasurer.

Mr PISONI: How will TAFE report to the Treasurer on its governance requirements?

The Hon. T.R. KENYON: TAFE will report to the Treasurer and me with monthly reports on financials, as previously mentioned, and quarterly reports against performance agreements and criteria. Obviously it will have to put out an annual report as well. For the purposes of budget reporting, it will appear as part of the DFEEST section in the budget papers.

Mr PISONI: And an annual report will be tabled in the parliament?

The Hon. T.R. KENYON: Absolutely, yes.

Mr PISONI: The preamble states that full VET FEE-HELP will be available to VET students in South Australia who study at least diploma level, where study is publicly subsidised through approved training providers. VET FEE-HELP eligibility states that to access VET FEE-HELP you must study with a registered training organisation that has been approved as a VET provider under HESA. There is no mention of publicly subsidised courses. Will VET FEE-HELP alter its requirements to this effect? If so, private RTOs who currently hold VET FEE-HELP approval may face a restriction on their business should they choose not to participate in the Skills for All market. Is the minister able to clarify those concerns, that have been raised with the non-government VET sector?

The Hon. T.R. KENYON: It is perhaps best if I take that question on notice and get a more detailed answer, because it is mainly the province of the federal government. There is a heavy involvement with the federal government because it is funding it. If I can take that question on notice and get back to you with a detailed answer I think that is the best way.

Mr PISONI: I understand that, and thank you for that. Will HECS deferral be available to students who choose to study with private providers, particularly where there is a student and/or employer contribution required? I understand that the HECS deferral is available for TAFE—and you might want to confirm that I have that right—but there is concern in the non-government sector that it is not clear whether deferral will be available for students once they qualify for that HECS funding if they plan to commence their VET training with a private provider.

The CHAIR: For my clarification, the question is not an invalid question—it is a valid question to ask—but how does it relate to the establishment of the corporation, and why would you not be asking it under clause 6, which talks about students and training?

Mr PISONI: The establishment of TAFE as a corporation is a requirement for TAFE to be able to offer HECS funding through the federal government.

The CHAIR: Okay. Minister.

The Hon. T.R. KENYON: My understanding on that question is that the arrangements for this are administered by the federal government and that they apply equally to TAFE and private providers. Again, I will check that and make sure that that information is correct.

Mr PISONI: Just on that same matter, minister, will government subsidy for eligible students be the same regardless of where they choose to study, that is, whether it be a TAFE institution or a private institution?

The Hon. T.R. KENYON: In terms of commonwealth government subsidies—is that what you are talking about?

Mr PISONI: The HECS funding.

The Hon. T.R. KENYON: My understanding is that, in terms of federal government subsidies, they are the same and, of course, our arrangements in terms of the subsidies we provide to training providers are differentiated between TAFE and private providers in terms of the underlying subsidy that we provide. For the purposes of VET FEE-HELP, my understanding of the situation is that the commonwealth is providing an equal subsidy. Again, we will further investigate that and make sure we give you the correct information.

Mr GRIFFITHS: I have another question in relation to clause 4(2)(c) where it talks about TAFE SA being capable of suing and being sued. I am interested whether any current legal action has been taken against TAFE SA and, if so, does that action remain as a potential liability for DFEEST or is it absorbed as part of a potential liability if it is lost by this new TAFE SA structure?

The Hon. T.R. KENYON: Any legal action that is currently ongoing between TAFE and another member of the public or another corporation will transfer across with TAFE, so it will remain a part of TAFE and the board will have to deal with that situation. I apologise to the member for Goyder. My advice is that any current legal action is taken to be against the minister and that court proceedings will continue with the minister. TAFE will be a new entity, a clean sheet, and any further legal action from that point will be the responsibility of the corporation and the board.

Mr GRIFFITHS: I am grateful for the correction made because I must admit that I was alarmed by the first part of your answer. Regarding insurance obligations for the new TAFE SA structure, will they be covered as part of some self-insurance that the government currently has or will they need to go out to the marketplace to ensure that they have professional indemnity and public liability in their own operations so that that becomes part of their cost of operations?

The Hon. T.R. KENYON: Perhaps we can take that on notice and get a detailed response to you on that one just to make sure that we have covered off every area. It may be that those liabilities are split between the department and TAFE, but I will get you a full answer.

Mr GRIFFITHS: It is a matter of timing. So, the answer will be provided to the responsible shadow minister in time for the debate between the houses? We will have this information next week at the latest?

The Hon. T.R. KENYON: Yes, we will provide that information to the responsible minister and, for your own interest, we will make sure that you get a copy as well in time for the debate in the upper house.

Mr WHETSTONE: Minister, will the government freeze the level of competitive funding for the private provider RDOs in the context of its commitment to being the largest provider of publicly-funded training in South Australia?

The Hon. T.R. KENYON: No, there is no intention to restrict the money available to private providers. It is a demand-driven system, so the private providers will have full access to the funding they need if the demand is there from students. Having said that, I indicate that one of the lessons from Victoria is that there was a flurry of study in courses not necessarily prioritised by the state as critical skills, and that is a situation we try to avoid. We have reserved the right to have caps on funding for specific qualifications, so it will not make any difference whether it is a public or private provider. But we do not want to see runaway training in an area that is not a significant priority for the state.

In Victoria, they had a particular issue with fitness training, people being personal trainers. They are now moving, I think, to a system of caps as well. We will be monitoring training on a qualification basis or category and making sure that it meets the government's training priorities. Where it looks like they are blowing out, we will cap the funding available in a certain qualification area, but it will not be differentiated between private or public providers; the limit will be on the funding for the qualification, not on the provider.

Mr WHETSTONE: Minister, how will TAFE SA respond to the new needs and demands, given the in-built inertia, with its large top-heavy administration?

The Hon. T.R. KENYON: As I have said before, I think it is going to have to continue on with the process that is underway already. The costs for providing instruction have reduced by about 17 per cent over the last couple of years, on a per hour basis and, at the same time, qualifications completed have gone up by 15 per cent, and we would like that process to continue. So, that process is already underway, and there is going to have to be a continuation of a revision of costs and assessment of process and operations to make sure that courses are provided as efficiently as possible.

We should not back away from the fact that there will be challenges for TAFE in the transition to a more flexible regime. It is used to operating in a more rigid system and a more rigid environment, as the member for Goyder said, with terms and semesters and those sorts of things, and it is going to have to learn to operate in a more flexible way. That is one the challenges facing TAFE, there is no doubt about that; there is no point backing away from that fact.

Mr WHETSTONE: Will TAFE SA be funded solely by federal and state subsidies?

The Hon. T.R. KENYON: No, it will also have fee-for-service arrangements with industry. It may be approached by an industry to provide a certain service for a fee, as it currently is. TAFE receives significant income (as do a number of private providers) from overseas students. Hopefully that will continue and, with any luck, expand.

There is no restriction on the opportunity to provide training outside of the subsidy system for the benefit of TAFE. That is one of the great opportunities that is available. TAFE has a very good reputation for quality and it should feel free to trade on that reputation and make the most of it, to provide as much training as it can.

Mr PISONI: I have a supplementary on that question, if I may. You mentioned income from overseas students: are you able to advise if there is any responsibility for TAFE to ensure that overseas students who are studying here are complying with their visa requirements, such as having health insurance, etc.?

The Hon. T.R. KENYON: TAFE SA will have obligations under federal law and federal requirements and they will be the same as private providers. The federal government currently has a regime. There are already obligations on RTOs, including TAFE, to provide information to the Department of Immigration and Citizenship (DIAC). That will continue and they will be subject to any regulatory changes that the commonwealth may make. The commonwealth seems to be heading in the direction of placing greater obligations on RTOs around compliance with visas for overseas students, and that burden will be the same on TAFE and private providers, and they will be directly to the federal government.

Mr PISONI: Just for those who might be following this debate on *Hansard*, what are the obligations now on TAFE to ensure that their overseas students are complying with these requirements?

The Hon. T.R. KENYON: I am not able to provide that detail now but I will get back to you with that information. Some issues are around change of address and stuff like that but it is best that I get back to you with a fuller answer.

Mr GRIFFITHS: In reference to an answer provided by the minister in regard to caps put in place on subsidies that are available for the private and public training providers, I understand the great challenges to ensure that South Australians have the skill set they need for future work opportunities here but will there be some training areas where yes, there will be a course available but there will be no user-choice funding—is that still the term used for funding support?—available at all to support the costs of that and it will be totally under fee-for-service, or will there be all subject choices that have some user-choice options still available to them?

The Hon. T.R. KENYON: There will be, in all likelihood, a small number of courses where there is high demand for the course, a willingness to pay for the course and not necessarily a lack of skilled labour in that area. We will continue that situation. There may not be subsidies for those courses. We may still charge full fees for them; we will give ourselves the flexibility. TAFE will have the flexibility, as will private providers, to undertake those courses when, obviously, there would be no significant impact on the labour supply.

Mr WHETSTONE: What basis is used to calculate the Skills for All subsidy levels for TAFE SA and the private providers?

The Hon. T.R. KENYON: This has taken up a lot of time within the department. Trying to appropriately cost courses and qualifications has been one of the major exercises of Skills for All, so perhaps you will indulge me if I give you a little bit of background on how it worked. There are approximately 1,400 qualifications and each qualification is made up of a series of competencies—training modules, essentially—that you group together to form a qualification. A certificate I course would have maybe 10 or 20 competencies and together they form the qualification of certificate I.

Each one of those 36,000 competencies that make up the 1,400 courses or qualifications has been investigated for the cost of delivering it or maintaining the continual supply of it, and we have used our own knowledge as part of TAFE to understand how much it costs and also worked fairly extensively with the private sector about the cost to them of delivering these competencies.

Once we had assembled the subsidy list, we then went out again to a number of private providers as well as TAFE to just check them against their cost base and everything else. There has actually been a reasonable amount of modelling and consultation between the government and TAFE and the government and the private sector—so it has been done by DFEEST, rather than TAFE itself—and there has been that modelling about how it would work and also that consultation between them about: is this a reasonable assessment of cost? That is how we arrived at those subsidy lists.

Clause passed.

Clause 5.

Mr PISONI: Will TAFE be required to apply for approval as a Skills for All provider through the same process as private RTOs, or is that something that they will get automatically—or will continue to have, if they already have it—once they become a separate corporation?

The CHAIR: Clause 5, as I read it, talks about the accountability of the corporation under the Public Corporations Act. I am happy to entertain that question under clause 6, regarding operations. Questions under clause 5 should only be questions regarding the accountability audit etc., of the corporation. Any questions in that area?

Mr PISONI: I jumped the gun.

Clause passed.

Clause 6.

The CHAIR: That question can be answered now.

The Hon. T.R. KENYON: We will manage our registrations of Skills for All providers through an application process and then a contract. TAFE, in the first instance, will operate under a memorandum of understanding because it is unlikely to be further completely separated out from the department and established as a full statutory authority when Skills for All kicks in. They will operate on a memorandum of understanding with DFEEST that will have the same terms and conditions as the contract provided to private training providers. Private providers will sign a contract with DFEEST and, in the first instance, TAFE will have a memorandum of understanding with DFEEST. Once it is established as a statutory authority and is fully operational, it will then sign a contract that will be the same.

The approval process for being a Skills for All provider has been different. It has not gone through exactly the same process as private providers have because it is still part of the department, and the department's knowledge of TAFE, as it is, is pretty thorough. It is an unusual situation in that we are again in the process of separating out the two entities, so it is going through this process as, nominally, part of the department. It has had to provide a lot of information to the department as part of this process, but it has not been exactly the same as a private provider.

Mr PISONI: Paragraph (d) talks about intellectual property. Who will have ownership of any intellectual property or other property created or developed by employees, contractors or others representing TAFE SA?

The Hon. T.R. KENYON: TAFE SA will have ownership of that intellectual property.

Mr PISONI: Paragraph (e) refers to TAFE being able to perform any other function as assigned by the minister. Have you been briefed on what other functions TAFE may be required to perform later, whether it be in the medium or longer term?

The Hon. T.R. KENYON: I certainly do not recall that, and my advice is I have not been. It is a catch-all clause, basically. I think most statutory corporations would have a similar clause. It is really just a bit of flexibility built into the act.

Mr PISONI: How will the minister measure the productivity, value for money, efficiency and quality of TAFE services for the public funding contributed? Will there be a measure of comparison between Skills for All money distributed to TAFE compared with that distributed to the non-government VET sector?

The Hon. T.R. KENYON: As part of the contracts under Skills for All, there will be quality control clauses that allow us to collect data and also conduct surveys of students and employers about satisfaction with the training. There will be data collected on completion rates. We will be able to monitor the cost per hour of TAFE. Obviously, it would be harder to get that same cost per hour out of private providers, but we expect we will be able to get pretty good cost per hour costings out of TAFE.

Those details are all currently published and they will continue to be published. There will be quite a lot of data collection. As much of that as possible we will make public, data from both private and TAFE. One of the best quality control measures is to have as much of that information publicly available as possible. We are also hoping that there will be other quality control measures that may be implemented over time.

Mr PISONI: Obviously, there will be a cost involved, and I take it that DFEEST would be auditing those measures. Will that be funded through part of the \$194 million Skills for All funding announced, or will that be on top of the \$194 million?

The Hon. T.R. KENYON: Our intention at the moment is to fund them through the department. Quality control measures and data collection services will all be funded by the department, other than the cost of keeping records that providers will need to maintain anyway. They will have these records, and the cost of maintaining those records and then just providing that information to the department will be borne by the providers.

On the whole, the majority of the data or the quality control measures will be funded by the department. That may change over time, depending on what measures are introduced in the future. I cannot speak for a future minister or government about quality control measures they may implement, but they may do that down the track and they will have to make decisions about how they fund them.

Mr PISONI: What is the time frame for reducing the difference in government support for TAFE SA through Skills for All and that of the private sector? In other words, is there a nominated time frame, or have time frames been discussed, about reducing the government support that is there through additional funding of identical courses for the TAFE provider compared to the private provider?

The Hon. T.R. KENYON: It is not our intention to ever reach a point where the subsidy provided to TAFE will be exactly the same as the subsidy provided to private providers. I have outlined in the second reading speech the reasons for that, but mainly it revolves around the greater community service obligations placed on TAFE and that it is required to be in more places. It does have an obligation to regional South Australia that cannot reasonably be placed on private providers, and that has its own cost base.

It means there are more campuses that private providers might not necessarily have to provide. It means that it needs to run courses that may not be particularly financially lucrative or profitable but are really required around the state for purposes of addressing skill shortages and the like. So, because TAFE is absorbing that community service obligation, we never expect to reach the point where the subsidies for TAFE and the subsidies for private providers will be the same.

Having said that, we do expect that difference to reduce over time and, certainly, bit by bit over future years. I would anticipate that next year will be slightly less than this year, and so on and so forth for a number of years. Obviously we are not trying to destroy TAFE and we are not trying to make life for TAFE unnecessarily difficult, we are just trying to assist it through the process of reaching a more efficient and flexible operation. That necessarily requires a higher rate of subsidy to begin with, and the gap between the two will close over time, but we cannot see a point where they will be equal simply because of the demands on TAFE that do not exist for private operators.

Mr PISONI: I refer to paragraph (d)(ii). It has been suggested that this is inconsistent with the VET framework. RTOs, including TAFE, are not the arbitrators of practical training requirements in all instances, especially when the qualification leads to a licensed outcome. The licensing authority proscribes the characteristics of practical training components of the qualification leading to that licence; for example, a Diploma of Nursing must be accredited by the Australian Nursing and Midwifery Accreditation Council.

It has been raised with me that the provision in paragraph (d)(ii) to 'provide for the participation of students, on such conditions as TAFE SA thinks fit, in a commercial, community or other enterprise or activity carried on by some other person or body' lacks the acknowledgement that TAFE cannot provide a student work-ready without the cooperation or authority of the licensing body.

The Hon. T.R. KENYON: My advice on that is that the purpose of that clause is to allow TAFE the power to interact with third parties to provide work experience or other arrangements relating to their training. For instance, there is a student restaurant at Regency and, while serving in that restaurant may not specifically be part of the training qualification itself, it is a useful activity for students to undertake, and it would make sure that is available to them.

My advice is that it is an enabling clause that allows them to take part in activities other than the very strict definition of training, that is, turning up at a classroom and undertaking study inside the classroom. It is just to allow a fuller experience as part of the education.

Mr WHETSTONE: Minister, who will set the rates that TAFE charge private RTOs for the use of the TAFE facilities? Will it be market rates? How will the private RTOs be assured of fair competition or no disadvantage?

The Hon. T.R. KENYON: As I was saying earlier, member for Chaffey, the facilities will be owned by the department, and so any RTO or third party attempting to use the facilities has two options: if they choose to, they can negotiate a sublease with TAFE, or they can approach the department, who is the owner of the asset, and negotiate with them.

My advice is it will be a commercial negotiation, but not necessarily a commercial rate, because we are dealing with training organisations after all, and often they do not have the capacity to pay full commercial rent. There needs to be an element of commercial neutrality, and that is the reason for the department owning the assets, rather than TAFE itself.

Progress reported; committee to sit again.

STATUTES AMENDMENT AND REPEAL (SUPERANNUATION) BILL

The Hon. M.F. O'BRIEN (Napier—Minister for Finance, Minister for the Public Sector) (12:58): Obtained leave and introduced a bill for an act to amend the Judges' Pensions Act 1971, the Parliamentary Superannuation Act 1974, the Police Superannuation Act 1990, the Southern State Superannuation Act 2009, the Subordinate Legislation Act 1978, the Superannuation Act 1988 and the Superannuation Funds Management Corporation of South Australia Act 1995; and to repeal the Unclaimed Superannuation Benefits Act 1997. Read a first time.

The Hon. M.F. O'BRIEN (Napier—Minister for Finance, Minister for the Public Sector) (12:58): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill seeks to amend the following Acts for the purposes of making amendments to the superannuation arrangements provided under those statutes: the *Judges' Pensions Act 1971*, the *Parliamentary Superannuation Act 1974*, the *Police Superannuation Act 1990*, the *Southern State Superannuation Act 2009* and the *Superannuation Act 1988*. The Bill also seeks the repeal of the *Unclaimed Superannuation Benefits Act 1997* and

proposes consequential and technical amendments to the *Subordinate Legislation Act 1978* and the *Superannuation Funds Management Corporation of South Australia Act 1995*.

One of the main proposals dealt with in this Bill is the repeal of the *Unclaimed Superannuation Benefits Act 1997*. The reason for this is that the Commonwealth Government has introduced national legislation dealing with unclaimed superannuation benefits that is aimed at having all unclaimed superannuation money centrally collected by the Australian Taxation Office. Under the new national arrangement, not only is the money centrally collected and held by the Australian Taxation Office while that office tries to reunite workers with their lost superannuation money, but taxpayers who believe they have lost any unclaimed superannuation benefits can perform their own search of the national database using the ATO's SuperSeeker online search tool.

The Commonwealth and all State Governments have agreed that the Commonwealth arrangement of having the Australian Taxation Office centrally collecting all unclaimed superannuation money provides the best opportunity for workers to be reunited with their lost superannuation money. In order for South Australia to become part of the new national collection arrangement, the State's *Unclaimed Superannuation Benefits Act 1997* needs to be repealed and appropriate provisions inserted into those statutes dealing with the superannuation schemes for public sector employees that will provide for any future unclaimed superannuation benefits to be transferred to the Commissioner of Taxation. The amount of unclaimed superannuation money held by the Treasurer is of the order of about \$300,000, the vast majority of which has been collected from the State Superannuation Scheme and the Southern State Superannuation Scheme (Triple S).

Only a small amount of money has been collected from non public sector employees because very few private sector superannuation schemes operating in the State were subject to the State legislation, and from 2007 all private sector schemes became subject to the Commonwealth legislation. As part of the government's plan for the superannuation schemes established for public sector workers to become part of the Commonwealth's unclaimed superannuation arrangement, the Bill includes amendments to the *Police Superannuation Act 1990*, the *Southern State Superannuation Act 2009* and the *Superannuation Act 1988* to provide for the Treasurer to pay to the Commissioner of Taxation any unclaimed superannuation money of a member.

The legislation provides that following the payment of a member's unclaimed benefit to the Commissioner of Taxation, the relevant Superannuation Board will be required to then close the accounts held in the name of the member whose account balance has been paid to the Commissioner in accordance with the Commonwealth's *Superannuation (Unclaimed Money and Lost Members) Act 1999*. Schedule 1 of the Bill includes transitional provisions related to the repeal of the *Unclaimed Superannuation Benefits Act 1997*. The transitional provisions provide for the Treasurer to transfer to the Commissioner of Taxation an amount equal to the balance of money held and collected by the Treasurer under the provisions of the State's *Unclaimed Superannuation Benefits Act 1997*, the statute that is to be repealed under this Bill.

The second main proposal contained in this Bill is the repeal of some legislation dealing with the method to determine the value of an accrued superannuation interest for the purposes of splitting a superannuation interest under the Commonwealth's *Family Law Act 1975*. The Bill proposes the repeal of the method to determine the value of an accrued interest in the *Judges' Pensions Act 1971* and the *Parliamentary Superannuation Act 1974* because, subsequent to the enactment of the relevant provisions in those statutes, the Federal Attorney General issued legislative instruments pursuant to regulations 38 and 43A of the *Family Law (Superannuation) Regulations 2001*, providing the Commonwealth's method of determining the value of a superannuation interest in the Judges' Pensions Scheme and the Parliamentary Superannuation Scheme.

As the Commonwealth rules for determining the value of an accrued benefit or superannuation interest at a particular date are inconsistent with the provisions under section 17D of the *Judges' Pensions Act 1971* and section 23C of the *Parliamentary Superannuation Act 1974*, the provisions under the Commonwealth law prevail. It is therefore proposed that the methods for determining an accrued benefit or interest under the *Judges' Pensions Act 1971* and the *Parliamentary Superannuation Act 1974* be repealed.

The third group of proposals contained in the Bill seeks to make several amendments to the *Southern State Superannuation Act 2009*, which continues the Government's Triple S superannuation scheme for public sector workers. One of the proposed amendments is to the definition of 'salary' to ensure that superannuation benefits under the Triple S scheme are based on 'ordinary time earnings'. The Australian Taxation Commissioner has issued an interpretative ruling in relation to the allowances, over award payments and payments made in lieu of leave that are considered to be 'ordinary time earnings'.

On the basis that the Taxation Commissioner has ruled an amount paid in lieu of long service leave whilst the employee is still in employment is 'ordinary time earnings', the Bill seeks an amendment to the definition of 'salary' in order to comply with this ruling. Furthermore, in order to bring the definition of remuneration on which employer superannuation contributions are payable into conformity with the requirements of the Commonwealth's *Superannuation Guarantee (Administration) Act 1992*, the Bill also seeks to vary the definition of 'salary' to make it clear that payments in respect of parental leave are not a component of 'salary' that would attract an employer superannuation contribution.

The Bill also includes an amendment to the regulation making powers in section 30 of the *Southern State Superannuation Act 2009* to remove the provisions that exclude the operation of section 10AA of the *Subordinate Legislation Act 1978* but nevertheless enable the Minister to certify that it is necessary or appropriate that a proposed regulation come into operation on a date that is earlier than the standard commencement date of four months after the day on which a regulation is made. This amendment has been recommended on the grounds that the exclusion of section 10AA is unnecessary and could be confusing. The effect of the amendment is that regulations under the Act will, like all other regulations that are required to be laid before Parliament, be subject to

section 10AA and will no longer be subject to the alternative commencement provisions currently set out in section 30.

The fourth group of amendments contained in the Bill is a series of amendments to the *Superannuation Act 1988*. It is proposed to amend the provision in the Act that deals with the situation where a contributor has suffered a reduction in salary which is not a reduction in salary resulting from disciplinary action taken against the contributor nor a reduction in the contributor's hours of work. Whilst in terms of the current provision in the Act dealing with such a situation, a contributor's salary for contribution and benefit purposes is based on the salary of the previous position held, where the previous position held no longer exists, the contributor's salary for the purposes of the Act is the highest rate of salary paid in the previous position held, indexed by movement in the Consumer Price Index.

The current arrangement that applies where the previous higher salaried position held by the contributor no longer exists has the effect of disadvantaging a contributor, over the longer term. It is for this reason that the Government seeks to amend the current provisions in section 4(4) of the Act to adjust by the rate of general salary movement, the notional salary used for the purposes of dealing with the situation where a contributor has suffered a reduction in salary. One of the other proposed amendments in the package of amendments to the *Superannuation Act* is a proposal to expand eligibility to vote in elections for a member representative on the South Australian Superannuation Board (Super SA Board) and the Superannuation Funds Management Corporation of South Australia (Funds SA Board of Directors).

Under the existing provisions, spouse members of the Triple S scheme and persons who have invested in what are commonly referred to as post retirement products are not eligible to take part in the elections for member representatives on the boards. This Bill seeks to change the current arrangement and provide a right to vote for spouse members and for persons who have invested in a Super SA Flexible Rollover or Super SA Income Stream Product. A minor amendment is also being made to provide clarification that a decision of the Board may include a decision based on a circular resolution by letter, telegram, telex, fax, email or some other written communication.

An amendment is also being proposed to the regulation making powers contained in the *Superannuation Act*. The regulation making powers are proposed to be expanded to enable the making of regulations that would allow the Electoral Commissioner to withhold sending ballot papers for board elections where the Super SA Board considered a member was a 'lost member'. Generally a 'lost member' is considered to be a member who has terminated his or her employment with the public sector and reasonable attempts at communicating with the member by general post have been unsuccessful on more than one occasion.

This regulation making power is being sought because at each of the last ballots held to elect members of the Super SA Board and the Funds SA Board, there was a significant and increasing number of ballot papers returned because the person was no longer living at the address on Super SA's database. At the last election held in 2009, there were about 20,000 ballot papers that were undeliverable. Enabling the Electoral Commissioner to withhold sending ballot papers to 'lost members' will prevent wastage of money on postage, which means that members' money is not wasted.

The last component of the amendments being sought to the *Superannuation Act* involves proposed amendments dealing with the Electricity Industry Superannuation Scheme, known as the EISS scheme. The EISS scheme is an exempt public sector scheme that operates principally under a Trust Deed. As the scheme is the former restructured ETSA Superannuation Scheme, there remain provisions under Schedule 1B of the *Superannuation Act* that complement or provide options for members of the scheme in certain circumstances. One of the options available to members of the scheme is found in clause 3 of Schedule 1B of the *Superannuation Act* and provides that on the basis of a request from the EISS Trustees, and following an agreement between the EISS Trustees and the Treasurer, members of EISS who are in receipt of, or about to receive, a pension benefit as a consequence of their retirement can be transferred to the State Scheme.

Whilst several hundred EISS members have transferred to the State Scheme under the existing provision, most of these transfers occurred before the scheme became a fund operating in the taxed environment. The EISS Trustees have approached the Government about the possibility of transferring under clause 3 of Schedule 1B more persons in receipt of a pension. However, there is now a technical problem that prevents an EISS pensioner from being transferred to the State Scheme in terms of the provisions of clause 3 and for this reason the Bill includes provisions that seek to insert a new Part into Schedule 1B. The proposed Part will provide for persons in receipt of a pension from a taxed source the option of having that pension paid from a taxed fund that would be administered by the Super SA Board.

The proposed legislation would overcome the problem inherent with the current clause 3, in that clause 3 is based on untaxed assets being transferred to the Treasurer so that a life pension can be paid from an untaxed source. In terms of the proposed new Part 2A to be inserted into Schedule 1 B of the *Superannuation Act*, members of the EISS scheme would have the same pension paid from the taxed EISS fund, paid from a fund established by the Super SA Board and holding taxed assets. The legislation provides that an EISS pensioner would not be transferred under this proposal unless that member has agreed to be transferred.

The fifth group of amendments contained in the Bill proposes amendments to the *Superannuation Funds Management Corporation of South Australia Act 1995*, which is the statute that establishes and maintains Funds SA. Apart from the clause that proposes an amendment to the definition of 'contributor' in section 3 of the Act, for the purpose of expanding the eligibility to vote in elections for a member representative on the Funds SA Board of Directors, the other proposed amendments to the Act are of a technical or consequential nature. The proposed amendment to the definition of 'contributor' in the Act will enable spouse members of the Triple S scheme and persons who have invested money in post retirement products offered by Super SA to take part in board elections to select a member representative for the Funds SA Board of Directors.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Judges' Pensions Act 1971*

4—Amendment of section 5—Certain pensions not payable

Under section 5 of the *Judges' Pensions Act 1971*, a pension is not payable to or in respect of a Judge who is first appointed as such within 5 years of the day on which he or she would attain the age of retirement. The *Superannuation Act 1988* currently applies to a Judge who falls within this category and was, immediately before being appointed as a Judge, a contributor under that Act as if the Judge's judicial service were service as an employee as defined in the *Superannuation Act 1988*. As amended, the section makes it clear that a Judge to whom the *Superannuation Act 1988* applies by virtue of this provision will be taken to have contributed under that Act during the period of his or her judicial service at the standard contribution rate (which is defined in the Act).

5—Repeal of section 16

This clause repeals section 16, which is redundant.

6—Amendment of section 17C—Interpretation

This clause amends the definition of *Southern State Superannuation Fund* so that it refers to the *Southern State Superannuation Act 2009* rather than the similarly named Act of 1994.

7—Repeal of section 17D

This clause repeals section 17D, which is redundant as a result of the prescription of a method in the *Family Law (Superannuation) Regulations 2001* of the Commonwealth for determining the value of the interest of a Judge under the *Judges' Pensions Act 1971*.

8—Amendment of section 17G—Entitlement where pension is in growth phase

This amendment is consequential on the repeal of section 17D.

Part 3—Amendment of *Parliamentary Superannuation Act 1974*

9—Amendment of section 5—Interpretation

This clause inserts a definition of *approved form* into the *Parliamentary Superannuation Act 1974*. An approved form is a form approved by the South Australian Parliamentary Superannuation Board.

10—Repeal of section 23C

This clause repeals section 23C, which is redundant as a result of the prescription of a method in the *Family Law (Superannuation) Regulations 2001* of the Commonwealth for determining the value of the interest of a Member of Parliament under the *Parliamentary Superannuation Act 1974*.

11—Amendment of section 23F—Non-member spouse's entitlement where pension is in growth phase

This amendment is consequential on the repeal of section 23C.

Part 4—Amendment of *Police Superannuation Act 1990*

12—Insertion of section 45B

This clause amends the *Police Superannuation Act 1990* by inserting a new section that sets out the way in which the Treasurer is to deal with unclaimed superannuation benefits.

45B—Unclaimed superannuation benefits

Under proposed section 45B, if an amount of the Police Superannuation Fund is attributable to an unclaimed superannuation benefit of a contributor, the Treasurer may pay an amount equal to the unpaid benefit, or any amount required to be paid under the *Superannuation (Unclaimed Money and Lost Members) Act 1999* of the Commonwealth on account of the unclaimed superannuation benefit, from the Consolidated Account to the Commissioner of Taxation.

The proposed section also provides for reimbursement of the Consolidated Account by charging the Police Superannuation Fund and the closure of accounts maintained by the Board in the name of the contributor.

Unclaimed superannuation benefit is defined by reference to the *Superannuation (Unclaimed Money and Lost Members) Act 1999* of the Commonwealth.

Part 5—Amendment of *Southern State Superannuation Act 2009*

13—Amendment of section 3—Interpretation

This clause amends the definition of *salary* in the *Southern State Superannuation Act 2009*. Currently, the definition excludes, among other payments, an amount paid in lieu of recreation leave, long service leave or any other kind of leave. The amendment clarifies that it is only such amounts paid on the termination of employment that are not included in the definition of 'salary'. The definition as amended also excludes amounts paid in respect of parental leave. Remuneration of a prescribed kind may also be excluded from the definition under the proposed amendments.

14—Insertion of section 23A

This clause inserts a new section that sets out the way in which the Treasurer is to deal with unclaimed superannuation benefits.

23A—Unclaimed superannuation benefits

Under proposed section 23A, if an amount of the Southern State Superannuation Fund is attributable to an unclaimed superannuation benefit of a member, the Treasurer may pay an amount equal to the unpaid benefit, or any amount required to be paid under the *Superannuation (Unclaimed Money and Lost Members) Act 1999* of the Commonwealth on account of the unclaimed superannuation benefit, from the Consolidated Account to the Commissioner of Taxation.

The proposed section also provides for reimbursement of the Consolidated Account by charging the Southern State Superannuation Fund and the closure of accounts maintained by the Board in the name of the member.

Unclaimed superannuation benefit is defined by reference to the *Superannuation (Unclaimed Money and Lost Members) Act 1999* of the Commonwealth.

15—Amendment of section 30—Regulations

Under section 30 of the *Southern State Superannuation Act 2009*, regulations under that Act are currently excluded from the operation of section 10AA of the *Subordinate Legislation Act 1978*. Subsection (7) provides that a regulation under the Act comes into operation 4 months after the day on which it is made or a later date unless certain circumstances (specified in subsection (8)) apply. This clause proposes the deletion of subsections (7), (8) and (12) so that section 10AA of the *Subordinate Legislation Act 1978* will apply to regulations made under the Act.

16—Amendment of Schedule 1—Related amendments, repeal and transitional provisions

This clause inserts a new transitional provision relating to the amended definition of *salary*.

16A—Definition of salary

The amended definition of salary excludes amounts paid in respect of parental leave from the definition. The transitional provision provides that if a member of the Triple S scheme is on parental leave when the amendments to the definition come into operation, an amount received by that member in respect of that period of leave pursuant to an enterprise agreement will, despite that paragraph, be taken to be salary for the purposes of the Act.

Part 6—Amendment of *Subordinate Legislation Act 1978*

17—Amendment of section 16A—Regulations to which this Part applies

This clause amends section 16A of the *Subordinate Legislation Act 1978* so that regulations made under Schedule 1A clause 1(1) of the *Superannuation Act 1988* do not expire. Regulations under that clause can declare a group of employees who are members of a public sector superannuation scheme to be contributors for the purposes of the Act, make provision for the transfer of assets and liabilities of a fund established for the purposes of the superannuation scheme and modify the provisions of the Act in their application to employees who have been declared to be contributors for the purposes of the Act.

Part 7—Amendment of *Superannuation Act 1988*

18—Amendment of section 4—Interpretation

This clause inserts a definition of the *Administered Electricity Industry Superannuation Scheme* into the *Superannuation Act 1988* and makes a number of other amendments to definitions consequential on the introduction of that scheme.

Under section 4(4) of the *Superannuation Act 1988*, if there is a reduction in a contributor's rate of salary (otherwise than because of disciplinary action) and the contributor makes an election to contribute as if the reduction had not occurred, his or her contributions will be based on the salary of the position or office he or she held immediately before the reduction occurred. If the position or office no longer exists, or if the classification is changed, the contributions will be based on the salary of that position or office immediately before it ceased to exist or its classification was changed, with adjustments to reflect changes in the Consumer Price Index from time to time.

This clause amends section 4(4) so that the method prescribed under that subsection for determining contributions only applies if the reduction in the contributor's rate of salary, and the contributor's election to contribute as if the reduction had not occurred, both happened before the commencement of new subsection (4a). Under new

subsection (4a), if there has been a reduction in a contributor's rate of salary (otherwise than because of disciplinary action or a reduction in the contributor's hours of employment), the contributor's contributions will be based on his or her notional contribution salary (see below). This principle applies only if—

- the contributor—
 - elected, before the commencement of subsection (4a), to contribute as if the reduction had not occurred; and
 - has not made an election under subsection (4)(b); or
- the contributor elects, in a manner approved by the Board, to contribute as if the reduction had not occurred.

A contributor's *notional contribution salary* is—

- the salary of the position or office held by the contributor immediately before the reduction occurred; or
- if that position or office ceases to exist or the classification of the position or office is changed—the salary of that position or office immediately before it ceased to exist or its classification was changed (adjusted if any increase occurs in the rate of salary payable in respect of the contributor's position or office by a percentage equal to the percentage that the increase bears to that salary).

Existing subsection (4) and new subsection (4a) differ primarily in that new subsection (4a) links adjustments to rates of salary where a position or office has ceased to exist to increases in the rate of salary payable in respect of the contributor's new position or office whereas the existing subsections link adjustments to changes in the Consumer Price Index from time to time.

19—Amendment of section 8—Board's membership

Section 8 of the *Superannuation Act 1988* deals with membership of the South Australian Superannuation Board. Currently, the section provides for the election of 2 members of the Board by contributors under the Act and members of the Southern State Superannuation Scheme (also known as the Triple S scheme). Under the section as amended, the 2 elected members will also be elected by spouse members of the Triple S scheme and persons provided with investment services or other products or services under the *Southern State Superannuation Act 2009*.

20—Amendment of section 9—Board proceedings

Proposed subsection (4b) of section 9 provides that a proposed resolution of the Board becomes a valid decision even if it has not been voted on at a meeting if notice of the proposed resolution is given to all members in accordance with procedures determined by the Board and a majority of the members express concurrence in the proposed resolution by letter, telegram, telex, fax, email or other written communication.

21—Amendment of section 20B—Payment of benefits

22—Amendment of section 43AB—Purpose of Part

These amendments are consequential on the establishment under clause 28 of the Administered Electricity Industry Superannuation Scheme.

23—Amendment of section 43AC—Interpretation

This clause removes the definition of the *SIS Act* from section 43AC because a definition of the term is to be inserted into the general interpretation provision of the Act.

24—Insertion of section 50A

This clause proposes the insertion of a new section.

50A—Unclaimed superannuation benefits

Under proposed section 50A, if an amount of the South Australian Superannuation Fund is attributable to an unclaimed superannuation benefit of a contributor, the Treasurer may pay an amount equal to the unpaid benefit, or any amount required to be paid under the *Superannuation (Unclaimed Money and Lost Members) Act 1999* of the Commonwealth on account of the unclaimed superannuation benefit, from the Consolidated Account to the Commissioner of Taxation.

The proposed section also provides for reimbursement of the Consolidated Account by charging the South Australian Superannuation Fund and the closure of accounts maintained by the Board in the name of the contributor.

Unclaimed superannuation benefit is defined by reference to the *Superannuation (Unclaimed Money and Lost Members) Act 1999* of the Commonwealth.

25—Amendment of section 55—Confidentiality

These amendments are consequential on the establishment under clause 28 of the Administered Electricity Industry Superannuation Scheme.

26—Amendment of section 59—Regulations

Under section 59 as amended by this clause, regulations under the Act may set out procedures for the election of a member of the Board.

27—Amendment of heading to Schedule 1B

This clause amends the heading to Schedule 1B to reflect the fact that the Schedule will provide for the transfer of members of the Electricity Industry Superannuation Scheme to the new Administered Electricity Industry Superannuation Scheme in addition to the State Scheme.

28—Amendment of Schedule 1B—Transfer of certain members of the Electricity Industry Superannuation Scheme

This clause makes a number of amendments to the existing clauses of Schedule 1B as well as adding a new Part providing for the transfer of members of the Electricity Industry Superannuation Scheme to the new Administered Electricity Industry Superannuation Scheme.

Amendments to clause 3 of Schedule 1B clarify that the members of the Electricity Industry Superannuation Scheme who may be transferred to the State scheme under the clause are those in receipt of, or entitled to, a pension of which the taxable component consists wholly of an untaxed element of the fund from which the pension is payable.

An amendment to clause 5 of Schedule 1B makes it clear that the aggregate value of the employer components of benefits payable to, or in respect of, a person transferred under clause 5 is to be determined on the basis that no tax is payable on the income of the Scheme assets.

This clause also proposes the insertion of new Part 2A into Schedule 1B. The new Part provides for the transfer of certain members of the Electricity Industry Superannuation Scheme to the Administered Electricity Industry Superannuation Scheme, which is to be established by a trust deed prepared by the South Australian Superannuation Board. The Board is to be the trustee of the scheme. The new scheme is to provide persons transferred from the Electricity Industry Superannuation Scheme with rights and benefits equivalent to the rights and benefits to which they were entitled in respect of a taxed pension under that Scheme.

Part 2A further provides for the establishment by the Board of a fund and the making of a set of rules for the purposes of the scheme. The assets of the scheme are to be invested, managed and held for the benefit of the scheme and will not belong to the Crown. The Fund will be subject to the management of the Superannuation Funds Management Corporation of South Australia.

29—Amendment of Schedule 3—Administered schemes

Under Schedule 3 Part 2 clause 2(c) of the *Superannuation Act 1988*, the Minister may declare that the fund of a superannuation scheme will be invested and managed by the Superannuation Funds Management Corporation of South Australia. A *superannuation scheme* is a private or public sector scheme established for the purposes of providing superannuation or retirement benefits.

This clause substitutes a new clause 5. The new clause applies if a declaration is made under clause 2(1)(c) that the Corporation is to invest and manage a superannuation fund and provides that the Corporation may assume the management of an existing fund or establish a fund for the purposes of an administered scheme.

Part 8—Amendment of *Superannuation Funds Management Corporation of South Australia Act 1995*

30—Amendment of section 3—Interpretation

This clause amends the definition of *contributor* in the *Superannuation Funds Management Corporation of South Australia Act 1995* so that the definition includes spouse members and persons provided with investment services or other products or services pursuant to regulations under section 30(2)(g) of the *Southern State Superannuation Act 2009*. This amendment is significant in relation to the operation of section 9, which provides that a member of the board of directors of the Superannuation Funds Management Corporation is to be elected by the contributors.

An amendment is also made to the definition of the *funds* so that the definition includes the fund established by the South Australian Superannuation Board for the purposes of Schedule 1B Part 2A of the *Superannuation Act 1988*.

31—Amendment of section 10—Conditions of membership

This clause updates a reference to the South Australian Institute of Teachers by substituting 'Australian Education Union (SA Branch)'.

32—Amendment of section 20B—Other performance plans

This clause makes provision for the preparation by the Corporation of a plan in respect of the investment and management of the fund managed by the Corporation for the purposes of Schedule 1B Part 2A of the *Superannuation Act 1988*.

33—Amendment of section 39—Regulations

Under section 39 as amended by this section, regulations setting out the procedures for the election by the contributors of a member of the board of directors may include procedures that determine eligibility to vote in the election.

Part 9—Repeal of *Unclaimed Superannuation Benefits Act 1997*

34—Repeal of Act

This clause repeals the *Unclaimed Superannuation Benefits Act 1997*.

Schedule 1—Transitional provisions

1—Superannuation Act and Superannuation Funds Management Corporation of South Australia Act

Regulations made under the *Superannuation Act 1988* or the *Superannuation Funds Management Corporation of South Australia Act 1995* are to be read as if the amendments to the regulation making powers under those Acts effected by the *Statutes Amendment and Repeal (Superannuation) Act 2012* had been in force when the regulations were made.

Other transitional provisions make it clear that amendments made to the *Superannuation Act 1988* and the *Superannuation Funds Management Corporation of South Australia Act 1995* relating to the eligibility of scheme members to elect a persons to the South Australian Superannuation Board or the board of directors of the Corporation do not affect the term of office of the persons occupying those positions at the time the amendments come into force.

2—Unclaimed Superannuation Benefits Act

This clause deals with unclaimed superannuation benefits paid to the Treasurer pursuant to the *Unclaimed Superannuation Benefits Act 1997* but not paid by the Treasurer to any person before the repeal of that Act. The Treasurer is required to pay the unclaimed superannuation benefits to the Commissioner of Taxation within 1 month of the commencement of the clause.

Schedule 2—Statute law revision amendment of *Superannuation Act 1988*

Schedule 2 consists of statute law revision amendments of the *Superannuation Act 1988*.

Debate adjourned on motion of Mr Griffiths.

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

ANSWERS TO QUESTIONS

The SPEAKER: I direct that the following written answers to questions be distributed and printed in *Hansard*.

GRANT EXPENDITURE

In reply to **Mr GRIFFITHS (Goyder)** (7 October 2010) (Estimates Committee B).

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development): I have been advised:

Grants of \$10,000 or more 2009-10

Department for Transport, Energy and Infrastructure

Name of Grant Recipient	Amount of Grant	Purpose of Grant	Subject to Grant Agreement (Y/N)
District Council of Coober Pedy, Andamooka Power House, LH Perry & Sons	4,047,750.00	Remote Areas Energy Supply (RAES). Subsidy to independent operators. Under the RAES scheme, the cost of providing electricity to the residents of 13 remote areas, off grid, townships is subsidised. In 3 of these towns (Coober Pedy, Andamooka and Yunta), the subsidy is provided to the independent operators. The subsidy provided to the independent operators is equal to the difference between reasonable costs to generate and distribute the electricity and income received from tariffs	N
Various residents of South Australia	1,172,105.99	Solar Hot Water rebate program. Rebates for low income SA residents who purchase and install an energy efficient hot water system to replace an existing inefficient system as per the conditions of the scheme	N

Name of Grant Recipient	Amount of Grant	Purpose of Grant	Subject to Grant Agreement (Y/N)
Department of Resources, Energy & Tourism	186,353.77	South Australia's 09-10 funding contribution to the Ministerial Council on Energy Efficiency Working Group	Y
Australian Energy market Commission (AEMC)	591,592.00	South Australia's 09-10 funding contribution to the Australian Energy Market Commission and other national bodies	Y
Various residents of South Australia	2,796,797.42	Remote Renewable Power Generation Program (RRPGP) Rebates paid under the Commonwealth Govt. funded rebate program which is administered by the Energy Division	Y
Adelaide City Council	2,000,000.00	Victoria Square redevelopment	Y
Taxi Service Providers	14,657,197.81	Provides transport assistance for people with mobility disability who are unable to use public transport independently	N
Local Council's & Red Cross	1,357,236.09	Payments to Community Passenger Networks to provide transport services in regionally disadvantaged communities	Y
Country Bus Operators	273,032.02	Provision of transport Services in Provincial Cities	Y
Country Bus Operators	4,937,394.52	Provision of transport Services in Country areas	Y
Transport Industry Members	37,700.00	Grants pursuant to section 62 of the Passenger Transport Act	Y
Regional Anangu Services	495,000.00	Funding grant for outback aerodrome works	Y
Local Government Association Mutual Liability Scheme	31,500.00	Contribution to LGA for aerodrome inspections	N
Various Councils	179,937.45	Allocation to council for horticultural maintenance of road medians	Y
Various Councils	752,812.68	2009-10 Auslink and State Black Spot Programme	Y
City of Onkaparinga	25,276.92	Contribution to council for bus bay on the parade Seaford	Y
Various Councils	1,507,799.92	Nation building Blackspot program	Y
KESAB	72,000.00	Provide support funding to KESAB for the Road Watch Program	Y
Various Councils	76,290.52	SABFAC Projects	Y

TransAdelaide

Nil Grants

Land Management Corporation

Nil Grants

Minister for Road Safety

Name of Grant Recipient	Amount of Grant	Purpose of Grant	Subject to Grant Agreement (Y/N)
SA Police	34,700,000.00	Contribution from the Community Road Safety Fund for SA Police Programs	N
Funds for road safety projects at the local level	23,700.00	Funds provided to councils who auspice their local Community Road Safety Group—application process and subject to selection criteria	Y
Funds provided to various Community Road Safety Groups—application process and subject to selection criteria	110,266.37	Grants for Community Road Safety Groups to deliver projects that focus on achieving road safety benefits. This is administered by Community Programs on behalf of Motor Accident Commission (MAC)	Y
Various local government organisations—partnership process	181,081.00	Partnership grants to local government organisations to deliver projects (at various scales) which focus on safer, greener and more active travel. All subject to individual funding /partnership agreements	Y
Various recipients—application process and subject to selection criteria	55,244.09	Small scale grants for community organisations and workplaces to deliver projects on safer, greener and more active travel—All subject to individual funding agreements	Y
SA Police	244,371.00	Payment to SAPOL for Saturation Funds provided to the Police Department for the Rural Highways saturation policing strategy initiative. Focus is on reducing the road trauma on rural roads through additional patrol hours and high visibility policing in regional areas	N

BUILDING THE EDUCATION REVOLUTION

In reply to **Mr GRIFFITHS (Goyder)** (29 June 2011) (Estimates Committee B).

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development): I have been advised:

The table below summarises the analysis of average costs per square metre (\$/m²) undertaken by the Department of Planning, Transport and Infrastructure (DPTI) and the Commonwealth Building Education Revolution (BER) Implementation Taskforce.

The figures identified in the 'DTEI Report December 2010' column represent DPTI's analysis of costs as provided to the Taskforce for its first report in 2010.

The figures in the 'Taskforce Report December 2010' column (and highlighted in blue) were published by the Taskforce in its first report in 2010.

Of the monies allocated to each school, DPTI quarantined an amount against risks. Any quarantined funds that were not used for this purpose were subsequently given to the school and generally used for furniture, equipment and refurbishment.

The Commonwealth Taskforce included these funds in its December 2010 report, in its calculations of the cost per square metre regardless of whether they were used for purposes associated with construction or provided to the school after the completion of the project. This explains the differential.

BER—Taskforce Cost Data

	Building \$/m ² Gross Floor Area	External Works (\$/m ²)	Project Fees (\$/m ²)	DTEI Report Dec 2010 (\$/m ²)	Amount quarantined against risks (\$/m ²)*	Taskforce Report Dec 2010 (\$/m ²)
Average/m ²						
Halls	2,089	372	47	2,508	180	2,688
Libraries	2,331	402	52	2,785	279	3,064
Classrooms	2,380	396	56	2,832	58	2,890

Figures exclude GST and are not adjusted for location (regional and remote projects have higher costs)

* Quarantined funds that were not required were given to the school.

GRANT EXPENDITURE

In reply to **Mr GRIFFITHS (Goyder)** (29 June 2011) (Estimates Committee B).

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development): I have been advised:

Grants of \$10,000 or more 2010-11

Department for Transport, Energy and Infrastructure

Name of Grant Recipient	Amount of Grant (\$)	Purpose of Grant	Subject to Grant Agreement (Y/N)
University of South Australia	13,861.54	A scholarship for women intending to pursue a program in civil engineering at the University of South Australia	Y
Treasury	447,527.79	Indentured ports dividend payable to Treasury	Y
Various Councils	443,459.00	South Australian Boating Facility Advisory Committee (SABFAC) Projects	Y
Various Councils	149,809.09	Allocation to council for horticultural maintenance of road medians	Y
Various Councils	1,599,761.16	2010-11 Auslink and State Black Spot Programme	Y
KESAB	74,000.00	To provide support funding to KESAB for the Road Watch Program	Y
Treasury	113,497.96	Lincoln Cove Marina Dividend	Y
District Council of Coober Pedy	5,563,967.00	Annual operating subsidy to an independent operator in the Remote Areas Energy Supplies (RAES) program	Y
Andamooka Power House	2,144,504.00	Annual operating subsidy to an independent operator in the RAES program	Y
Dalfoam Pty Ltd	182,500.00	Annual operating subsidy to an independent operator in the RAES program	Y
Various applicants (1,227 applications at \$500 each)	613,500.00	Solar hot water rebates	N
Ministerial Council on Energy	271,997.07	South Australia's funding obligation to the Ministerial Council on Energy (MCE) working groups	Y

Name of Grant Recipient	Amount of Grant (\$)	Purpose of Grant	Subject to Grant Agreement (Y/N)
Australian Energy Market Commission	1,335,036.00	South Australia's funding obligation to the Australian Energy Market Commission	Y
Various applicants	157,159.28	Grant Payments made under Remote Renewable Power Generation program	Y
SA Police	34,701,000.00	Contribution from the Community Road Safety Fund for South Australia Police Programs	N
Funds provided to Councils who auspice their local Community Road Safety Group	125,720.28	Funds for road safety projects at the local level (Application process and subject to selection criteria)	Y
Small scale grants for community organisations and workplaces— Various recipients	29,633.00	To deliver projects on safer, greener and more active travel (All subject to individual funding agreements, application process and selection criteria)	Y
South Australia Police	153,000.00	Payment for the Rural Highways saturation policing strategy initiative (Saturation Funds)—focus on reducing road trauma on rural roads through additional patrol hours and high visibility policing in regional areas	N
Department of Planning & Local Government (DPLG)	80,000.00	Funding provided to DPLG for the Implementation Plan of an Adelaide Integrated Design Strategy—payments will be made to DPC to undertake the project. DTEI contribution is \$80k	N
Local Council's & Red Cross	501,994.30	Grant payments to Local Government areas to provide Community Passenger Networks throughout the state	Y
Red Cross	168,221.81	Grant payments to organisations to provide Community Passenger Networks throughout the state	Y
Country Bus Operators	335,811.17	Subsidies payable to bus operators in SA Provincial Cities for passengers eligible to travel at concessional rates	Y
Country Bus Operators	4,899,664.59	Subsidies payable to bus operators in SA country areas for passengers eligible to travel at concessional rates	Y
Primary Industries and Resources SA	92,736.50	Contribution to the Resources and Energy Sector Infrastructure Council (RESIC) for Resources & Energy Infrastructure Demand Study	N
Vic Roads	141,750.00	Council of Australian Governments (COAG) Road Reform Plan (CRRP) Contribution	Y
Department of Premier and Cabinet	10,000.00	Funding for Thinker in Residence	Y

Name of Grant Recipient	Amount of Grant (\$)	Purpose of Grant	Subject to Grant Agreement (Y/N)
Local Government Association	15,000.00	Climate Change Adaptation Project	Y
National Heart Foundation of Australia	10,000.00	Shared Spaces Project—Streets for People	Y
Adelaide City Council	46,667.00	State Cycling Blackspot Program	Y
City of Mount Gambier	10,800.00	State Cycling Blackspot Program	Y
Regional Council of Port Pirie	40,000.00	State Cycling Blackspot Program	Y
Rural City of Murray Bridge	15,000.00	State Cycling Blackspot Program	Y
Regional Council of Wakefield	30,110.00	State Cycling Blackspot Program	Y
Outback Communities Authority	1,628,850.00	Remote Aerodrome Safety Program	Y
Blinman Progress Association	27,715.00	Remote Aerodrome Safety Program	Y
Clare Valley Flying Group	30,000.00	Aerodrome Construction	Y
The Flinders Ranges Council	20,826.00	Remote Aerodrome Safety Program	Y
District Council of Elliston	139,167.00	Remote Aerodrome Safety Program	Y
District Council of Tumby Bay	98,834.00	Remote Aerodrome Safety Program	Y
Department of Premier and Cabinet	237,250.00	Remote Aerodrome Safety Program	Y
National Transport Commission	316,272.60	To contribute to the national road, rail and intermodal transport reform agenda	Y
Taxi Service Providers	11,785,076.60	Taxi subsidies payable to individuals with limited mobility South Australian Transport Subsidy Scheme (SATSS)	N*
Taxi Service Providers	698,626.87	Transport Subsidy Scheme expenses associated with the administering the SATSS	N*
Taxi Service Providers	546,093.53	Taxi subsidies payable to individuals with limited mobility—Journey to Work	N*
Taxi Service Providers	36,875.00	Taxi subsidies payable to individuals with limited mobility—Tertiary Education Scheme	N*
Total Grants	70,083,275.14		

* No actual funding agreement but members to use vouchers in accordance with Condition of Use of the South Australian Transport Subsidy Scheme (SATSS)

TransAdelaide

Nil Grants

Land Management Corporation

Nil Grants

AUSTRALIAN BUSINESS LICENCE AND INFORMATION SYSTEM

In reply to **Mr GRIFFITHS (Goyder)** (4 July 2011) (Estimates Committee B).

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Manufacturing, Innovation and Trade, Minister for Mineral Resources and Energy, Minister for Small Business): The Minister for Business Services and Consumers has advised:

The Australian Business Licence and Information Service (ABLIS) is a national online system that will be delivered through Business Online Services (BOS) infrastructure developed and funded by the Commonwealth Department of Innovation, Industry, Science and Research (DIISR).

ABLIS is due to be released in June 2012. It will assist business operators to find information about government services and obligations, and other information to help establish, operate or close their business. ABLIS will replace state and territory based Business Licence Information Services with a single national system.

The benefits of BOS, including ABLIS, will include:

- Reducing red tape by providing a more streamlined efficient experience when dealing with government, including a single account for online transactions with government;
- Improving accessibility by moving transactions with government online; and
- Increasing business understanding of regulatory obligations and changes.

EXTRACTIVE AREAS REHABILITATION FUND

In reply to **Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition)** (9 November 2011) (First Session).

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Manufacturing, Innovation and Trade, Minister for Mineral Resources and Energy, Minister for Small Business): I am advised in response to the questions raised from the honourable member for MacKillop regarding the Extractive Areas Rehabilitation Fund (the 'Fund'), I can confirm there is no government policy to grow the balance of the Fund.

In regards to the number of officers employed by the Fund, I am advised that during the 2010-11 financial year 3 officers were employed to undertake rehabilitation plan assessments and compliance activities for extractive mining operations. To further enhance compliance activities, and to utilise additional resources now available from the Fund, I have been advised that the Department is currently in the process of employing a further 2 compliance officers for the 2011-12 financial year.

PAPERS

The following papers were laid on the table:

By the Premier (Hon. J.W. Weatherill)—

South Australian Motor Sport Board—Annual Report 2010-11

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

Health Advisory Council—

Kangaroo Island Annual Report 2010-11

Lower Eyre Annual Report 2010-11

Mid-West Annual Report 2010-11

By the Minister for Transport Services (Hon. C.C. Fox)—

Local Council By-Laws—

Port Augusta City Council—

No. 1—Permits and Penalties

No. 3—Local Government Land

No. 4—Roads

No. 5—Dogs

No. 7—Cats

No. 8—Australian Arid Lands Botanical Garden

VISITORS

The SPEAKER: Members, before we go on to reports of the committee, I just want to remind you or point out to you that, if you have guests in here for question time—and I am saying this today because we do not have many guests, so people will not feel particularly singled out—you must make a booking, because yesterday we were a bit short on space. Also, it is preferable—and I know that the attendants do that—to leave the first couple of rows in the galleries at the back for staff. So, if you are showing in a group, please keep in mind: (a) book it, so that we can fit them in; and (b) we leave room for staff in the front rows. Thank you.

LEGISLATIVE REVIEW COMMITTEE

Mr SIBBONS (Mitchell) (14:03): I bring up the eighth report of the committee.

Report received.

VISITORS

The SPEAKER: I understand we have in the gallery the Mayor and Deputy Mayor of the City of Onkaparinga, who are guests of the member for Finniss. Welcome, it is nice to see you here.

QUESTION TIME

FLINDERS MEDICAL CENTRE

Mrs REDMOND (Heysen—Leader of the Opposition) (14:04): My question is for the Minister for Health and Ageing. Has the current manager of the Flinders Medical Centre emergency department—that is, the person who has either replaced or is filling in for Dr Di King—been instructed to 'guarantee ambulance offload at all times', as Dr Di King was instructed?

The Hon. J.D. HILL (Kaurna—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:04): As I understand it, an acting manager of the emergency department has been appointed and that is one of the staff who are currently working at the emergency department. The member really raises a question about what the policy is in relation to ambulance transfers. I will just read to her, and I can table—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: It is absolutely pertinent whether she has been instructed. I am telling you what the policies are. There is a document, which I am happy to table, called 'SALHN Patient Flow Commitments', and it has a range of commitments, which was determined by the executive team. That includes:

Our overall commitments and aims are—

and this is one of them—

...that we will have no patient waiting in the back of an ambulance on arrival at FMC or NHED and no ambulance crew delayed with a patient. Once transferred to the ED barouche, clinical handover is complete.

That is the policy of the executive of the Southern Adelaide Local Health Network. Dr Di King, who until last week was the director of the emergency department, is a member of that executive, and that executive signed off on that policy. Of course, people who work in the system and who contribute to the development of policy are bound by their own policies.

I would point out that my office today contacted the College for Emergency Medicine to see whether the college could give us any views about whether ramping was a policy that they had a view on. I am informed that the President of the Australasian College for Emergency Medicine, Dr Sally McCarthy, said, 'We don't support delayed ambulance offloads, that is, we don't support ramping,' and their policies say such.

Members interjecting:

The SPEAKER: Order! There will not be arguments across the chamber floor.

FUTURE SUBMARINE PROJECT

Dr CLOSE (Port Adelaide) (14:06): My question is to the Premier. What progress has been made by the federal government on the Future Submarine Project and what are the risks to the assembly of the new submarines in South Australia?

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (14:06): I thank the honourable member for her question. I know she has a keen interest in the Future Submarine Project, as it obviously implicates a number of employment opportunities in her electorate. As a large island nation, an effective fleet of submarines is a critical part of the Australian Navy and ensures that our nation can protect its interests and also advance the interests of those of our allies.

Thousands of South Australians have worked for over two decades at Port Adelaide designing, assembling and sustaining our nation's fleet of submarines. The Australian Submarine Corporation facility at Osborne is one of the state's largest manufacturing facilities and ranks with BAE Systems as one of the largest defence industry employers in this nation. The construction industry that involves the 12 new submarines is indeed that: it is not just a project; it will become an industry. The construction of the replacement Collins class submarines will be the largest procurement exercise ever undertaken by the commonwealth government in its history.

On a construction project of this size it is absolutely critical that the commonwealth gets the process right, so we support them in that. I was very pleased to attend with the Prime Minister down at Osborne when she announced that the commonwealth will be committing \$214 million to the Future Submarine Project to consider the four options for acquiring future submarines. Every one of those four options is a good option for South Australia. Some are better than others, but they are all very good options for South Australia because they will continue to be assembled in Adelaide. For those members that have not been down to Techport, it is very instructive to look at what they mean by 'assembly', because I do not think the phrase does it justice; it is a very sophisticated exercise.

This would guarantee our state's ongoing advanced manufacturing capability and secure thousands of South Australian jobs. But, unfortunately, this commitment is not bipartisan. The shadow treasurer, the Hon. Joe Hockey, said on *Seven News Sydney*, after the Prime Minister's announcement:

We want to see what the benefit is in actually building these submarines here in Australia rather than getting cheaper versions from overseas.

This was after the shadow defence minister, Senator David Johnston, said on *Lateline* in March:

If the Coalition was to think that it's more cost-effective and a better capability to acquire a ready-made solution, we would certainly be interested in that.

Now, speculating out loud about whether it is a good idea to be building submarines in Australia is, we think, a very alarming prospect, and the federal opposition's failure to support the continuing submarine assembly in Adelaide means that every worker and their family that relies on submarine assembly is facing an uncertain future. Madam Speaker—

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: —both the state and federal Labor governments support building submarines in South Australia, and our simple question for those opposite is: do they support us in that regard? Will they stand with South Australia in defending our submarine industry or will they stand with Tony Abbott and the federal Liberal Party in supporting his proposition? This is a simple choice, Madam Speaker.

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Point of order, Madam Speaker. The Premier is clearly debating the answer to the question.

The SPEAKER: No. The Premier was quoting from some things that were said, and he can choose to answer the question as he wishes, but he has 12 seconds left.

The Hon. J.W. WEATHERILL: Thank you, Madam Speaker. In my 12 seconds can I just say that this is a matter about which there should be bipartisan support. We are simply asking for those opposite to join with us, urging their federal colleagues because, if it is the case—and everyone seems very cocky over there—that there will be a federal Coalition government after the next federal election it becomes even more imperative for them to support us in this regard.

Members interjecting:

The SPEAKER: Order!

FLINDERS MEDICAL CENTRE

Mrs REDMOND (Heysen—Leader of the Opposition) (14:11): My question, again, is to the Minister for Health. Is the Acting Manager of the Flinders Medical Centre emergency department obliged to guarantee that the policy—as detailed by the minister in answer to my earlier question—will be followed at all times as Dr Di King was obliged to do?

The Hon. P.F. CONLON: Point of order on the question.

The SPEAKER: Point of order.

The Hon. P.F. CONLON: To assert that the person was obliged to do that is to make an assertion, make an argument, yet again.

Members interjecting:

The SPEAKER: Order!

Mr Williams: She wasn't going to endanger people's lives.

The SPEAKER: Order! There was an assumption made in that question, but I guess it follows on from questions that have been going for two weeks now. I think that the minister would probably want to respond to it. The Minister for Health.

The Hon. J.D. HILL (Kaurana—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:12): Thank you, Madam Speaker. The personal abuse that is coming from the other side is just extraordinary.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: They cannot talk about these serious issues without reaching into personal abuse, Madam Speaker.

Members interjecting:

The SPEAKER: Order, members on my left!

The Hon. J.D. HILL: I have given very straight answers to all of the questions that have been asked, and I will give a straight answer to this. The question is—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: —in essence: is the manager of the hospital's emergency department bound by the policies that apply across the local southern Adelaide health network? Yes, she is.

Members interjecting:

The SPEAKER: Order!

GRAFFITI VANDALISM

Ms BETTISON (Ramsay) (14:13): My question is to the Attorney-General. Can the Attorney-General inform the house about government support for innovative projects run by community groups across the state aiming to prevent crime and graffiti vandalism?

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) (14:13): I thank the honourable member for her question. All members of parliament would realise the deep concern in the community about the scourge of graffiti vandalism, and the Crime Prevention and Community

Safety Grants program delivers funding to community and local government organisations with innovative ways to prevent crime and graffiti vandalism.

I can inform members that \$812,500 in total funding has been provided for 20 projects and that 14 crime prevention and six graffiti prevention projects have been outlaid. Projects are spread across the state from Ceduna to Victor Harbor, and I just wanted to mention a couple of them. First of all, an organisation close to the member for Reynell's heart is the Sammy D Foundation, which has been successful in its application to develop a mentoring program in partnership with TAFE Noarlunga and Flinders University for young people involved in the juvenile justice system.

Another one—again, probably of interest to the member for Frome—is the Port Pirie Aboriginal Community Centre, which will receive \$22,000 to support the Fair Dinkum Brothers project, which places young people in teams with Aboriginal elders to clean and beautify community yards and learn about native plants, and uses skills in horticulture and garden maintenance. Both these examples are projects engaging at-risk youths with their communities.

On graffiti, South Australia is a leader in tackling graffiti vandalism, and community involvement is important in ridding the state of this offending behaviour. In the Port Adelaide electorate, funding of \$49,450 has been outlaid for a program that brings community members and young offenders together to create digital images to be projected onto buildings across the local area—which is a lot better than painting them. Participants develop appreciation of their community and the way graffiti affects members of that community.

Yet another graffiti project to be supported is the establishment of a graffiti volunteer program to assist the City of Holdfast Bay's rapid response team. Councils are to be commended for their work in establishing rapid response teams to deal with this issue.

Ms Chapman: What about Burnside?

The Hon. J.R. RAU: I don't think there is a lot of it in Burnside.

Members interjecting:

The SPEAKER: Order!

The Hon. J.R. RAU: We are very keen to support councils and community groups to improve community safety and prevent crime and graffiti.

FLINDERS MEDICAL CENTRE

Mrs REDMOND (Heysen—Leader of the Opposition) (14:16): My question is again to the Minister for Health and Ageing. Given the minister's statement that the acting manager of the emergency department at Flinders Medical Centre has to guarantee ambulance offload at all times, has the government—

The Hon. P.F. CONLON: Point of order: it is an argument that he said that; in fact, he didn't.

Mrs REDMOND: He just said it, but I will reword the question.

The SPEAKER: Order! Yes, I think you need to reword that question. I uphold that point of order.

Mrs REDMOND: To the Minister for Health: has the government guaranteed 'inpatient flow into the hospital' for the acting manager of Flinders emergency department, which it refused to guarantee for Dr Di King, leading to her resignation?

The Hon. J.D. HILL (Kaurana—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:17): This is another example of the opposition taking and distorting bits of information and creating an argument on which they want to argue a political point.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: This is obviously a serious matter, and to have it trivialised in the political way that the opposition continues to do is, I think, a discourtesy to—

Members interjecting:

The SPEAKER: Order! Minister.

The Hon. J.D. HILL: It shows discourtesy, I believe, to the people who work in the hospital.

Mr WILLIAMS: Point of order, Madam Speaker. Standing order 98 says that the minister must answer the substance of the question. The minister has not gone near answering the question; he is just entering into debate about the opposition.

The SPEAKER: Thank you; there is no point of order. If you ask a provocative question then the minister will respond.

Mr WILLIAMS: I contend that it is not provocative; it is a question that everyone in South Australia wants answered—

The SPEAKER: Order! Sit down.

Mr WILLIAMS: —and it is a question that this minister refuses to answer.

The SPEAKER: Sit down. Order!

The Hon. P.F. CONLON: I raise a point of order.

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: My point of order is: under what standing order does the deputy leader make his contention?

Members interjecting:

The SPEAKER: Order! There were no points of order there. Minister.

The Hon. J.D. HILL: Thank you, Madam Speaker. Managing a hospital is obviously a very complex business and there are various parts of the hospital that you need to get right to make sure that the whole place works well. The emergency department, which is the front door for most, though not all, of the people who come into our hospitals, has to be managed in a particular way. We then need to move patients out of the emergency department into a ward, if they are going to go into a ward, or return them to their home if that is where they are ultimately going to end up. A whole range of processes have to work, so part of the reform process right across our health system has been to get this to work well.

Flinders has actually made some very good progress in terms of some of those elements. I do not think it has gone as far as it would want to go, and I do not believe that anyone in the hospital would say that it has gone as far as they want it to go. All the staff who work in the hospital have to be committed to the overall goals and the overall processes that have been agreed to by the executive; you cannot have individual elements of the hospital deciding to go outside and do things on an ad hoc basis. You have to have an overall set of policies that apply.

One of the reasons that I have asked for an independent review of this hospital is because, clearly, some of those elements are not working in a collaborative way, and there have been repeated examples brought to the attention of the media by the ambulance union about issues around the front entrance to the hospital. I haven't attributed blame to anybody in relation to this. I said, 'There is obviously an issue, and I want to get to the bottom of it.' My job as minister is to get to the bottom of it. I don't believe it is possible without having somebody from outside of our system to properly have a look at what is going on at the hospital, to get some advice for the people who work in the hospital, and to government generally, about making sure that we can make improvements.

All of the issues that the Flinders Medical Centre has to deal with about patient flow, about emergencies, about peaks in demand, are all of the same issues that apply at the Royal Adelaide Hospital, the Lyell McEwin Hospital, and The Queen Elizabeth Hospital. Arguably, it is more difficult at some of those hospitals because of some of the circumstances that they are in. They all get managed without the contention between the ambulance service and the emergency department. That is why there is an issue about Flinders, and that is what we are trying to resolve. The politicisation of it and the point scoring—I understand why the opposition wants to do that—just does not indicate any way forward other than to have them make a lot of noise, trying to gain political attention for their own cause.

Members interjecting:

The SPEAKER: Order!

MINERAL EXPLORATION

Mr ODENWALDER (Little Para) (14:21): My question is for the Minister for Mineral Resources and Energy. Can the minister inform the house on how this government seeks to foster continued exploration investment throughout the state?

An honourable member interjecting:

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Manufacturing, Innovation and Trade, Minister for Mineral Resources and Energy, Minister for Small Business) (14:21): He is the only man we are afraid of! I thank the member for his question and his keen interest in building the state's prosperity.

Members interjecting:

The SPEAKER: Order!

The Hon. A. KOUTSANTONIS: South Australia is firmly positioned as a major destination for investment in minerals exploration. ABS figures show combined spending on minerals and petroleum exploration for the 2011 calendar year totalled a whopping \$454 million. The mineral exploration spend was up 65.5 per cent on the previous calendar year, reaching \$312 million, a truly outstanding result that puts us back near our pre-global financial crisis heights.

In 2011, ABS figures showed that the value of minerals exported from South Australia totalled a record \$4.2 billion. That sort of performance has assisted South Australia in achieving some of the fastest export growth in Australia. New results to hand show mineral production for the 2011 calendar year reached a record \$5.5 billion, up from \$4 billion in 2010.

It is this type of growth that is driving the state forward into a new direction of wealth and prosperity that will result in an even greater standard of living for generations to come, and it is this type of growth that this Labor government continues to foster.

The government is committed to expanding our growing minerals industry to ensure all South Australians have the ability to benefit from our minerals boom. That is why we are committed to encouraging further exploration. At the South Australian Resource and Energy Investment Conference we announced the latest round of PACE 2020 funding. This round will see 26 resource exploration projects share in \$1.7 million in grants to assist funding proposals that include new targets and new exploration concepts across a wide range of resources.

In addition to the funding provided by the PACE Discovery Drilling grants, the industry will spend a further estimated \$5.07 million on exploration, bringing an estimated total exploration spend of \$7.7 million. These proposals comprise 37 mineral projects and three petroleum projects in areas of the state, including the highly prospective Gawler Craton, the Cooper and Lake Eyre Basins and the Curnamona and Musgrave Provinces. The scope of the projects funded in this round are very encouraging and clearly demonstrate the success of PACE 2020 in generating worldwide interest in South Australia as an investment destination.

These latest grants build on a successful history of co-investment with previous PACE drilling program success stories, including: the Carrapateena copper-gold-uranium prospect; Iluka Resources' two mineral sands projects; the Four Mile uranium project, which was one of the biggest finds in uranium in the last 25 years; Tasman's Vulcan iron ore, copper, gold prospect; and, of course, Challenger gold mine's expansion.

The millions of dollars being spent on exploring this state, unleashed by the Plan for Accelerating Exploration and our pro-mining policies, has put us in a position where some of the most significant mineral discoveries either underway or nearing production are here in South Australia. Olympic Dam has been a very large discovery and a very important economic discovery for the state.

Mr Williams interjecting:

The Hon. A. KOUTSANTONIS: I know.

Mr Williams interjecting:

The SPEAKER: Order!

The Hon. A. KOUTSANTONIS: Yes; I was eight.

Mr Williams interjecting:

The SPEAKER: Member for MacKillop, order!

The Hon. A. KOUTSANTONIS: This requires explorers, large and small, to take a risk in joining to find other deposits like Olympic Dam. To encourage them, we need policies to do precisely what we are doing, and these programs, such as PACE 2020, and the certainty provided by the best practice regulatory framework in the world, gives them that certainty to go out and take that risk, and we share that risk with them.

FLINDERS MEDICAL CENTRE

Mrs REDMOND (Heysen—Leader of the Opposition) (14:25): My question is again to the Minister for Health and Ageing. If Dr Di King could not 'guarantee ambulance offload at all times for reasons of patient and staff safety', how can the current acting manager guarantee this?

The Hon. J.D. HILL (Kaurana—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:26): Once again, these questions are based on argument and assumption. What we want to do is to make—

Mr Pisoni interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: What we want to do in all of our hospitals is to maximise the care that is given to our patients, and the—

Mr Pisoni interjecting:

The Hon. J.D. HILL: Sorry?

The SPEAKER: Order!

Mr Pisoni interjecting:

The SPEAKER: Order! Member for Unley, order!

The Hon. J.D. HILL: I don't know what that inane interjection was about anyway. What we are trying to do is to make sure that our hospital systems generally, and our emergency departments in particular, provide the best possible care to patients. There might be a disagreement amongst emergency doctors about how you do that, but we have to have a system-wide approach; we cannot just have individual units within the system developing their own policies in isolation from other bits. What I have said in relation to Flinders is that there is a clear policy in place, which everybody in that hospital is expected to comply with.

In relation to all of the other hospitals we have, these issues do not arise. All of the hospitals at times have peak demand, when the cubicles in the emergency department are full. In each of the other hospitals, as I understand it, the patients are taken in and looked after in waiting areas. There is a triage process in place. Those in the most need, of course, are moved through. Category 1 patients are always seen immediately; other categories are seen within time frames that are set. Sometimes patients do have to wait, but there are provisions in place to ensure that they can be looked after. There is a capacity to provide oxygen and other assistance; nurses and others can look after them. Sometimes paramedics look after patients within the hospital waiting area, and there are protocols in place around that. So, there are a whole range of back-up systems in place to make it work.

The difference between all of the other hospitals and Flinders is that there is a lack of agreement about how to do that, if I can put it in those terms. There is clearly an issue between the ambulance service and the emergency department. I am not judging how that should be resolved; all I am saying is that it needs to be resolved. It is my duty as the minister to make sure it is resolved, and that is why I have an independent group to have a look at and to make some recommendations and, hopefully, they can sort out the problems. I have absolute confidence that the current acting leader of the emergency department will do her very best to make sure these policies are complied with.

HOVE RAILWAY STATION

The Hon. S.W. KEY (Ashford) (14:28): My question is directed to the Minister for Transport Services. Minister, having seen a number of art exhibitions in railway stations, in particular, overseas, I would be really interested to know about the Hove station art project mural installation.

An honourable member interjecting:

The Hon. C.C. FOX (Bright—Minister for Transport Services) (14:29): Thank you, member for Unley. It is, in fact, a train station, not a bus stop.

Members interjecting:

The SPEAKER: Order!

The Hon. C.C. FOX: I thank the member for this question.

Members interjecting:

The SPEAKER: Order! The minister will be heard in silence.

The Hon. C.C. FOX: Installation has begun on a new 100-metre street art mural at Hove Railway Station. The mural has been painted by a group of young volunteers from the Hove area, along with their artistic mentors. The installation of this mural coincides with the 2012 National Volunteer Week and will provide a number of community benefits. Evidence has shown that, if a train or a tram stop is kept clean and attractive, the occurrence of unwanted graffiti and vandalism is reduced, not only at the station or the stop but—

An honourable member interjecting:

The SPEAKER: Order!

The Hon. C.C. FOX: —also on nearby surrounds, including homes, fences and buildings. Where gardens and other landscaping is not possible, there are other ways of making the station and surrounding areas more attractive, and that is where the Hove station art project fits in.

The project's local participants (aged between 14 and 26) were given the chance to work with two local artists, Seb Humphreys and Joel Moore. Together they created panels which transformed the fence into a 100-metre long canvas featuring a tailored mural. The Hove station art project provided skills development, capacity building and opportunities for young people to participate in a program with a positive outcome. Art projects give students a greater understanding of art as a legitimate form as opposed to simply being graffiti vandalism. It has brought together the general public, school students, the local council and other community groups to introduce art at the station.

The project forms part of Adelaide Metro's community volunteer program which started in 1991. It was previously known as the Adopt-a-Station program and includes hundreds of volunteers taking care of dozens of stations across the network. I was recently at the Paradise Interchange—

An honourable member interjecting:

The Hon. C.C. FOX: —indeed, yes—with the member for Hartley where we saw some great examples of local community art that have really helped bring that station together.

Installation of that mural will take about a week and I would like to thank the artists involved, along with the Adelaide Metro community volunteer program, the Adelaide Metro maintenance and engineering division, and the City of Holdfast Bay youth for supporting this excellent project.

Members interjecting:

The SPEAKER: Order! Member for Waite.

FLINDERS MEDICAL CENTRE

Mr HAMILTON-SMITH (Waite) (14:31): My question is to the Minister for Health and Ageing. Is the instruction that there be no ramping at the Flinders Medical Centre emergency department regardless of patient inflows or the availability of inpatient beds in the main hospital consistent with patient safety and the findings of the Coroner? Dr Di King has stated in a letter in

regard to an instruction from officials to guarantee ambulance offload at all times that, 'For reasons of patient safety I was morally unable to do that, as I discussed with them on many occasions.'

In addition, the Coroner found that on 14 December 2004 the death of Louise Kay O'Neill was partly attributable to the patient having been left to lie on a barouche while awaiting attention without regular or documented observations. The inquest heard expert opinion that these problems were 'a systems issue that most likely arose over emergency department overcrowding'.

The Hon. J.D. HILL (Kaurna—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:32): I thank the member for his question. There are two issues that I really need to address in answering this question. The first is the claim that there was an instruction given. He bases that claim on a letter which he has got a copy of which was sent by Di King to her colleagues when she resigned, and she made claims about a conversation that was held with management from the hospital, so what you have got is one version of a conversation to which there were two parties.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: What you have got is one version of—

Members interjecting:

The SPEAKER: Order!

Ms Chapman: You said it was policy on radio!

The SPEAKER: Order!

Mr Williams interjecting:

The SPEAKER: Order! Member for MacKillop, order! Minister.

The Hon. J.D. HILL: The word I was focusing on was the word 'instruction'. I said we have got one version of a conversation so I just put that on the table: there is one version of a conversation on which you are developing your argument.

Members interjecting:

The Hon. J.D. HILL: It is an argument. I made the point in relation to earlier answers that there is a policy in place and that staff are expected to comply with that policy. To say that is an instruction and to say compliance with a policy which she helped develop, by an executive which she is a member of—that is the point—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: Di King was a member of the executive which developed the policy so it's obvious that she should comply with a policy that she had developed. The second part of the question is in relation to the Coroner's inquest, and I think it is interesting that the member raised this particular Coroner's report because the Coroner's report came down on 14 December 2004. However, the patient who was being looked into died at Flinders Medical Centre on 17 December 2000—of course, when the other side was in government.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: When the other side was in government.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: I'm not surprised that there were problems in the emergency department when the other side was in government. There was headline after headline about the travesty of management by that government—that party over there—when they were in government.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: This government—

Members interjecting:

The SPEAKER: Order! Point of order, member for Stuart.

Mr VAN HOLST PELLEKAAN: Madam Speaker, clearly, clearly debate, and yelling, and redness.

Members interjecting:

The SPEAKER: Order! You obviously grew up in a very small household, member for Stuart, and have not been in family arguments before.

The Hon. J.D. HILL: I will give you and the house an undertaking that I won't yell if they don't yell, Madam Speaker. How's that?

Members interjecting:

The Hon. J.D. HILL: I won't yell if you don't yell; how's that, Madam Speaker?

Members interjecting:

The SPEAKER: Order! Point of order.

The Hon. P.F. CONLON: The member for Stuart is interjecting; he knows that's out of order.

The SPEAKER: Thank you, Minister for Transport. We will get back to the minister's response.

The Hon. J.D. HILL: I digressed. So, the—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: The Coroner investigated a death which occurred when Dean Brown was the minister for health in the year 2000, and the—

Mrs Redmond interjecting:

The SPEAKER: Leader of the Opposition, order!

The Hon. J.D. HILL: The Coroner found that there were not sufficient resources applied to the emergency department. He also noted that overcrowding had diminished since that time (which was 2000 and this is in 2004, so after we got into government) and delays in moving patients through emergency department and into the wards had improved. He also recommended—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: He also recommended—

Mr Williams interjecting:

The SPEAKER: Order! Member for MacKillop, leave the chamber for 10 minutes.

The honourable member for MacKillop having withdrawn from the chamber:

The Hon. J.D. HILL: He also recommended that the minister and the department continue the program of improvement and resources, both human and infrastructure. Well, let me tell the house what we have done. We have increased the capacity at the Flinders Medical Centre by 10,000 patients a year. It was at 60,000, and it is now up to 70,000. The number of patients a year is currently tracking at around about 61,000 to 62,000, so there is extra capacity at the hospital.

We have doubled the number of doctors who work in that hospital in the 10 years that we have been in government. We have also increased quite dramatically the amount of direct resources put into ED to provide extra support, including establishing an acute medical unit. In fact, over the last three years the number of patients going to the emergency department at Flinders Medical Centre has actually declined, so there is 2 per cent fewer patients in 2010-11 than there were in 2007-10; so, fewer patients, more resources, more capacity. We have done what the

Coroner said ought to have been done, and we are doing that right across the board, right across our emergency departments because we believe in public health and we are investing heavily in it. There is an issue—

Mrs Redmond interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: Out comes the Leader of the Opposition. As I pointed out to the house on a number of occasions, the number of patients who are seen within the recommended time is 72 per cent across the board in South Australia, a record high for a state, above the national average, and at Flinders Medical Centre is sitting just under that at 71 per cent. In fact, right across the metropolitan area 93 per cent of patients are seen within two hours under all circumstances, and that is the best in Australia, the very, very best in Australia.

I am proud of what we have done in the emergency departments. I am proud of our investments in health. There is an issue at Flinders Medical Centre and I am determined to get on top of it. I am sorry that people are unhappy about some of the personality issues involved, but there is obviously an issue between the ambulance service and the emergency department which we need to address, and we are addressing it.

Members interjecting:

The SPEAKER: Order! Member for Torrens.

PRINCIPALS AS LITERACY LEADERS

Mrs GERAGHTY (Torrens) (14:39): My question is to the Minister for Education and Child Development. Can the minister inform the house on the progress of the professional development program called Principals as Literacy Leaders, which helps school principals support classroom teachers to lift the literary skills of school students?

The Hon. G. PORTOLESI (Hartley—Minister for Education and Child Development) (14:39): I thank the member for Torrens for this question. I was very pleased to spend some time with her last week visiting some schools in her electorate. One of them was Northfield Primary School, a United Nations Global Peace School, I believe.

The Principals as Literacy Leaders program provides school leavers with the latest research and practice to develop, together with their teaching staff, the most effective ways to assist students achieve their best in reading, writing and spelling. South Australia has taken the national lead with this Principals as Literacy Leaders program which, of course, is part of our Smarter Schools National Partnerships funding from the federal government. The program involves a strong cooperation between local school leaders, the Australian and South Australian primary principals associations and university expertise across Australia.

In fact, this program was recently highlighted by David Gonski in his review of school funding which pointed out that more than 88 per cent of teachers working with principals who took part in the initial project believe it improved their capacity to address students' difficulties with literacy learning and improved student attitudes to literacy learning.

Following that successful pilot program, 338 of our primary school principals, including leaders in rural and remote schools, have been involved in important professional development. As one primary school principal told me recently, this initiative has given her effective strategies to work with teachers in the classroom and to keep the focus on literacy outcomes and results.

Thanks to its success, the program is now being expanded to involve secondary school principals, with the South Australian Secondary Principals Association actively participating with our agency in the development of this program. I thank them for their support and their professional assistance. More than 120 secondary school principals from across the state have been further developing literacy and leadership skills and understanding with this funding. I thank the universities, the associations and all the schools involved in this initiative. In particular, I want to acknowledge our school leaders for the outstanding job they do.

FLINDERS MEDICAL CENTRE

Mr HAMILTON-SMITH (Waite) (14:42): My question is again to the Minister for Health and Ageing. Is he concerned that the design of the new Flinders emergency department his government has built makes it difficult for patients to be admitted if there is a surge in ambulance arrivals, as the ambulance union claimed this morning?

The Hon. J.D. HILL (Kaurna—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:42): I heard the comments made by Phil Palmer in the media interview this morning, and that is obviously one of the issues that the independent investigator can consider in his team's investigation of the hospital. Bear in mind that the advice about how the emergency department should be constructed very much came from the doctors who run the emergency department at the hospital, so if they got it wrong it is as a result of the design that they wanted. I understand they were very happy with the design—

Ms Chapman interjecting:

The Hon. J.D. HILL: No, I am just merely pointing out that there would be a difference of opinion as to whether or not it is a good design. The ambulance union has a view about it—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: —presumably the doctors have another view; that is just another reflection, I guess, of the issues we are dealing with at that particular hospital. We will get an independent person to have a look at it and give some advice and, if there need to be alterations to the design, I am sure we can consider those as well.

PRISONER REHABILITATION

Mr SIBBONS (Mitchell) (14:43): My question is to the Minister for Correctional Services.

Members interjecting:

The SPEAKER: Order!

Mr SIBBONS: Can the minister inform the house of how offenders rehabilitation programs are helping reduce crime and the number of people returning to prison?

The Hon. J.M. RANKINE (Wright—Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety, Minister for Multicultural Affairs) (14:43): It was good yesterday; it was nice and quiet in here. When someone is released from a prison in South Australia, the best result obviously for our community is that they never reoffend and that they go on to make a meaningful contribution to our community.

Last financial year we invested a record \$32.4 million into rehabilitation programs for offenders in our state's prisons as well as for those under supervision in the community. This represents a 55 per cent funding increase since we first came into government. This investment and the hard work of people involved in delivering the programs is reflected in our return-to-prison rates. South Australia has the lowest return-to-prison rate in the nation, and it has been that way for four years in a row. This is the ultimate measure of our corrections system, and I acknowledge the work of former ministers Zollo and Koutsantonis for their work in getting us to this point. Most importantly, I also acknowledge the staff of the Department for Correctional Services, who perform one of the most publicly unseen yet most important roles in keeping the community safe. These results belong to them and are testament to their hard work and dedication in rehabilitating offenders and helping to keep our community safe.

Some of the programs include the Violence Prevention Program, which has operated since 2005 and aims to help prisoners with a history of violence better understand the impact of their crimes on their victims, how to deal with their anger in ways that are nonviolent and the importance of healthy relationships in their lives. The Making Changes program targets general offending behaviour. It has only been in operation since 2010 and has already helped more than 460 prisoners through cognitive behavioural therapy.

Ms Chapman: She is doing a better job than you, Tom.

The Hon. A. Koutsantonis: She is.

Ms Chapman: She hasn't had any escapes.

The Hon. J.M. RANKINE: Well, if you had listened—

Members interjecting:

The SPEAKER: Order!

The Hon. J.M. RANKINE: —instead of kept talking, if you had listened—

Members interjecting:

The SPEAKER: Order!

The Hon. J.M. RANKINE: —I paid tribute.

Ms Chapman: I am saying you are improving, Jennifer. I am saying you are improving.

The Hon. J.M. RANKINE: No, it would be really good if you said nothing in question time other than asked questions. The Sexual Behaviour Clinic has been addressing the sexual offending behaviours of more than 200 prisoners, and the department is now trialling an innovative new version of the program that is tailored for people with cognitive disabilities at the Mount Gambier Prison. I look forward to informing the house about further evaluations of this program in the future. The Prisoner Reintegration Employment Opportunity Program, a great partnership between the Port Augusta Prison and BHP Billiton—

Ms Chapman: Jennifer for premier would be good. Jennifer for premier.

The SPEAKER: Order, member for Bragg! Order!

The Hon. J.M. RANKINE: She can't help herself, Madam Speaker. It was very quiet yesterday.

Members interjecting:

The SPEAKER: Order!

The Hon. J.M. RANKINE: She wasn't here yesterday; it was very quiet.

Members interjecting:

The SPEAKER: Order!

The Hon. J.M. RANKINE: The Sierra Program is a six-month intensive residential program that targets young offenders aged 18 to 23 and focuses on self-discipline, education, fitness and teamwork. I understand the shadow minister for corrections, along with the shadow attorney-general and the member for Stuart, recently met with some of the prisoners involved in the Sierra Program at Port Augusta. I hope they were as encouraged as I was by the attitudes of these young men taking part and their plans for a better future upon release.

NYRSTAR

Mr MARSHALL (Norwood) (14:47): My question is to the Minister for Sustainability, Environment and Conservation. Can the minister confirm whether or not he has been informed by the EPA, at any stage in the last 18 months, about a mid-term review of Nyrstar's conditions of licence and, if so, what was the outcome of that review?

The Hon. P. CAICA (Colton—Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:47): As I said yesterday, the EPA regularly provides me with information with regard to, amongst other things, its compliance enforcement activities but, as I have also previously mentioned, the EPA is independent of government—

Members interjecting:

The Hon. P. CAICA: —just let me make that point—

The SPEAKER: Order!

The Hon. P. CAICA: —independent of the minister of the day and the government of the day.

Members interjecting:

The SPEAKER: Order!

The Hon. P. CAICA: What I have been advised by the EPA is that, following an extensive review of Nyrstar's EPA licence, the EPA has now finalised new conditions of its licence. This includes an environment improvement program and establishes more stringent lead in air limits in Port Pirie. The EPA expects to issue the new licence conditions in the next few weeks.

I am also advised, as we would expect, that the new environment improvement program will require Nyrstar to implement improvements to its facilities to reduce lead emissions. It also

requires assessment of new technologies and processes to achieve further substantial long-term reductions in lead emissions. I guess the point is this: I regularly receive, as you would expect, updates from the EPA on a variety of matters.

Members interjecting:

The SPEAKER: Order!

ARTS PROGRAMS

Mrs VLAHOS (Taylor) (14:48): My question is to the Minister for the Arts. Can the minister update the house about what is planned in Adelaide's arts scene during the winter months?

The Hon. J.D. HILL (Karna—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:49): I thank the member for her question and I acknowledge her strong interest in the arts scene in Adelaide. Adelaide's arts calendar will remain busy this winter with a wide selection of performing and visual arts activities.

The 12th annual Cabaret Festival will open on Friday 8 June and will run until Saturday 23 June with a program of 43 shows. There will be 110 international artists and 194 Australian artists, including 110 from within South Australia. Ticket sales, I have been told already, are very strong and many shows are expected to be sold out, which is normal for the Cabaret Festival.

The annual South Australian Living Artists Festival will also run from 3 to 26 August, which will promote a diverse range of local artists in venues right across the state. It is an outstanding festival which has grown very strongly over recent years. It is run in conjunction with a series of 11 South Australian Living Artists Festival awards. Categories include photography, contemporary craft and design, and sculpture. There is an award recognising artists with an intellectual disability or organisations specifically supporting their development, an award for a recent graduate, plus the newly introduced Austral Hotel Emerging Artist Award.

This year, the 13th South Australian Living Artists monograph will be published, featuring the work of photographer Mark Kimber. This publication serves as a great marketing tool for an established local artist on the verge of a major international career. So, I commend Mark on that success.

The fourth biennial Adelaide International Guitar Festival will be held in the Adelaide Festival Centre from 9 to 12 August, offering a series of concerts, master classes, hands-on workshops and late-night club sessions—another great event in Adelaide. There will be 41 events in the festival program, including one world, three Australian and five Adelaide premieres. Passionate guitarists of any age are encouraged to apply to perform in the '15 minutes of fame' open microphone sessions to be held in the Space Theatre. I invite members opposite who feel that they might have such talent to take advantage of that opportunity.

Little Big Shots, the International Film Festival for Kids, will be in town from 12 to 14 July at the Space Theatre in the Adelaide Festival Centre. That offers the best in local and international children's features, shorts, animations, documentaries and child-produced films.

The Art Gallery of South Australia will mount winter exhibitions featuring colonial paintings and 19th century South Australian gold and silver, as well as contemporary works using the visual languages of the street, including paste-ups, stencilling and aerosol painting. Winners of the annual Waterhouse Natural History Art Prize will be announced on 20 July, with an ever-popular exhibition of the finalists' works to be displayed at the South Australian Museum from 21 July to 9 September. If that is not enough, at Carrick Hill, in the member for Waite's electorate, I believe it still is—

Mr Hamilton-Smith: It is, yes.

An honourable member: You guys wanted to sell it.

The Hon. J.D. HILL: No, we didn't. Not true. An exhibition of Russell Drysdale drawings—

An honourable member interjecting:

The Hon. J.D. HILL: It's not true. I never wanted to sell it. At Carrick Hill, an exhibition of Russell Drysdale drawings will continue until 17 June, celebrating the centenary of this major 20th century Australian artist. All of those events are available to the public and I encourage members of parliament to go and have a visit to some of these places and see some of these

events. There is outstanding talent from right around the world and, of course, also from here in South Australia.

NYRSTAR

Mr MARSHALL (Norwood) (14:52): My question is to the Attorney-General. Can the Attorney-General confirm whether or not the Crown Solicitor's Office was briefed by the EPA in 2011 in relation to an alleged breach by Nyrcor of serious environmental harm provisions under the Environment Protection Act? If so, what was the outcome, if any?

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) (14:53): I have no particular knowledge of that matter, but I will seek information.

DISABLED JOB SEEKERS

Ms BEDFORD (Florey) (14:53): My question is to the Minister for Employment, Higher Education and Skills. Can the minister inform the house what the South Australian government is doing to support job seekers with a disability?

The Hon. T.R. KENYON (Newland—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for Recreation and Sport) (14:53): I am very pleased to received this question from the member for Florey and I thank her for it. I am pleased to advise the house that 120 job seekers with a disability now have the opportunity to boost their skills and qualifications to transition into further training and work through the state government's \$194 million Skills for All reforms.

The state government's Skills for All reforms aim to revitalise vocational education and training in South Australia. This initiative will help more people with disability participate in vocational education and training in areas with job opportunities, including retail, hospitality, business and warehousing. Participants will benefit from specialist support to complete certificate II level qualifications, with at least 78 people expected to move into higher qualifications or employment.

People with a disability studying at TAFE SA will access additional services, such as case management and learning support, to help them study in mainstream vocational education and training and go on to employment, in partnership with a Disability Employment Services case worker.

People with a hearing impairment will develop skills and confidence in digital literacy through a Certificate II in Information, Digital Media and Technology as part of the Forward IT program. This initiative received \$600,000 through the federally-funded Productivity Places Program for Job Seekers, with the state government's South Australia Works, Adult Community Education with Commonwealth Disability Employment Services and Job Services Australia providers contributing specialist support.

We want to encourage more people than ever to enter training and to successfully complete that training and gain employment. Nothing is more critical to lifting the skills of South Australians and ensuring that people are job ready than investing in skills. This investment in job seekers with a disability also supports South Australia's Strategic Plan targets and the Social Inclusion Board's report Strong Voices: a Blueprint to Enhance Life and Claim the Rights of People with Disability in South Australia (2012-2020).

As our economy transforms we will be requiring a more highly-skilled workforce, so we will need to ensure that people have the right skills to participate in work and further training, and that means everyone. No-one can be left behind. People with a disability cannot be left behind. People who have not had work cannot be left behind. This needs to include everyone. I commend this program to the house for helping people with a disability to benefit from accredited training, which leads to job opportunities or further training.

BUS CONTRACTS

Ms CHAPMAN (Bragg) (14:55): I was distracted. I was on my 'Jennifer for PM' campaign! Right.

Members interjecting:

The SPEAKER: Order!

Ms CHAPMAN: My question, Madam Speaker, is to the Minister for Transport Services Under the government's bus contracts, are contractors financially better off if their drivers bypass the bus stops when the buses are running late and avoid incurring a timetable penalty than to actually pick the passengers up at the bus stops and incur late penalties?

Last Friday a radio caller boarded a bus, which, to his surprise, turned into an express bus failing to stop at any of the bus stops where the passengers were waiting. When the bus arrived at the city, the driver advised that he was told by the depot not to pick up passengers so that his bus could arrive in the city on time.

Members interjecting:

The SPEAKER: Order!

The Hon. C.C. FOX (Bright—Minister for Transport Services) (14:57): Thank you, Madam Speaker—

Members interjecting:

The SPEAKER: Order! We will have some quiet so that we can hear the minister.

The Hon. C.C. FOX: Thank you, Madam Speaker, and I do thank the member for Bragg for this question. I would be deeply appreciative if she could get me some further details surrounding that: the number of the bus; the stops where it occurred; and the time that it occurred. I would be very interested to hear this. The member for Bragg is well aware that in most of these buses we do have CCTV which will enable us—and indeed the company—to examine what happened on that particular route last night. Last night?

Members interjecting:

The SPEAKER: Order!

The Hon. C.C. FOX: Thank you.

Mr Pisoni interjecting:

The SPEAKER: Member for Unley, order!

BUS CONTRACTS

Ms CHAPMAN (Bragg) (14:57): Supplementary, Madam Speaker—

Members interjecting:

The SPEAKER: Order!

Ms CHAPMAN: —I think that the minister misunderstood the question. I am happy to re-read the question, without the explanation, because my question was—

The Hon. P.F. CONLON: Point of order.

The SPEAKER: Order! There is one point of order.

The Hon. P.F. CONLON: That is not a supplementary question: that is a short speech.

The SPEAKER: Order!

Ms CHAPMAN: I will await your ruling, Madam Speaker.

Members interjecting:

The SPEAKER: Order! Member for Bragg, repeating the question is not a supplementary question. The minister can choose to answer the question as she chooses, and she has answered it.

Ms CHAPMAN: My supplementary is, then: will the minister read the *Hansard* and, if she is satisfied that the original question in fact was of a general nature and, if so, provide an answer to the house?

Members interjecting:

The SPEAKER: Order! The Minister for Transport Services.

The Hon. C.C. FOX (Bright—Minister for Transport Services) (14:58): Thank you, Madam Speaker. As always, I try to please; and, indeed, member for Bragg I will read the *Hansard*.

Members interjecting:

The SPEAKER: Order! The member for Reynell.

SELECT COUNCIL ON CLIMATE CHANGE

Ms THOMPSON (Reynell) (14:59): My question is to the Minister for Sustainability, Environment and Conservation. Minister, what agreements were reached at the recent inaugural Select Council on Climate Change?

The Hon. P. CAICA (Colton—Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:59): I thank the member for this question. Through the Select Council on Climate Change the South Australian government is working with other states and territories to address climate change. Minister Koutsantonis and I are members of the council, which held its first meeting in Canberra on 4 May 2012. The council was chaired by the Hon. Greg Combet, commonwealth Minister for Climate Change and Energy Efficiency. Energy, environment and climate change ministers attended from the states and territories and from New Zealand, with a representative from the Australian Local Government Association also in attendance.

The council agreed to work together on some key issues to ensure a more consistent, coordinated, efficient and effective approach to climate change. The council agreed that it will work with the cross-jurisdictional task force established following the COAG meeting of 13 April 2012 on how to effectively rationalise climate change programs that are not complementary to a carbon price, are ineffective or impose duplicated reporting requirements. The South Australian government will review its programs to ensure that they are complementary to the carbon price, but also that they encourage voluntary action by the community.

The council also reaffirmed its commitment to work together on the Greenhouse and Energy Minimum Standards scheme. This scheme will result in a new national approach to energy efficiency requirements on appliances and equipment. It will be one of Australia's key abatement measures, with estimated savings of 20.3 megatons of greenhouse gas emissions by 2020. The scheme is projected to return national net benefits of \$22.44 billion from 2009 through to 2024.

The council also agreed to develop work plans for collaborative action on climate change adaptation in seven national priority areas: water resources, coasts, infrastructure, natural ecosystems, agriculture, emergency management and vulnerable communities. A planned national approach to these issues, which encourages collaboration between jurisdictions and different levels of government, will help to build the resilience of South Australians. It will also build on the work that South Australia is already doing.

The council has a full agenda to work through over the next 10 months, but I look forward to working with minister Koutsantonis and my commonwealth, state and territory colleagues on these very important matters.

BUS CONTRACTS

Ms CHAPMAN (Bragg) (15:01): My question is again to the Minister for Transport Services. Did the incentive payments to bus contractors for the March quarter exceed the \$218,000 in fines announced two weeks ago by the minister?

The Hon. C.C. FOX (Bright—Minister for Transport Services) (15:02): May I ask for a point of clarification there within the premise of the questioning? Member for Bragg, when you say 'incentive payments', precisely what payments are you referring to?

Ms CHAPMAN: I am happy to provide an explanation. The Chief Executive of the Department of Transport, Mr Rod Hook—and I think the minister understands who he is—has provided a letter to the opposition, which the minister is aware of, which confirms that there is an 8 per cent bonus payment—

The Hon. C.C. Fox interjecting:

Ms CHAPMAN: I am using his words, Madam Speaker. There is an 8 per cent bonus payment which is payable upon the validation of tickets. It is a formula that applies to 8 per cent of the validated tickets, as per the advice received from Mr Rod Hook. That is what I am talking about.

The SPEAKER: Thank you.

Ms CHAPMAN: Is the payment that was made in the March quarter for the bonus payment for the validation of tickets, that they are entitled to under the contract, greater than the \$218,000 fine they received?

The Hon. C.C. FOX: The member for Bragg repeatedly refers to bonuses—indeed, as do some of her staffers—in attempts to make the public believe that the government is throwing money at contractors. I, and indeed Mr Rod Hook (who the honourable member has mentioned), have tried to arm her with the facts but the member for Bragg does not seem to want to know them.

My office arranged a briefing at very short notice, as it was occurring with the Hon. Dennis Hood from the other place, and Rod Hook again explained this system to her at length. Again, and for the record, the 8 per cent validation payment forms part of the larger contract and essentially means that the government holds back 8 per cent of the contracted expected payments and pays them separately to ensure that the contractor does the right thing. It is not a bonus. It makes sure—

Ms Chapman: How much?

The SPEAKER: Order! The member for Bragg, order!

The Hon. C.C. FOX: It makes sure that concession payments are only paid appropriately and that people pay for their fares. The member for Bragg has been informed about this by the chief executive and, should she seek to do so, I would be very happy to arrange yet another briefing.

Members interjecting:

The SPEAKER: Order!

SUMMARY OFFENCES (FILMING OFFENCES) AMENDMENT DRAFT BILL

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) (15:04): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.R. RAU: I table the draft Summary Offences (Filming Offences) Amendment Bill 2012. The purpose of tabling this draft bill is to present it for public examination before it is finalised and formally introduced to the parliament. The form of the bill tabled today is not necessarily final. Rather, I present the government's plans for comment. It may be that they can be improved. I hope those with suggestions for improvement will take this opportunity to express their views.

The bill creates new offences of humiliating and degrading filming. The offences aim to deter and punish the conduct of filming a person who is being subjected to a humiliating and degrading act without the person's consent to the act and the filming. They also seek to deter and punish the conduct of distributing film obtained in this way.

In addition, the bill seeks to deter and punish the distribution of an invasive image; for example, intimate photographs without the consent of the subject. The bill does not capture innocent redistribution of pictures. An offence will only be committed if the person knew or had reason to know that the subject was not consenting.

The bill repeals and re-enacts the existing law against indecent filming. That law covers upskirting and other covert indecent filming. The substance of those offences is unchanged although drafting changes have been made. An earlier version of this bill was the subject of public consultation and comment and that was received from a range of groups such as Free TV, various television stations, the Law Society, the Bar Association, Messenger Newspapers, the Legal Services Commission, ALRM, SAPOL, YACSA, the Privacy Committee, victims' representatives and three members of the public. There has also been discussion with *The Advertiser*.

Some modifications have been made to the bill in light of media comment. In particular, it has been made clearer that the bill does not capture solo behaviour or accidental behaviour, which the media claimed could be caught, such as film of a person drunk in a public place or film of a defendant walking out of a criminal court.

MINISTER'S REMARKS

Dr McFETRIDGE (Morphett) (15:07): I seek leave to make a personal explanation.

Leave granted.

Dr McFETRIDGE: Thank you, Madam Speaker, or, correctly, Nyimbala, to use your Aboriginal name. Yesterday in this place in answer to a question from the member for Florey, the Minister for Aboriginal Affairs and Reconciliation said, and I quote from *Hansard*:

I will say this, you can't get a deep understanding by occasionally squeezing into moleskins, whacking on the R.M. Williams boots and making reckless statements from Yulara.

He went on to say:

You just can't do that. You would be better off spending a little bit of time up there.

He then went on to say:

I look forward, in a bipartisan way I hope, to working with the opposition...

Madam Speaker, as you know, ever since I have been in this place, I have tried to work in a bipartisan way at personal cost in some cases, with the government on Aboriginal affairs.

I have a deep understanding of what is going on in Aboriginal communities, in fact, I think I am the only one in here who speaks any Pitjantjatjara: 'Nyalu Pitjantjatjara wankapai tjuku tjuku' and that means 'I speak a little Pitjantjatjara.' I understand a lot more than I can speak. I think I am the only person in this place who has been taken out by the Watties to a sacred site to see parts of the law that is being undertaken. I have a deep understanding of that. I cannot get in my moleskins anymore. I cannot do that. I was a lot slimmer when I had a vet practice. I am developing a thicker skin, not putting on weight, and I do have R.M. Williams boots so he was correct there.

Can I put on the record that in 2003 when I first went to the APY lands with the former member for Stuart, Mr Graham Gunn, the member for MacKillop and the member for Schubert, I was absolutely gobsmacked by what I saw. I went back in 2004 with the late Terry Roberts who was the minister then. We spent four nights on the lands.

Mrs GERAGHTY: Point of order.

The SPEAKER: I do not think we need the point of order. Member for Morphett, this is becoming a grievance or a speech rather than a personal explanation. You need to finish off. If you wish to do a grievance on this, then you should do so.

Dr McFETRIDGE: I just wanted to emphasise the point that I have been on the lands many times and I look forward to working in a bipartisan way with the minister.

GRIEVANCE DEBATE

HOUSEBOAT GREYWATER SYSTEMS

Mr WHETSTONE (Chaffey) (15:10): I want to speak today about houseboat greywater systems along the River Murray. In particular, I have concerns about the EPA regulations requiring the installation of these treatment systems, which are simply not up to the job. It was about four weeks ago when the shadow minister for the environment and I met with the EPA to nut out exactly where the systems are falling down and where they are not up to pace with the greywater requirements for a houseboat that travels the length of the River Murray.

These systems are costing upwards to around \$20,000 per vessel. In some cases, some of the commercial operators, who are the only houseboat owners who are installing the greywater systems at the moment, are at a huge disadvantage because, as it stands today, they have to slip the boat and take it out of production. They have to fit the greywater system, and they also have to keep up the maintenance and ongoing repairs to keep these greywater systems going that are clearly not up to the job.

The EPA regulations have already been enforced on operators. Today, we are seeing that commercial operators, who were very nervous about putting these systems on their houseboats, are now disconnecting them, or they are putting overflow or bypasses on them. In some cases, people wait 12 months to have a houseboat holiday, so you can imagine how they feel when they get upriver and the next minute they have the alarms going off and they are stranded because these greywater systems are not working, they are blocked. In one instance, I had a constituent who hired a houseboat, at great expense, while on holidays and, while he was sleeping, the greywater system overflowed and ran down the passageway of the houseboat. As I see it, the EPA is putting its regulation in front of human health, and that is very concerning.

Just to provide a little information about the houseboat industry, I indicate that the houseboat industry came about through innovation which was born in the Riverland, through the late Ian Showell, with the Liba-Liba houseboats. Today, we see hundreds of houseboats on the river in South Australia. In a lot of cases, they are used as private homes and, of course, as a tourism business. The Houseboat Hirers Association has grave concerns about what these greywater systems are going to do to their industry in relation to the cost. They are being used as guinea pigs to trial and test these greywater systems, and the EPA is not engaged with the manufacturers of these systems.

It is quite clear that the EPA regulations are much more advanced than the products they are trying to fit onto these houseboats. What worries me is whether the two manufacturers, Aerofloat and Newtreat, still be around in the future to service, repair and supply parts for these houseboats with the greywater systems. I am hearing today that the manufacturers are very nervous that the EPA is not working with the manufacturers to get these systems up and running in order to make them sustainable. In a minute, these manufacturers are going to go out of business, and we will not have anyone there to do the R&D to progress the manufacture of these systems, and these people, particularly the commercial houseboat operators, will be left in the lurch, with a dud greywater system, which was purchased at great expense and which is not doing the job.

I want to make it very clear that the houseboat operators are very conscious of the need to protect the River Murray environment. At the moment, some of them are even developing their own solutions. They are having to modify the greywater systems, because these systems clearly do not work. I commend the EPA for acting to protect the environment, but it is not given enough resources or funds to work with the manufacturers to get these systems up and running so that we can protect the environment in relation to the intrusion of greywater.

The houseboat industry is a huge contributor to tourism, particularly along the River Murray and particularly in Chaffey. I have houseboat operators—particularly the small operators—who come to me wanting their money back and that is a real concern for the environment.

VOLUNTEERS

Mr PICCOLO (Light) (15:15): This week is National Volunteer Week so I would like to take a few moments today to talk about these wonderful and selfless people called volunteers. On Monday I had the pleasure of representing, in my capacity as chair of the ministerial advisory group for volunteering, the Minister for Volunteers (the Hon. Ian Hunt MLC) at the Volunteering SA & NT National Volunteer Week 2012 launch. I was joined by the Governor of South Australia, Rear Admiral Kevin Scarce; Mark Witham representing the South Australia/Northern Territory board of Volunteering SA & NT; Evelyn O'Loughlin, the CEO of Volunteering SA & NT; Kaurna elder Auntie Josie Agius; and the member for Morphett was also in attendance.

At the launch I and my fellow speakers talked about the incredible ways in which volunteers contribute to South Australia. All told, Australian volunteers contribute more than 700 million hours per year. They are directly responsible for 8 per cent of South Australia's gross product. As well as the economic impact—perhaps more importantly than the economic impact—is the impact volunteers have on our society. Volunteers are some of the most important people in our communities. I am not exaggerating when I say that without volunteers large parts of our society just would not work.

Our caring system, as an example, is bolstered by volunteers, particularly the way we care for our elderly. Meals on Wheels brings them food and volunteer groups visit hospitals and nursing homes for no other reason than to provide companionship to the lonely who may not have much time left, or family to care for them.

Last week, for example, I attended the awards ceremony for volunteers who work actively alongside Comitato Assistenza Italiani (CO.AS.IT), an association that provides services to aged Italo-Australians. Two special people, Bill Bailey and Melodyelisa Silvestri, were named volunteers of the year for their efforts working alongside older Italian-Australians. Chairperson, Franca Antonella, CEO, Luisa Greco and their team do a great job in supporting aged Italo-Australians. Many of our parliamentary colleagues joined me in congratulating these two wonderful people and all the nominees for the award. Also present at that ceremony were the Minister for Education and Child Development, the Minister for Multicultural Affairs, the Hon. Carmel Zollo from the other place, and the members for Morphett and Mordialta were also in attendance.

Volunteers help in other areas of society beyond just caring for the elderly. Our sporting clubs, particularly juniors, are staffed by volunteers taking the skills they have learnt and the

experience they have received and passing it on to future generations. Many of our environmental causes are furthered by volunteers who feel strongly enough about the cause to get out there and fight for it. Our tourism industry is built on volunteers.

In my own electorate of Light we host the largest country event in South Australia, the Gawler Show. Every year more than 30,000 people pass through the gates—almost double the actual population of Gawler itself—and the entire event would not happen if it were not for more than 500 volunteers. There is only one paid part-time position of secretary.

Our volunteer culture is embedded deep in the Australian psyche. It goes back to helping out a mate. No neighbour would ever begrudge his mate a helping hand and that attitude is reflected in society at large. At no time is this more important than during a crisis. During our bushfires and the recent floods in the Eastern States, for example, there was a massive call to arms for volunteers across all walks of life. Shocked by Mother Nature, they turned out in their droves to help the injured, the stranded and the homeless.

Despite the vast work that volunteers do in the community we always need more. More than 34 per cent of Australian adults volunteer in some way but recent research suggests that almost 70 per cent of organisations need more volunteers. I encourage all my parliamentary colleagues to support the efforts of volunteers in their electorates in every way they can.

The year 2012 also marks Volunteering SA & NT's 30th anniversary, which is quite an achievement. It is so wonderful in this state to have such an organisation which continues to strive to improve opportunities for volunteers. To them I say happy birthday Volunteering SA & NT. This week I will be attending the Volunteers Big Red Picnic held in my electorate at Princes Park in Gawler by the local council. This event is being held to recognise and celebrate the significant national contribution of volunteers.

I would like to say thank you to all those volunteers. Before I close, I would like to acknowledge all those volunteers who work in schools, churches, youth organisations, community safety, CFS, SES, St John's, police service volunteers, community education, service clubs and the more than 300 community groups in my electorate that make our community a better place.

NYRSTAR

Mr MARSHALL (Norwood) (15:20): Nyrstar Port Pirie is a great South Australian company. It is part of a globally integrated mining and metals business which specialises in zinc and lead. The smelter in Port Pirie processes 195,000 tonnes of lead, 30,000 tonnes of zinc, as well as significant quantities of copper cathode, silver, gold and sulphuric acid.

This business employs in excess of 700 people in Port Pirie. It is the largest employer in Port Pirie and it is crucial to the long-term viability of this economy and this very important community. However, make no mistake: the future of Nyrstar hangs in the balance. Today, the Minister for Sustainability, Environment and Conservation revealed to the parliament that the EPA had conducted a mid-term review of the licence which Nyrstar operates under. He made it clear that in the next couple of weeks he would be releasing a new licence for Nyrstar with increased licence conditions, placing greater burden on this business.

On 1 July this year Nyrstar will be hit with the federal government's toxic carbon tax. This has been widely reported in the media as costing the business at least \$6 million in the first year and \$10 million every year thereafter. Nyrstar is a trade-exposed business, it is a trade-exposed industry, and this significant cost impost in the business will seriously undermine the future viability of this business and this community.

In fact, because it is a trade-exposed business, Nyrstar has the opportunity to ask for a rebate. In fact, with its smelter, which operates in Tasmania, it has been successful in getting a 95 per cent rebate on its carbon tax back to the company. Unfortunately, this same condition has not been put in place for Port Pirie, with a much smaller, much reduced rebate so, therefore, we are talking about a cost impost on this business of \$16 million over the first two years of the operation.

Nyrstar is a major regional employer. It is also a great exporter from South Australia. It is an exporter of product which is not a raw material: it is a processed product, precisely what we need to be supporting here in South Australia, precisely what this government needs to be supporting. This government needs to move away from its support of the federal government's toxic carbon tax and make sure that it is supporting our manufacturing sector, our processing sector, and our trade-exposed industries.

The Premier spoke in parliament yesterday three times confirming the importance of Nyrstar to the people of Port Pirie, the people of the region and, indeed, to the entire Australian economy. So it begs the question: is the government really contemplating legal action against this great South Australian company? Yesterday, I asked the minister whether he could confirm to the house that he had received a briefing from the EPA where they had informed him that they had finalised their briefing to the Crown-Solicitor's Office to contemplate legal action against Nyrstar. He refused to answer the question.

Today in the house I asked the Attorney-General whether he could confirm that his office, the Crown-Solicitor's Office, had received a briefing from the EPA regarding this alleged breach by Nyrstar of their licence condition and the fact that they were contemplating legal action. He refused to give us a straight answer.

Something is going on. This government is not coming clean with the people of South Australia, they are not coming clean with this parliament and, most importantly, they are not coming clean with the people of Port Pirie. This is a great South Australian company. It deserves a lot better than a sneaky, deceptive government which refuses to give a straight answer to a straight question. What is going on? Is this government contemplating legal action against Nyrstar? If they are, come clean, let us know what it is all about, take this spectre away that is hanging over the heads of the people of Port Pirie and, indeed, this government.

VOLUNTEERS

Mr BIGNELL (Mawson) (15:25): I rise today to pay tribute to all the volunteers in the electorate of Mawson and, indeed, across the board in the southern suburbs. It is National Volunteer Week this week, and where would we be without the volunteers? Certainly, government could not afford to pay for the great roles that are carried out by our thousands of volunteers.

South Australia has one of the greatest rates of volunteering anywhere in Australia. Something you understand when you get around and talk to the volunteers is that people are immensely proud of their contribution and the fact that they can give something back to the community. Some have been doing it for decades, others are just trying it out, and I encourage anyone who has not volunteered in their local community to give it a go because quite often you get a lot more back than what you put in. It is a tremendous thing to do for the community.

I pay tribute to the Country Fire Service and the State Emergency Service volunteers we have. People only see them at car accidents or bushfires or floods, but they are in there week in, week out doing their training, giving up time away from their families and friends so that they can maintain their excellent level of professionalism so that they can deal with whatever disaster they are called out to deal with. To all those wonderful people, including the St John's Ambulance volunteers, we thank you for all the work you do and also thank you for being there when the community needs you when things are at their worst.

Volunteers do so much in our local schools and hospitals. I know that at the Flinders Medical Centre there is an excellent group of volunteers who help people who might be there with loved ones in the hospital. They give them a hand; they just help people in general with directions around the place. It can be a fairly overwhelming experience going into such a large hospital and the volunteers there do a terrific job. As I mentioned, volunteers in our local schools include the parents who give up their time to do tuckshop duty and coach kids in sport. Schools cannot function without the volunteers.

To our service clubs, the members of Lions, Rotary, Kiwanis, and all the services clubs who put so much back into our community, not just with fundraising to build local facilities but also with the hours they put in to clean up parks and streetscapes. It is really much appreciated by the wider community.

Last week on Friday I visited the Noarlunga Volunteer Transport Service. There are some amazing stories of volunteering there going back decades. It is obviously a great place to volunteer because they have a very low turnover of volunteers; some people have been there for more than 20 years. I pay tribute to the people at the Noarlunga Volunteer Transport Service, in particular the executive officer, Jayne Delmore. She has been there for more than 20 years. I met with Jayne and two of the clerical officers and some admin assistants who were working seven hours a week along with 55 volunteers.

They drive people throughout the southern region to medical appointments, dental appointments and even to do the shopping. We met Roy there who is a valued volunteer member

of the team. Roy takes people shopping. He takes them into the shops if they are frail and helps them do their shopping and then takes them home and, if they need, he goes in and unpacks that shopping for them. It is just a service that governments could not possibly afford to do, yet it is so important for our community. It is important for the individual to stay in their home for as long as possible. It is important for that individual to be able to get out of their home and to function in the community, which is not easy when you are frail and can no longer drive. So, the Noarlunga Volunteer Transport Service really does enable people to get out and about, back into the community.

Other volunteers that I met along with Roy were drivers Les and Neil and Karen and Tamsyn, who were working in reception. So, in all there are 55 volunteers at the Noarlunga Volunteer Transport Service. To Tim Ryan, a great hardworking local who chairs the Noarlunga Volunteer Transport Service, thank you for giving up your time to do that. The volunteering is very much appreciated by everyone, from the clients of the service to their families and right through to the people in this place—the ministers for volunteers and health—because you make their job a lot easier too.

VOLUNTEERS

Dr McFETRIDGE (Morphett) (15:30): I continue on the volunteer line. As the member for Light and the member for Mawson have just said, this is National Volunteer Week, from 14 to 20 May. We have been to a number of functions at the Campania Club, at Northern Volunteering and yesterday at the march in King William Street and Victoria Square with the Governor. It has been a great week.

Volunteering is a very important part of the South Australian economy as well as part of our fabric of society. It is amazing that over six million Australians volunteer and, on a per capita basis, South Australia is punching well above its weight. Volunteers in South Australia provided the equivalent of 87,000 full-time jobs in 1992, rising to 107,400 jobs in 2006. In dollar terms, in the 15 years from 1992 to 2006, the average increase of donating volunteering time and associated costs increased by 86 per cent from \$2,156 to \$4,020 per annum.

Of all the age groups, the 55 to 64-year-old group has the highest contribution of \$1,618 per adult in 2008 and that has gone up to \$1,754 in 2010. Overall, women in South Australia contributed an estimated \$734 million of time and other inputs in volunteering organisations in 2006. In comparison, the donation of South Australia's males was a little bit less at \$616 million, so we blokes have got to lift our game a bit there.

In regional South Australia, it is great to see the volunteers fulfilling many roles in many communities there, sometimes with the CFS, SES and SAAS—it depends on the job which set of overalls they pull on; it is the same people going out there. In regional South Australia, contributions were approximately \$408 million to their community, in terms of organised volunteering. In 2006, the volunteering through organisations of those living in Adelaide was about \$943 million.

This is from the 2011 Volunteering in South Australia report—a report commissioned by the Office for Volunteers in South Australia. Those figures have increased dramatically since then. I understand that the total input for volunteering in South Australia is about \$4.8 billion. It is a significant amount and, as other speakers have said, there is no way that the governments could replace that. It is not replacing full-time jobs: it is filling in gaps where full-time employment is not available or is cost prohibitive. We thank all of our volunteers.

I will speak about one particular group in my electorate that I have had a close association with. I did have two surf lifesaving clubs in my electorate until they moved my boundaries north. I do not have the Somerton surf club in my electorate anymore, but I do have the Glenelg Surf Life Saving Club in my electorate.

When it was first established down there, it was known as the surf club with no beach because, as we know, our beaches are very fragile and, for a while there, there was no sand on the beach at Glenelg. There was a series of rocks and boulders and things and the surf club, in its foresight, to protect their community, built the surf club down there. If you go down there today, you will see the renovated surf club. It is just a fantastic community facility, staffed by volunteers and some paid employees. It is providing a wonderful facility, not just from the surf lifesaving point of view.

The president of the surf club, Shane Daw, has been around for a long time. He is working with the surf lifesaving central office. Shane has been a dedicated worker down there. He is the current president and has been for a number of years. I am looking forward to going to the presentation night this Saturday night, I think it is. The captain at the moment, Susan Barnes, has been doing some great work. We have seen members of the surf club go on to state and national titles and also represent Australia in the Olympics in canoeing.

The South Australian surf lifesaving input into our economy is valued at \$86 million and the return on the investment is at a ratio of about 48:1. So, for every dollar that the government puts in, surf lifesaving is returning about \$48 in kind and in value. This is a massive return on your investment.

Governments all around the country, and particularly in South Australia, need to make sure that we are not neglecting our volunteers. That has not been the case. We need to make sure we are supporting them, because without them our community would be far less of a society than it is. Certainly, the Glenelg Surf Life Saving Club is a small part of my electorate, in as much as I have many volunteers down there, but it is a part that I would like to celebrate today as a particular note with National Volunteer Week.

GENERATIONS IN JAZZ

Ms BEDFORD (Florey) (15:35): On the weekend of 4 to 6 May, Mount Gambier again hosted the fabulous Generations in Jazz. Since 1982, this event has gone from strength to strength and it is now a jewel in South Australia's crown, and not just musically. The event is testament to the vision of its founders and board, and to the people of the South-East who get behind it every year.

I have been attending for many years to support Modbury High School, a great school with a strong culture for excellence, which has thrived because of the dedicated teaching staff, a strong parent community and the wonderful student body which has gone through this fine public secondary school. Perhaps the most well-known past student to those on the other side is none other than Brendan Nelson, a former leader of the opposition and minister in the federal government.

The school is ably led by current principal Martin Rumsby, the latest appointment in a line of well regarded principals. Mr Rumsby attended his first Generations in Jazz this year and no doubt was very impressed, not only by the event itself but also by the fine performance of the Modbury High School stage band under the direction of Ms Rosie Carr and Ms Joan Baker, with Mr Chris Goult also travelling to the competition.

At its core, Generations in Jazz allows schools from all over Australia to come together to compete in various sections: to meet with peers and learn from each other, the wonderful seasoned musician mentors who come to the festival every year, and to experience the opportunity of the event, which is now held over three days.

This year, as I drove over the hill on the way to The Barn on Nelson Road, I caught a glimpse of the newest marquee, a giant Cirque du Soleil type tent named the Schagerl Pavilion after the newest sponsor, now making a range of exciting instruments to the specifications of James Morrison, that great Australian jazz icon. James's commitment to Generations in Jazz means a great deal. He brings his rhythm section—Phil Stack on bass; John, his brother, on drums; James Muller on guitar; and Kevin Hunt on piano—and vocalist Emma Pask with him.

The weekend has become such a wonderful event that judges of the calibre of Ed Wilson, Bill Broughton, Ross Irwin, Graeme Lyall, and now also Gordon Goodwin from the US, return each year. In 2012 we also saw the welcome return of patron Daryl Somers, who wowed the massive audience with vocal and drum performances, and it is a huge audience now. The Schagerl Pavilion may soon be too small to house the growing public audience, along with the nine division 1 bands, 23 division 2 bands, 24 division 3 (section 1) bands, 23 division 3 (section 2) bands, and 31 division 4 bands. That is a total of 110 bands with at least 1,800 student musicians and their teachers, support staff and families.

We were also treated to a growing vocal competition. There were 12 vocal groups in division 1 and 22 vocal groups in division 2, who were judged by Emma Pask and that wonderful vocal ensemble Idea of North, who are an absolute a cappella joy. There is a concert each day featuring previous winners of instrumental and vocal sections, as well as James Morrison Jazz Scholarship winners. We also hear super bands, melded together from talented players from each

of the competition bands, often with only a morning's practice on charts they sight read for the first time that day.

Gordon Goodwin wrote a special chart of three movements for the weekend, and it was wonderful. It was really important to see James and the others really working hard to deliver a new chart too. I know I speak for the member for Mount Gambier in thanking all the sponsors: Schagerl, Winston Music, Stuckey, City of Mount Gambier, District Council of Grant, Scott Petroleum, OGR and The Barn Palais, along with the Evans family and Pat Corrigan's Musicians Scholarship Trust, for making the weekend possible. There was also ongoing support from businesses in Mount Gambier such as Hansen Printing, Hyland Fox Signs, Chapman's Newsagency, Baxter Hire, N.F. McDonnell and Sons, Genesis Creative, Joanne's Express Espresso and Green Triangle Electronics.

I took messages of goodwill from our Premier and the Minister for Education and Child Development. I am pleased to advise that the winning division 1 band this year was from Marryatville High School under the musical direction of Robbie Chenoweth. This is a specialist public school that continues a fine tradition. Modbury High School finished a credible 12th in its division. Thanks go to the teachers from the education department's instrumental branch, who serve the education department in our state and its students so well in so many schools. Among them are high schools like Woodville, Golden Grove, Port Lincoln, Brighton, Fremont-Elizabeth, which also attended the Generations in Jazz competitions.

Thanks, too, go to Karen Roberts and her wonderful team of volunteers, particularly in this Volunteer Week. Hundreds of people make sure that everything goes according to plan, and then when things do not, that somehow they still do. The City of Mount Gambier is a wonderful host to this great competition. As I said, bands from all over Australia come. It is something that happens nowhere else in Australia. It is now well known internationally and it can only go from strength to strength. I urge all members to go down and support schools from their electorate. The Florey Music Award in each school has played a very small role in encouraging music in our area, and it has been wonderful to see students who have won that prize go on to careers in music.

TAFE SA BILL

In committee (resumed on motion).

Clause 6.

Mr PISONI: Before the lunch break we were discussing TAFE facilities and the use of those TAFE facilities for other providers and/or community use for other purposes for a fee. Are you able to provide any guarantees that private providers or community users can access the premises at times that suit their needs, and I understand that that will need to be managed within the TAFE program? The reason I ask that is because we have had anecdotal evidence that, despite the fact there has been space or assets available for use, the times that were offered were not convenient even though convenient times were still available.

Are you able to guarantee that there will be a common-sense approach to this, and will there be a process in place whereby, if they feel as though a decision has been made without proper process or with something else in mind other than commercial practice or community responsibility, a community group or a private provider will be able to raise that concern in dealing with such requests?

The Hon. T.R. KENYON: I cannot give guarantees about times and that the times available will always suit private providers. However, with respect to the earlier point the honourable member made, there will be a common-sense approach to this. There will be an incentive for the department as the owner of the assets. It will be in the department's interest to have the facilities used as much as possible. Third-party users or people seeking to be third-party users of facilities will come to the department.

They still have the option of talking to TAFE, of course, about a sublease arrangement, should they choose to do that, or they can come straight to the department and attempt to get space that way. It will be a common-sense approach. It will be in the interests of the department to have those facilities used as much as possible. The department has internal processes and review processes for decision-making and they will be applied.

Mr PISONI: If I were a community group or a private provider and I wanted to have access to TAFE facilities, what would be the process in order to inquire and then acquire that access?

The Hon. T.R. KENYON: My advice is that the private provider would have two options. First, they could approach the local manager of the campus, the TAFE manager, and seek to negotiate with them. That is one option. The other option is that they can come straight to our facilities manager in the department and make application to them. That would be a commercial negotiation; the end result would not necessarily be commercial rents but it would be a commercial negotiation.

In some instances we already go through that process internally. For instance, the Maritime & Fisheries Academy is collocated with Port Adelaide TAFE down at the Port Adelaide TAFE site. So we have been through that process before. Being the owner of the facilities, and with tenants—the main one, of course, being TAFE—it will be in the interests of the department to have those facilities used as often as possible.

Mr PISONI: This may sound unlikely, but I imagine that as we see more private providers and more not-for-profit providers in the marketplace there may be the situation where two or perhaps even three providers, who are competitors, apply for the same space at the same time. How is that fairly dealt with?

The Hon. T.R. KENYON: Should that event occur, we will just have to go through the negotiations with each of the prospective tenants. There is a good chance that there will be space, because it is fair to say that TAFE campuses are underutilised at the moment. There is no reason why you cannot have a number of third party organisations on the same campus, as well as TAFE. We do that at Regency at the moment; we have Le Cordon Bleu, TAFE, and the International College of Hotel Management all operating off the TAFE Regency campus, and there is space for all of them.

It really is a matter of working through it as the circumstances present themselves. That is not to say that we would not start advertising for use of space at some point, as well. So the approach would vary depending on the circumstances; that is probably the best answer.

Mr PISONI: Would it be your view, minister, that there would need to be some formal process in place to not only ensure that the process was fair but also that it was seen to be fair? I am not satisfied that you actually do have a process in place to deal with such matters. I would imagine that TAFE's community obligation would extend to other providers, and if TAFE had decided that letting out space or letting out facilities was part of its business plan, it would need to have something in place in order to deal with that. A classic example is: would TAFE be able to decline a request for space simply because that provider was a competitor of TAFE?

The Hon. T.R. KENYON: The answer to the last bit of the question is no because TAFE will not be the facility manager, DFEEST will be. That is not to rule out that third-party providers, as I have said, may choose to work with TAFE and sublease from TAFE. They may choose to do that, but in the event that there is some tension between TAFE and the private provider, the decision-maker will be the department rather than TAFE, so TAFE will not be able to make that decision.

About the formal process, it is fair to say that there is no formal process in place for the situation the member described with two or three people all putting in applications at the same time for a piece of real estate, but I would not want TAFE to get too rigid either in its processes around who can rent. I would not want to have to wait for tenders to be called because the whole point of the process is to utilise that space effectively and efficiently, and I would be reluctant to see that tied up in a very bureaucratic process. I think it is unlikely to occur—it may—but the department will have to address that as it arises. It is fair to say that there is no formal process for multiple bids at the same time.

Mr PISONI: I think we are all aware of how important a place of business is for the private sector and there is no more obvious reminder of that than what is happening at the Brickworks Markets at the moment, and all of that has been caused by dealing with tenants in a sloppy way and having no formal agreement. Has TAFE or the department made any inquiries or investigations into how it would protect those businesses that were using TAFE assets? For example, the furniture manufacturing facilities at Marlestone. If a small family business which was in the training business moved into cabinet making as a provider of VET, they qualified to be providers and they negotiated an arrangement with Marlestone, and then their business was very successful and they wanted to forward plan, how would you avoid a similar situation to what we are seeing at the Brickworks Markets?

Have you looked at tenancy agreements, for example, and their legal standing for both TAFE and tenants? I do accept that it is the tenant's responsibility to get their own legal advice. I

would have thought that a lot of this debate has been about opening TAFE up, utilising the facilities that are often idle for many months of the year and hours of the day. If that was part of TAFE SA's business plan, have you made any inquiries or made any progress in designing standard agreements for those who may wish to use those TAFE assets?

The Hon. T.R. KENYON: We currently have a lease agreement with tenants within TAFE. There are a number of tenants on various TAFE campuses around the state, and we have tenancy agreements with them. I understand the point the member is making about the Brickworks. I think the key is to have a tenancy agreement, and we would be seeking to do that. I was not suggesting in my previous answer that there would be no formalised arrangements in terms of lease agreements. There would have to be lease agreements and contracts, so I would expect that to be in place. We currently have them, so they would probably be modelled largely on those, I would imagine, but it is a really good point.

Clause passed.

Clause 7.

Mr PISONI: This relates to the composition of the board. Clause 7(3) provides, 'At least 2 members must be women and at least 2 must be men.' Is the male to female ratio consistent with the government's goals for board participation in the Strategic Plan?

The Hon. T.R. KENYON: The standard drafting for boards in government authorities and organisations is for one male and one female. In this bill, we are increasing that to two males and two females. The department and I will be attempting to meet that fifty-fifty objective the government has in the Strategic Plan. It would be an unusual day in cabinet when there is not some discussion about board composition and the gender balance. Minister Gago is a very fiery advocate for that goal, and she does a good job. I will try to meet that gender balance; it is a worthy thing.

Mr PISONI: Subclause (4) sets out the membership of the board. It provides:

The board's membership must include persons who together have, in the Governor's opinion, the expertise, abilities and experience required for the effective performance of TAFE SA's functions and the proper discharge of its business and management obligations (including in the areas of education and training, business, industry and community affairs and strategic planning).

Is the minister able to clarify whether trade union membership, or someone representing a trade union, would be enough to qualify for that position, or would a member of a trade union appointed to the board have to at least demonstrate an ability in one or more of those areas that have been outlined in the make-up of the board's membership?

The Hon. T.R. KENYON: Membership of a union is not one of the criteria mentioned there, so they would have to have something other than membership of a union as the sole basis for their selection. Of course, it makes the supposition, which is erroneous in my view, that members of a union have nothing to offer whatsoever, other than their membership of the union. I do not think that is fair. I think there are many people within the union movement who have a very deep interest in skills, training and workforce participation and have a lot to contribute. Having said that, assuming that the bill is passed by both houses, I will be complying strictly to what will be the law around the formation of the board. So, the board would need to meet in its entirety those areas, including skills in education and training, business, industry, community affairs and strategic planning.

Mr PISONI: Would they need to be formal skills, or would skills learnt through experience suffice?

The Hon. T.R. KENYON: I think some of them are talking about having experience, so that would have to be one of the criteria. Looking at community affairs, there is very little in the way of formal qualifications in community affairs so broad experience is going to be important.

Mr Pisoni: There's another opportunity in TAFE.

The Hon. T.R. KENYON: Certificate IV in Community Affairs.

Mr PISONI: Minister, subclause (2) refers to a minimum of six and a maximum of 11; that is a very significant range. Why isn't it a more targeted figure?

The Hon. T.R. KENYON: I think it is to give a fair amount of flexibility to the minister (and future ministers), but it is not out of step with similar boards around the country. Queensland has up

to 12, Victoria has between nine and 15, and Western Australia has between six and 10. Six is a reasonable number. I don't think you would want to go much below six in terms of a board. Equally, you do not want them to get too large and cumbersome, so I think six to 11 is actually quite a good range.

Clause passed.

Clause 8.

Mr PISONI: What will be the total remuneration structure for the board of directors including allowances and expenses? I would like, if I may, to have the overall budget and a breakdown of whether there is a cap on fees for the chair and for ordinary members.

The Hon. T.R. KENYON: There are some fairly detailed guidelines around boards and committees and their remuneration across government. The final make-up and remuneration of the board has yet to be decided by cabinet, but so that I can provide an example of what that might be: level 3s are the lowest level of category 1, which would be around \$37,000 for the chair and members might receive \$24,000 (around that mark) and the range of remuneration for between six and 11 members would be \$161,000 to \$284,000. I reiterate that that has not been finalised yet but that is one example of where it might head.

Mr PISONI: Are you able to give some examples of the duties of the chair and the duties of the board members? How often will they be meeting, will they be expected to sit on subcommittees and will those subcommittees attract additional payments for those members?

The Hon. T.R. KENYON: The duties that the member for Unley describes are pretty much the standard duties of a director, so, yes, monthly meetings. There will be subcommittees (audit committee and the like). There is a schedule of directors' fees as part of the cross-government boards and committees fee structure, and they will be caught up in that once we have made a decision on the category and the level of board fees. So nothing out of the ordinary and certainly in compliance with government procedures.

Mr PISONI: Will members be entitled to travel expenses?

The Hon. T.R. KENYON: That will be a matter for the board itself to decide, I would think, as they go through their meetings and processes as board members, just like on any other board.

Mr GRIFFITHS: I apologise if this is covered in a further clause of the bill later on. The directors, I presume, will be the people who will review the performance of the chief executive?

The Hon. T.R. KENYON: Yes; that is correct.

Mr PISONI: Will the director removed from office, under subclause (3), be entitled to any compensation?

The Hon. T.R. KENYON: Being a director is not an employment contract. My advice is that there are no redundancy payments and things like that for being a director. Again, it is a very standard provision across many acts that involve boards and committees.

Clause passed.

Clause 9.

Mr PISONI: You mentioned that there would be monthly meetings, but will there be a minimum number of meeting attendances expected from directors and, if so, what is that number?

The Hon. T.R. KENYON: To be honest, member for Unley, I will be expecting them to attend all meetings, but we have not stipulated a minimum number of meetings or anything like that. It would be very disappointing if they could not attend almost all meetings.

Mr PISONI: This relates to subclause (5). The decision carried by the majority of the votes, cast by directors at a meeting, is the decision of the board. Will the minister be bound by any decision of the board, will the CE be bound by any decision of the board, or are board decisions advisory for the minister or advisory for the CE?

The Hon. T.R. KENYON: The decisions of a board are binding on the CE and the corporation itself, as they are in any company or other public corporations. Corporations have a level of independence. The idea is that they all run themselves, largely, and report back to the minister on operations. Under the act the minister has the power to direct the board. I do not anticipate that that will be used very often.

This is a similar power that currently exists under the Water Act, for instance, and various other boards and committees throughout government. It is very rarely used, and I do not expect it would be used very often at all in this case. For all intents and purposes, the idea is that they will operate as a corporation, and board decisions will be binding.

Mr PISONI: Is it the intention of the minister for the board to be involved in any facet of the EBA, for example, negotiating or recommending changes to the EBA for the Industrial Relations Commission to consider?

The Hon. T.R. KENYON: The EBA? Enterprise bargaining? The board will be very heavily involved in those negotiations, as you would expect a board of a company to be involved. The actual negotiating may well be done by the Public Sector Workforce Relations (PSWR) unit. The actual negotiation itself may be done by that unit within government but the board will have a very strong say in the direction of those negotiations and where they head.

Mr PISONI: Who will be the public spokesperson for TAFE SA? Will it be the chair of the board or the chief executive officer or the minister?

The Hon. T.R. KENYON: In the first instance it will be either the chief executive officer or the chair of the board. That will be a matter for resolution between the board and the chief executive officer. No doubt from time to time, its being a publicly owned corporation, ministers will be asked for comment on matters relating to TAFE in much the same way that SA Water operates. They have their own spokesman, they comment on their own issues. That would be the same for them.

Mr PISONI: Will minutes of meetings be available publicly either through the FOI process or through any easier process?

The Hon. T.R. KENYON: The minutes of the board will be subject to the FOI Act and will have the same considerations. Confidentiality agreements, matters of commercial in confidence and things like that would still be pertinent to the determination under FOI, but I do not think we would be proposing to make them public as such.

Mr PISONI: Will there be an annual general meeting of the board where others may be in attendance who may feel as though they have an interest either as a participant, a student or a general member of the public?

The Hon. T.R. KENYON: Subject to complying with the relevant Corporations Law, my advice is that there would not necessarily be AGMs. Under the Public Corporations Act, they are not required, and they would not be in this case. I think the shareholder would be the Treasurer and the minister.

Clause passed.

Clause 10.

Mr PISONI: This relates to conflict of interest. Could the minister clarify: can a board member be a private provider, have a financial interest in a private provider, be employed or provide representation as a non-government provider or even an employee of TAFE themselves?

The Hon. T.R. KENYON: There is no section of the bill that specifically outlaws that, but I think it would be highly unlikely in any sector of the economy really. It would be unlikely for a private provider or an employee or director of another private training company to sit on the board of TAFE. Obviously, we have to manage conflicts of interest very carefully and those conflicts would have to be carefully managed in the appointment process as well. As I say, there is nothing in the legislation that specifically rules that out, but it is unlikely to happen.

Mr GRIFFITHS: Just taking up that point, I can see that the minister's response is appropriate, but there might be somebody who has had a long-term involvement at a private RTO but has decided to remove themselves from that direct involvement and sold their company—because, in essence, that is what it is—and, therefore, has a skills set that might be seen as being attractive to TAFE SA. So, presumably there is a need for a register of interests to be presented as part of the director's responsibility. Is there a time limit going backwards on how far a previous involvement might be and if that might create a potential conflict in the future?

The Hon. T.R. KENYON: I dare say that, if we could find someone who was previously working in the private sector in training and was no longer, and was happy to be involved, then they would, as you say, be an attractive person to have on the board. Again, there are processes for

conflict of interest within government on boards and committees. Those standard processes would be followed and that is why I am not prepared to rule it out completely.

Forgive me, member for Unley, if I am verballing you here but, I think you are talking about current employees and people who are actively engaged in working with private providers being on the TAFE board at the same time. I think we would want to avoid that.

Mr PISONI: If I can just give you an example where it may be a bit grey, you might want to clarify this for those who are following the debate, minister. I can think of at least two unions, for example, that have significant stakes in RTOs—training organisations. The CEPU is involved with PEER VEET and a union, I think it is the CFMEU, is involved with the CITV. Because they are part of an organisation that has an interest in a competitor to TAFE, would that then rule them out of having a representative or nominating somebody with that union membership to be a member of the TAFE board? Is that an area that you would say was too close and, consequently, would be seen as a conflict of interest?

The Hon. T.R. KENYON: That is something that would need to be examined closely. I am loath to rule it out now, but you make a valid point that those conflicts of interest need to be very carefully managed and thoroughly thought through. Again, disclosure provisions are required under the corporations act, and section 19, I think it is, covers conflict of interest in the Public Corporations Act, and they would need to go through that. So, it would need to be very, very clear.

They may have significant experience that would be valuable to TAFE, and it may be judged that, having looked at their experience, they could offer quite a lot to TAFE. Processes could then be set in train to manage any potential conflict of interest. So, I would be reluctant to rule anyone out just on the basis of them working for or being part of a union or any organisation, for that matter, that has other arrangements.

McDonald's does its own training. Someone who is, for instance, a director of McDonald's would bring very valuable experience, and we would have to think that issue through. The value that a director brings would have to be weighed up against potential conflicts of interest and we would have to work through whether it was possible to marry the two up or whether, if it was just too hard, we could not then go through with the appointment.

Mr PISONI: Would it then be your expectation, minister, that if somebody had that sort of connection through an association that they are a member of and there is debate or discussion on the board that could affect their organisation or the information could be valuable to their organisation, they would declare their interest and leave the board while those points were discussed and that vote was taken?

The Hon. T.R. KENYON: Yes, that would be an expectation. I think that is fairly standard procedure for dealing with those conflicts of interest. I think they are set out quite clearly within the Private Corporations Act, I assume, and they would need to be conformed with. That happens on many occasions in the private and public sector: that where an individual conflict of interest is identified they do not take part in that decision-making process. That is an appropriate way to carry on in those circumstances and I would expect it to be followed.

Clause passed.

Clause 11 passed.

Clause 12.

Mr PISONI: This clause relates to the chief executive. I know you touched on this in your reply to the second reading contributions, minister, and you explained that Elaine Bensted would be moving into that position temporarily. Can you give us an idea of the time frame as to when you expect to start advertising for the permanent position and what the remuneration package will be, including expenses or any incentive payments, and whether you are looking at adding incentive payments to the package? Can you give us some idea as to what comparisons you may be looking at for that position?

The Hon. T.R. KENYON: Once the act is proclaimed and is law and the board has been appointed, we will move very quickly to then advertise that position. The total package will really be a matter for the board, but incentive payments are not allowed under government regulations and government processes. I am advised that the government has a policy of no incentive payments, so there would not be any incentive payment. The total package is to be determined in consultation with the board and with the approval of the minister.

Mr PISONI: I certainly know that the contracts for heads of department are available through the FOI process. Will the chief executives of TAFE SA's contract and the terms and conditions of payment be available through the FOI process?

The Hon. T.R. KENYON: Yes, FOI would apply in the same way to TAFE SA as it would to other public corporations and across government.

Clause passed.

Clause 13 passed.

Clause 14.

Mr PISONI: This clause relates to other staff. Subclause (1) provides:

The other staff of TAFE SA comprise persons employed by the chief executive on terms and conditions to be determined, subject to this Act, by the chief executive.

How many staff is it envisaged—other than teaching staff—will be required under the corporation of TAFE SA?

The Hon. T.R. KENYON: My advice is that currently about 2,000 of the 2,500 TAFE employees are teaching staff, and they are mainly on the administration side. The bill does not require TAFE to maintain any ratios. I think that, obviously, over time we would like to reduce the administrative burden, or at least to reduce costs with respect to administration. I do not think that, over time, it would be any secret that we would be attempting to make that as efficient as possible.

Mr PISONI: Will any non-teaching staff be employed under awards or EBAs that are not covered by the Australian Education Union?

The Hon. T.R. KENYON: Non-teaching staff generally are normally covered by the Public Service Association. The Public Sector Management Act covers administrative staff. They will come across into TAFE under that act and conditions, and they are generally represented by the PSA.

Mr PISONI: Will any new staff recruited be permanent or will they be on contracts, or is that decision yet to be made by the yet to be established board?

The Hon. T.R. KENYON: That would be a decision for the CE and the board between them—probably the CE in the first instance, to be honest. Currently TAFE has hourly-paid instructors on a casual basis as it were. There are hourly-paid instructors. They are paid by the hour—casual equivalent, I suppose, is the most direct way of describing it. There currently are people employed on contracts in TAFE, there are currently people employed by the hour in TAFE and there are currently permanent employees in TAFE.

Mr GRIFFITHS: Minister, subclauses (4) and (5) refer to the Superannuation Act 1988. I am aware of the transitional provisions that are later in this bill, but not being familiar with the Superannuation Act 1988 can you outline for the benefit of the chamber what that means?

The Hon. T.R. KENYON: This provision allows employees who are currently in the department and who will transfer across to TAFE SA to maintain and continue to access their current superannuation arrangements. They can vary a little bit depending how long people have been around, but it is a transitional clause essentially. It facilitates the movement of people from the department into TAFE and the statutory authority, and it allows them to maintain their current superannuation arrangements.

Mr GRIFFITHS: I presume it relates more to defined benefit members than it does to accumulation scheme superannuation members, given its date. I think it was post 1993 that defined benefits was basically stopped.

The Hon. T.R. KENYON: My advice is that that is an accurate observation.

Clause passed.

Clause 15.

Mr PISONI: This refers to use of services or staff of the administrative unit. To what extent does the minister envisage this arrangement will be utilised? Can he perhaps give some examples of where we might see the services of the administrative unit used for TAFE SA?

The Hon. T.R. KENYON: The best example would be the service level agreement for HR and IT arrangements that I talked about earlier, and some financial services. Initially these would be provided by DFEEST, and once the board has had time to think that issue through it may choose either to continue with DFEEST or pick another administrative unit within government or use a private provider. They may choose to have a private operator take care of those, or they may choose to insource it themselves and have it as a unit within TAFE itself.

Mr PISONI: That being the case, does that mean that while they are using those services TAFE will be billed for those services from DFEEST?

The Hon. T.R. KENYON: Yes, it does.

Clause passed.

Clauses 16 to 20 passed.

Clause 21.

Mr PISONI: This is an interesting aspect, and I think it might even be unique to TAFE here in South Australia. The bill provides:

use 'TAFE' or 'technical and further education' for the purposes of promoting the sale of goods or services or the provision of benefits, or sell goods marked with 'TAFE' or 'technical and further education', in circumstances in which it would be reasonably understood to indicate that the goods, services or benefits are provided by or in association with TAFE SA.

I am aware that there are a number of interstate providers who use their trading name and then the term 'a private TAFE', and I know of one Melbourne-based provider that had enormous difficulty initially getting registration because he wanted to use that term. Is that still an objection? Is that paragraph (c)(iv) intended to be read where someone uses the term 'private' prior to using the term 'TAFE', where it is very clear that it is a private organisation, that they will not be able to use that?

Technical and further education is actually a description of education that happens after high school, and although 'TAFE' itself has become the brand, it is still accepted that it does, in fact, mean technical and further education. I suppose the question I am asking is: has there been a change in policy for the use of 'TAFE' or 'technical and further education' providing it can be made clear that it is in fact an organisation that is offering technical and further education as opposed to an organisation that is associated with TAFE? I hope that question is clear enough, because I know it has certainly been difficult for this particular individual to argue that case based on his understanding.

The Hon. T.R. KENYON: The purpose of this clause is to protect the brand name of TAFE. As I said earlier, I think TAFE's best competitive advantage is its quality and that is obviously identified in the name 'TAFE'. We would be seeking to prevent private providers trading on the good name of TAFE as part of a marketing strategy. You make the point that the phrase 'technical and further education' can be a description of a service that is provided. Where that is part of their branding, that is where we would take an interest, and that is where TAFE would take an interest. Where it is within their material that they hand out and it is a description of what they do, then I do not think that would be an unreasonable thing to use.

But what we are trying to protect the name 'TAFE'. It is a brand name, so the use of 'Private TAFE' would not be acceptable because it would be tending to try to trade off the good name of TAFE, and that is what this clause is seeking to prevent. Obviously private providers are welcome into the market, that is the whole point of Skills for All, but the TAFE corporation also has to protect its good name, its intellectual property and its brand name.

Mr PISONI: It has been suggested that it may very well give TAFE an unfair advantage. If technical and further education is their business and the well know acronym for that is TAFE—a classic example would be that no single university is granted the right to use the term 'university'. Any such institutions have the right to use it, private or government run—for example, Bond University, University of Adelaide or University of South Australia—providing they achieve the accreditation as a university. Many people will shorten that to 'uni', and they will use acronyms to describe those particular universities.

I know that DFEEST has trademarked the term 'TAFESA', but without the space. It is actually trademarked as a single word and, consequently, it puts you in a position where you are in a strong negotiating position, because TAFESA was in actual fact trademarked. But the term 'TAFE' is not trademarked. I am wondering what your advice has been as to how solid you are in

insisting that TAFE not be used for an organisation that clearly identifies itself as being a private organisation; for example an RTO calling itself 'Roxby Downs Private TAFE', or 'Defence Industries TAFE Private', just like we have private medical clinics, we have private hospitals, and we have community hospitals. So, there are many terms that are used to describe that style of care, just like technical and further education is a type of education. I think it is fair to say that over many years, and by accident rather than by design, technical and further education has been, almost exclusively, monopolised by government.

Of course, if people were being introduced into technical and further education, they would have been introduced through the TAFE system, which was, in fact, their only option in South Australia for many years. Minister, are you able to advise the committee how confident you are that, having that very strong stance on the use of TAFE for private RTOs who identify themselves as private operators, that is solid advice and that you can insist on that being a condition of registration as a provider in South Australia?

The Hon. T.R. KENYON: What this clause is seeking to do is to protect basically the trading name of TAFE. What started out as colleges of technical and further education have become known pretty much ubiquitously as 'TAFE'. At the same time, they have built up a reputation for quality provision of vocational education and training. Private providers may argue that by putting 'TAFE Private' or 'A Private TAFE' or something like that in their title, they are seeking to explain what they do, but also if they do that they are trading off by using the good name and the reputation for quality of TAFE to explain what they do.

Obviously, this is going to be on a case-by-case basis as things come along. I think that private providers have enough advantages in many ways in this situation, and they have their own advantages and disadvantages, and TAFE has its advantages and disadvantages in this process, and one of them (and this is the same for any business) is that they would vigorously seek to protect their trading name and prevent people using similar signage that would give the impression they were operating in the same way or they were, in fact, very similar or related to the company. McDonald's would protect its signage and its trademarks and logos. Coca-Cola is very vigorous in its protection of its trademarks and logos. It is not an unusual thing in the commercial area. This clause gives TAFE the power to protect its commercial trademarks and its signage, and I do not know that that is a terrible thing to do.

Clause passed.

Clause 22.

Mr PISONI: Subclause (3) relates to regulation made under subclause (2), and it provides:

...unless the Minister has taken reasonable steps to consult with employees who, in the opinion of the Minister, would be directly affected by the regulations, or persons who, in the opinion of the Minister, represent such employees.

How will you consult with those employees? What is the process or criteria? I know that there would be a number of employees who would be covered by either the PSA or the Australian Education Union, but how would you consult with employees who choose not to be a member of those unions?

The Hon. T.R. KENYON: It would be very, very similar to the current arrangements for consultation, and in fact the arrangements are in place on this bill. We did consult, as you would expect, with the unions—the PSA, the AEU and the United Voice union as well—who had employees who were tied up in this change. The management of TAFE also held consultative sessions via videoconferencing, local meetings and the like. They were open to all employees regardless of membership or not of a union and I would assume that we would use exactly the same processes in the future to undertake consultation.

Clause passed.

Schedule and title passed.

Bill reported without amendment.

The Hon. T.R. KENYON (Newland—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for Recreation and Sport) (16:46): I move:

That this bill be now read a third time.

I would like to thank all the members of this place who have made a contribution. The member for Unley has obviously gone to quite a lot of work to think through this bill and I thank him for that, and the member for Goyder as well.

I would like to thank my staff for helping me to prepare it, and also the staff of the department. A lot of work on the bill has gone on underneath all this. Some of the issues that we have talked about (the subsidy lists and the first part on Skills for All) are a very large undertaking. The Skills for All reforms are very, very large reforms. They involved a lot of work, quite a few late nights and almost unending reading of spreadsheets which is more entertaining for some people than others but that certainly does not lessen the workload. I am very pleased we have reached the third reading of this bill and I commend it to the house.

Mr PISONI (Unley) (16:47): I was pleased that we spent quite a bit of time in committee. It was quite a bit of work preparing those questions and I do thank my lonely staff member in my office for helping me with that, and of course the stakeholders who are involved in VET services here in South Australia.

I think this bill is long overdue. There is no doubt that we all know it has never really been a process that could be seen as fair when the provider of funding is also the provider of training. Certainly members on this side of the chamber are very concerned whenever the government is competing with the private sector. At the same time we know that there is broader responsibility on TAFE SA and we do have a belief in South Australia that education should be available to everybody regardless of where they are. I know many of my colleagues representing regional South Australia will be ensuring that TAFE works; they are very keen to see TAFE become a stronger organisation.

Some of the debate around this TAFE bill has been concerning, such as where there is an organised group that is frightened of competition and is frightened of a larger pie in the training sector. I see it as an opportunity to bring innovation into training in South Australia, to bring innovation into small businesses that may have access to training that they have not had before. I am a believer that having a nudge of a competitive nature introduced into TAFE will certainly bring the best out of TAFE management and bring the best out of the TAFE board.

I will be looking very closely at the composition of the board. I hope the minister does select a very well-qualified and passionate board for TAFE. This is an opportunity for TAFE to shine after being shackled for so many years in being a part of DFEEST, which, I think it is fair to say, is not one of the most efficiently run departments in South Australia.

We know that, even through the debate we had earlier about the dramatic increases in salaries, the minister did not clarify in enough detail where some of those very high salaries had come from and why we saw jumps of significant amounts of dollars in a 12-month period for some of the highest executive salaries within TAFE. This was at a time after the GST, a time when we saw the slowing of the economy and the need for restraint. I think it was in the 2010 budget, where the then treasurer, Mr Foley, indicated that he wanted to cap public servants' pay rises to 2.5 per cent, but we certainly did not see that sort of restraint at the executive level of DFEEST. I certainly hope that we will not see the executive level of TAFE with the same types of salaries that we are seeing in DFEEST.

It may even be an opportunity for the minister to revisit those DFEEST salaries now that DFEEST will be much smaller in size and much easier to manage. I think that if we are serious about having good and efficient government in South Australia, when one decision makes a difference elsewhere, then that elsewhere also needs to be examined. I hope that, once DFEEST has got TAFE off its books, we will see an effort from DFEEST to review the way it conducts itself, and maybe have a look at its culture and improve efficiencies for service delivery, because, let's face it, it is part of the public service and members of the public do want service from their public servants.

If we go back to the Kirby review of TAFE governance in South Australia, it went beyond that. It was a very political document aimed at having a go at the previous Liberal government in its attempt to reform TAFE, all those many years ago, with the beginning of the corporatisation process. I think this department has been very slow to move TAFE into a competitive position. One cannot help but think that it was more or less one of the last in the country to do so, and the implications of not having HECS-style funding available for students virtually forced it to move in this direction.

I think the committee process will make for very interesting reading of the *Hansard* for those providers and those involved either working for TAFE directly, or indirectly those RTOs that are associated with TAFE and competing with TAFE. I think that in some areas it has cleared things up for those members; in other areas, I think it has raised some additional questions. I am sure that when the Hon. Rob Lucas in the other place handles this bill, as it moves through the Legislative Council, there may be some clarification or some more questions being asked then.

I thank the minister for the opportunity and I thank the minister for answering the questions that he has answered in committee. I thank the staff that have been engaged in preparing this shift and I wish them all the best for ensuring that it is a smooth transition for TAFE. I have confidence in human nature that the people working for TAFE will be quite excited about this process, about being able to be their own organisation and be responsible (and held responsible), to be given some more latitude and freedom and competition.

They will relish the challenge to be a corporation and answerable to a board, and we will see significant improvements in outcomes, service delivery and industry response, which I think is an important factor. Certainly, in my experience as an employer training 20 apprentices over 22 years, it was difficult at times for TAFE to understand industry needs. It is a bit slow to move. It is a bit slow at times to respond to demands of industry. I hope that separating TAFE away from the department will enable the ship to be turned substantially quicker when there are new areas that can be exploited in the way of providing training in the future.

Bill read a third time and passed.

STATUTES AMENDMENT AND REPEAL (TAFE SA CONSEQUENTIAL PROVISIONS) BILL

Adjourned debate on second reading.

(Continued from 5 April 2012.)

Mr PISONI (Unley) (16:58): This bill is all about dealing with what we have just been dealing with. I do not want to take too much time of the parliament, other than to foreshadow that I have some amendments—and I think they have been circulated—in regard to the bill that I am hoping the minister may consider between the houses. I thought that I would introduce them at this level at this time to give the minister some time to consider them. I will talk to them in a bit more detail when we move into committee.

The Hon. T.R. KENYON (Newland—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for Recreation and Sport) (16:59): This is a fairly consequential bill which helps to give effect to the bill we have just passed. I look forward to moving through the committee stage with the member for Unley.

Bill read a second time.

In committee.

Clauses 1 to 7 passed.

Clause 8.

Mr PISONI: I move:

Page 5, lines 3 and 4 [clause 8(1)]—Delete subclause (1)

Basically, the effect is the same with all these amendments. What I am wishing to achieve by moving these amendments and having the government accept these amendments is to open up the process of employee representation. Wherever there is an exclusive right that has been given to the Australian Education Union, that right will be given to all employees to participate in that process.

So, if it is a representative role as an employee, at the moment, that is limited to a member of the Australian Education Union. What these amendments will do is enable that representative to be any employee of TAFE SA, and it will have implications in other areas where there are exclusive rights given to the Australian Education Union.

One of the reasons why I think the time is right for such an amendment is that we saw the ABS figures released just two weeks ago now, and overall union membership in Australia and in South Australia—it is pretty well the same state by state—is now at 18 per cent. In the public sector, on average, fewer people in the public sector are members of a union than are not

members of a union. The average union membership in the public sector is 43 per cent. If we look at the private sector separately, it is only 13 per cent.

Even if we look at the public sector figures, on average, we can see that, in fact, only 43 per cent are members of unions. So, every year, more and more people are excluded from participating in any democratic processes that TAFE has. Whether it be through representation in decision-making or elsewhere, it excludes those people who are not members of the union.

It is, in fact, costly to be a member of the Australian Education Union. The fee itself is 0.88 per cent of annual salary, plus a national organisation fee of \$42.40 that members pay annually. We know that there are more and more price pressures on families. We know that the cost of living is going up for many, many families—not just the battlers. People on middle salaries and higher are also facing more difficulty in meeting those power and water bills, and even day-to-day shopping.

I would not like to think that, for instance, somebody earning a teaching salary of \$83,000 a year would have to find an annual fee of \$72.80 in order to participate in the process that is available to Australian Education Union members but nobody else. So, there is no politics in this amendment; it is simply about fairness for all employees of TAFE so that nobody is excluded from participating simply because they have not paid a union fee. I seek leave to insert statistical data that relates to the fees that union members must pay to be members of the Australian Education Union.

Leave granted.

Permanent or contract over 12 months

Annual salary	Annual	Half Yearly	Quarterly	Fortnight	Term time F/N SSO
up to \$18,000	200.80	100.40	50.20	7.72	10.04
up to \$19,000	209.60	104.80	52.40	8.06	10.48
up to \$20,000	218.40	109.20	54.60	8.40	10.92
up to \$21,000	227.20	113.60	56.80	8.74	11.36
up to \$22,000	236.00	118.00	59.00	9.08	11.80
up to \$23,000	244.80	122.40	61.20	9.42	12.24
up to \$24,000	253.60	126.80	63.40	9.75	12.68
up to \$25,000	262.40	131.20	65.60	10.09	13.12
up to \$26,000	271.20	135.60	67.80	10.43	13.56
up to \$27,000	280.00	140.00	70.00	10.77	14.00
up to \$28,000	288.80	144.40	72.20	11.11	14.44
up to \$29,000	297.60	148.80	74.40	11.45	14.88
up to \$30,000	306.40	153.20	76.60	11.78	15.32
up to \$31,000	315.20	157.60	78.80	12.12	15.76
up to \$32,000	324.00	162.00	81.00	12.46	16.20
up to \$33,000	332.80	166.40	83.20	12.80	16.64
up to \$34,000	341.60	170.80	85.40	13.14	17.08
up to \$35,000	350.40	175.20	87.60	13.48	17.52
up to \$36,000	359.20	179.60	89.80	13.82	17.96
up to \$37,000	368.00	184.00	92.00	14.15	18.40
up to \$38,000	376.80	188.40	94.20	14.49	18.84
up to \$39,000	385.60	192.80	96.40	14.83	19.28
up to \$40,000	394.40	197.20	98.60	15.17	19.72
up to \$41,000	403.20	201.60	100.80	15.51	20.16
up to \$42,000	412.00	206.00	103.00	15.85	20.60
up to \$43,000	420.80	210.40	105.20	16.18	21.04
up to \$44,000	429.60	214.80	107.40	16.52	21.48
up to \$45,000	438.40	219.20	109.60	16.86	21.92
up to \$46,000	447.20	223.60	111.80	17.20	22.36
up to \$47,000	456.00	228.00	114.00	17.54	22.80
up to \$48,000	464.80	232.40	116.20	17.88	23.24
up to \$49,000	473.60	236.80	118.40	18.22	23.68
up to \$50,000	482.40	241.20	120.60	18.55	24.12
up to \$51,000	491.20	245.60	122.80	18.89	24.56

Annual salary	Annual	Half Yearly	Quarterly	Fortnight	Term time F/N SSO
up to \$52,000	500.00	250.00	125.00	19.23	25.00
up to \$53,000	508.80	254.40	127.20	19.57	25.44
up to \$54,000	517.60	258.80	129.40	19.91	25.88
up to \$55,000	526.40	263.20	131.60	20.25	26.32
up to \$56,000	535.20	267.60	133.80	20.58	26.76
up to \$57,000	544.00	272.00	136.00	20.92	27.20
up to \$58,000	552.80	276.40	138.20	21.26	27.64
up to \$59,000	561.60	280.80	140.40	21.60	28.08
up to \$60,000	570.40	285.20	142.60	21.94	28.52
up to \$61,000	579.20	289.60	144.80	22.28	28.96
up to \$62,000	588.00	294.00	147.00	22.62	29.40
up to \$63,000	596.80	298.40	149.20	22.95	29.84
up to \$64,000	605.60	302.80	151.40	23.29	30.28
up to \$65,000	614.40	307.20	153.60	23.63	30.72
up to \$66,000	623.20	311.60	155.80	23.97	31.16
up to \$67,000	632.00	316.00	158.00	24.31	31.60
up to \$68,000	640.80	320.40	160.20	24.65	32.04
up to \$69,000	649.60	324.80	162.40	24.98	32.48
up to \$70,000	658.40	329.20	164.60	25.32	32.92
up to \$71,000	667.20	333.60	166.80	25.66	33.36
up to \$72,000	676.00	338.00	169.00	26.00	33.80
up to \$73,000	684.80	342.40	171.20	26.34	34.24
up to \$74,000	693.60	346.80	173.40	26.68	34.68
up to \$75,000	702.40	351.20	175.60	27.02	35.12
up to \$76,000	711.20	355.60	177.80	27.35	35.56
up to \$77,000	720.00	360.00	180.00	27.69	36.00
up to \$78,000	728.80	364.40	182.20	28.03	36.44
up to \$79,000	737.60	368.80	184.40	28.37	36.88
up to \$80,000	746.40	373.20	186.60	28.71	37.32
up to \$81,000	755.20	377.60	188.80	29.05	37.76
up to \$82,000	764.00	382.00	191.00	29.38	38.20
up to \$83,000	772.80	386.40	193.20	29.72	38.64
up to \$84,000	781.60	390.80	195.40	30.06	39.08
up to \$85,000	790.40	395.20	197.60	30.40	39.52
up to \$86,000	799.20	399.60	199.80	30.74	39.96
up to \$87,000	808.00	404.00	202.00	31.08	40.40
up to \$88,000	816.80	408.40	204.20	31.42	40.84
up to \$89,000	825.60	412.80	206.40	31.75	41.28
up to \$90,000	834.40	417.20	208.60	32.09	41.72
up to \$91,000	843.20	421.60	210.80	32.43	42.16
up to \$92,000	852.00	426.00	213.00	32.77	42.60
up to \$93,000	860.80	430.40	215.20	33.11	43.04
up to \$94,000	869.60	434.80	217.40	33.45	43.48
up to \$95,000	878.40	439.20	219.60	33.78	43.92
up to \$96,000	887.20	443.60	221.80	34.12	44.36
up to \$97,000	896.00	448.00	224.00	34.46	44.80
up to \$98,000	904.80	452.40	226.20	34.80	45.24
up to \$99,000	913.60	456.80	228.40	35.14	45.68
up to \$100,000	922.40	461.20	230.60	35.48	46.12
up to \$101,000	931.20	465.60	232.80	35.82	46.56
up to \$102,000	940.00	470.00	235.00	36.15	47.00
up to \$103,000	948.80	474.40	237.20	36.49	47.44
up to \$104,000	957.60	478.80	239.40	36.83	47.88
up to \$105,000	966.40	483.20	241.60	37.17	48.32
up to \$106,000	975.20	487.60	243.80	37.51	48.76
up to \$107,000	984.00	492.00	246.00	37.85	49.20
up to \$108,000	992.80	496.40	248.20	38.18	49.64

Annual salary	Annual	Half Yearly	Quarterly	Fortnight	Term time F/N SSO
up to \$109,000	1,001.60	500.80	250.40	38.52	50.08
up to \$110,000	1,010.40	505.20	252.60	38.86	50.52
up to \$111,000	1,019.20	509.60	254.80	39.20	50.96
up to \$112,000	1,028.00	514.00	257.00	39.54	51.40
up to \$113,000	1,036.80	518.40	259.20	39.88	51.84
up to \$114,000	1,045.60	522.80	261.40	40.22	52.28
up to \$115,000	1,054.40	527.20	263.60	40.55	52.72
up to \$116,000	1,063.20	531.60	265.80	40.89	53.16
up to \$117,000	1,072.00	536.00	268.00	41.23	53.60
up to \$118,000	1,080.80	540.40	270.20	41.57	54.04
up to \$119,000	1,089.60	544.80	272.40	41.91	54.48
up to \$120,000	1,098.40	549.20	274.60	42.25	54.92
up to \$121,000	1,107.20	553.60	276.80	42.58	55.36
up to \$122,000	1,116.00	558.00	279.00	42.92	55.80
up to \$123,000	1,124.80	562.40	281.20	43.26	56.24
up to \$124,000	1,133.60	566.80	283.40	43.60	56.68
up to \$125,000	1,142.40	571.20	285.60	43.94	57.12
up to \$126,000	1,151.20	575.60	287.80	44.28	57.56
up to \$127,000	1,160.00	580.00	290.00	44.62	58.00
up to \$128,000	1,168.80	584.40	292.20	44.95	58.44
up to \$129,000	1,177.60	588.80	294.40	45.29	58.88
up to \$130,000	1,186.40	593.20	296.60	45.63	59.32
up to \$131,000	1,195.20	597.60	298.80	45.97	59.76
up to \$132,000	1,204.00	602.00	301.00	46.31	60.20
Up to \$133,000	1,212.80	606.40	303.20	46.65	60.64

The Hon. T.R. KENYON: I am not prepared to accept the amendments put up by the member for Unley. I do so for two reasons. The first reason is that the operating principle I brought to this bill is to make as few changes as possible to the current arrangements that exist in TAFE. One of the arrangements that currently exists in TAFE is access to the Teachers Appeal Board and other arrangements, and the constitution of that board and other arrangements are set out in the Education Act. I am not seeking to change those because they are currently in place and changing them is not essential to making TAFE a statutory authority. That is the first reason. It is part of a deliberate effort on my part to have minimal change, to do what we need to do to make it a public corporation and not much more than that.

The second reason is that there would be a lot of impracticality involved in what the member for Unley is suggesting, and it is not necessarily a reason not to do it. Having an election within the employees of TAFE makes it harder and more costly, and it takes a longer time to go through that process. A future minister may choose to do that. There may be amendments made to the Education Act that would change that anyway but, as I said, my view is that we should just do what we need to do to make TAFE a public corporation and no more than that.

Mr PISONI: Can the minister clarify if there is in fact an election required now for AEU members to be placed on these positions through the regulations?

The Hon. T.R. KENYON: I have to confess that I do not have a thorough understanding of the Education Act, being that it is not my act. It may be that there have to be elections already, but, again, really what I am seeking to do is, where I can, maintain current arrangements and only make changes to those arrangements that are necessary to make TAFE a public corporation.

The member for Unley has outlined why he would like to do what his amendments would seek to do. They are arguments for him to make, but my view is that they are not essential to creating TAFE as a public authority, and therefore I am not prepared to support them.

The ACTING CHAIR (Hon. M.J. Wright): We have amendment No. 1 from the member for Unley. It is my understanding that the following amendments, which will also be moved by the member for Unley, are consequential to the success or otherwise—

Mr PISONI: Yes, that is right; they have the same effect.

The Hon. T.R. KENYON: With your indulgence, Mr Acting Chairman, I am advised that, yes, there is an election process already within the Education Act.

Amendment negatived; clause passed.

Clause 9.

Mr PISONI: My amendment to clause 9 and subsequent amendments are all consequential.

The ACTING CHAIR (Hon. M.J. Wright): Member for Unley, you are advising that you do not wish to proceed with the other amendments?

Mr PISONI: Not now.

Clause passed.

Remaining clauses (10 to 17), schedules and title passed.

Bill reported without amendment.

The Hon. T.R. KENYON (Newland—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for Recreation and Sport) (17:13): I move:

That this bill be now read a third time.

Again, I wish to thank all members for their contributions, the department and my staff, and I look forward to the speedy passage of this bill.

Bill read a third time and passed.

STATUTES AMENDMENT (ATTORNEY-GENERAL'S PORTFOLIO) 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 8, after line 3—

Before clause 14 insert:

13A—Amendment of section 16—Retirement of members of judiciary

Section 16(2)—delete '65 years' and substitute '70 years'

No. 2. New clause, page 9, after line 12—

After clause 17 insert:

17A—Amendment of Schedule—Commissioners

(1) Schedule, clause 1(3)(b)—delete '65 years' and substitute '70 years'

(2) Schedule, clause 1(5)(b)—delete '65 years' and substitute '70 years'

Consideration in committee.

The Hon. T.R. KENYON: I move:

That the Legislative Council amendments be agreed to.

Motion carried.

NATIONAL ENERGY RETAIL LAW (SOUTH AUSTRALIA) (IMPLEMENTATION) AMENDMENT BILL

The Legislative Council agreed not to insist on its amendment to which the House of Assembly had disagreed, and agreed to the alternative amendment made by the House of Assembly without any amendment.

ROAD TRAFFIC (AVERAGE SPEED) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 2 May 2012.)

Dr McFETRIDGE (Morphett) (17:17): I indicate that the opposition will be supporting the Road Traffic (Average Speed) Amendment Bill 2012. We have no amendments (which the minister will be pleased to know), and I am the lead speaker on this important piece of legislation.

The issue of speeding is one that all of us in this place are very aware of; in fact, I think all South Australians are now, and there is no sympathy given to, nor should it be sought by, people who speed. I do not believe the majority of South Australians deliberately or recklessly speed, but there are some individuals who are just beyond any common sense or any understanding of why they do what they do, ignoring speed limits and speed zones and driving recklessly, ignoring public safety. Those people should be caught at every opportunity, and dealt with with all the force of the law.

We need to extend the number of speed cameras, or safety cameras, as we call them now. That is something I do not have any issue with, other than to make sure that those cameras are working properly and the accuracy of their speed determination is as it should be. The mobile fixed cameras we see about the place, those at the intersections, the safety cameras and the red light and speed cameras, and also those on the front of cars that we see parked on the side of the road are certainly a significant deterrent to people speeding. However they only seem to last, with the cars parked on the side of the road, anyway, as long as the car is there for that particular moment in time, if people are inclined to speed.

Unfortunately the need to expand the range of speed detection devices is seen by some people as a revenue-raising exercise. I do not believe that that is the case if the detection devices, whether they are radars or cameras, in this case, are as accurate as we all want them to be; and if people are given the tolerances that we know they should be given, because there are provable uncertainties in speed determination.

The bill deals with new point-to-point cameras, where you have a camera at one specific location, and then, after an accurately determined distance, you have another camera. As the vehicle goes through the first camera, a photograph is taken and, as it goes through the second camera, a photograph is taken. Using a law of physics—speed equals distance over time—there is no uncertainty in that. However, the uncertainty comes when you are driving a car, no matter how modern and how well maintained, and you can actually be doing a speed which is quite different to what you think you are travelling.

The equipment that is used to measure speed has, unfortunately, uncertainties, inaccuracies and errors that we need to take account of. It has always been a point of argument as to how large the tolerances should be, and a few years ago in estimates I asked the police commissioner about the tolerances, and he inadvertently gave out the Victorian tolerances. I think he copped a bit of flack from the Victorian police commissioner for that. Speaking of the police commissioner, Mal Hyde, I wish him well in his future, and I will not be posing those sorts of questions in estimates this year. I think it will be his last estimates this year.

The Hon. J.M. Rankine interjecting:

Dr McFETRIDGE: Perhaps, as the minister says, I should grill him intensely in estimates as it is his last one and give him something to go out on. I certainly hope there is not too much to question him on, but I fear that there might be some significant issues.

The bill is pretty straightforward. The opposition has consulted with a number of organisations: the Motor Trade Association; the Centre for Automotive and Safety Research; the Law Society; the RAA; and the Australian Road Transport Authority. We contacted the Bus and Coach Association and, to my knowledge, we have not received a response yet. With my interest in the determination of the accuracy of speed and speed detection, I consulted with a friend of mine (I like to call him now), Mr Les Felix, who is a metrologist. Metrology is the science of determination of the accuracy of measurement. I have received a lot of information over the years from Mr Felix, and of particular interest to this debate is a scientific paper that he put out back in 2004 entitled 'Vehicle Speed Measurement II'.

That paper went through quite a bit of detail about the uncertainties in speed measurement and I will address that a little more in a few moments, but the bottom line is that, because of everything from your dominant eye to the inbuilt uncertainties, inaccuracies or tolerances in speedos, to tyre pressure, tyre wear, loadings and the actual inaccuracies because of the physics of speed and light, there are uncertainties in the determination of speed both of vehicles and the equipment that is being used to measure speed.

As recently as 9 May, Mr Felix wrote to me in an email that at 100 km/h, a standard vehicle will have an uncertainty of plus or minus 13 km/h. So, he argues, and he is able to back this up with scientific evidence of the uncertainties, that a driver who believes they are travelling 100 km/h, and honestly believes they are doing 100 km/h, could actually be doing anything between 87 km/h and 113 km/h. To me, that opens up the need to make sure that all the equipment that is used to catch and fine motorists is as accurate as it possibly can be.

Mr Felix is a world authority on the determination of accuracy of measurement in many areas, and he talks about there even being an error in measuring distances. Over 50 kilometres, there is a plus or minus 0.1 of a kilometre (100 metres) difference, which may not seem very much but that may be enough to tick somebody over from one speed category to another speed category. So, we need to be aware of all these sort of things. Having said that, I do not condone any speeding at all.

I can honestly say that I try with all my heart to obey all of the speed limits at all times, despite going down hills and around through the hills. I did get a speeding ticket in 1984, when I was going from the 60 km/h zone to the 80 km/h zone outside of Port Augusta, going to Woomera. I thought I was in the 80 km/h, but I was not, so I copped a fine. It is difficult sometimes. Some of the speed zones are a bit confusing, and I have been through those before in this place. It is 60 km/h on Sturt Road at Marion. Why it is, I do not know, but there must be some reason.

We have a property down at Meadows, and we sometimes go down to Macclesfield. When you go through Clarendon, it is 50 km/h; when you go through Kangarilla, it is 60 km/h; when you go through Meadows, it is 60 km/h; and when you go through Macclesfield, it is 50 km/h. To me, the dangers and the risk associated with travelling through those towns is apparent, and I cannot see why it should not all be 50 km/h, quite honestly, because the shops, schools, markets and the bakeries are all there. There are little country towns where I think people should slow down just to have a look if nothing else, but we should not be doing that by setting arbitrary speed limits; it should be for a real cause.

The information that was sent to me by Mr Felix I did forward onto the government. The minister's advisers came to see me and answered all my questions as best they could at the time. They said they would get back to me on some of my issues, and they did. I received a letter yesterday from Mr Rod Hook, the Chief Executive of DPTI, outlining some of the answers to my questions. In particular, I did supply the government with a copy of Les Felix's document 'Vehicle Speed Measurement II', and some particular issues were raised in Mr Rod Hook's letter to me about that document. I do need, for the sake of Mr Felix's reputation, to correct some of the things that Mr Hook put in his letter. He said:

I understand the paper you referred to during the briefing was written by Mr Felix (circa 2002).

It was actually written in 2004. The letter goes on:

Mr Felix was employed by Abstec Calibrations....it is not known if it was officially released by Abstec Calibrations.

It was nothing to do with Abstec Calibrations. Mr Felix is an independent scientist in his own right in this field, and he produced this document not as part of his employment with Abstec. The letter also says, 'I am told the paper does not appear to be peer reviewed.' I can say that the paper 'Vehicle Speed Measurement II' was published in 2004, and it was peer reviewed by the head of forensic science, England and by the peer review panel from the National Measurement Institute. It was then accepted for publication by the Metrology Society of Australia in 2004. The paper is a genuine piece of scientific literature. It has been peer reviewed and should not be in any way discredited by people saying that it has not been peer reviewed.

The letter from Mr Hook, in the fifth paragraph, also refers to an 'unpublished report' about speed accuracy, speed determination and speedometer tests carried out by the Monash University Accident Research Centre. Mr Felix, in his response to this letter, which I had forwarded to me, said:

SAPOL [he was wrong, it was not SAPOL but Mr Hook] referred to the paper from Monash that was used by Victoria Police as a pivotal presentation to enact the small speed infringement tolerance that is presently used in Victoria. When I attempted to gain permission to use some of their data I was informed by one of the authors, Mr Newstead, that that information was gleaned from car magazines. It may be claimed as unpublished but it was used by Australian police departments to sway political opinion and enact laws.

That is what Les Felix sent me last night and I have no reason to disbelieve Mr Felix.

The other issue in the letter from Mr Hook is, 'After July 2006 the speedometer is required to show the actual speed, or a higher one.' That is quite true. The issue that Mr Felix points out is that 67 per cent of passenger cars travelling on South Australian roads (as is pointed out in Mr Hook's letter) were manufactured prior to 2006 and are under other design rules which allowed a broader range of uncertainties in speed determination. Mr Hook's letter then continues on:

You expressed concern that speedometer inaccuracy has an effect on the testing regime of a safety camera due to alleged inaccuracy of the vehicle used to test the system. It should be noted that vehicle speed past each fixed safety camera is tested with a SAPOL vehicle that has a calibrated and certified speedometer.

In his response Mr Felix said:

Tests conducted with the NSW police department involving some 80 different new tyres on the Ford and Holden police cars displayed a 4% error from—

He has 'OE tyres'. I think that is factory-fitted tyres. Mr Felix understands that the people who test these cameras do not record the brand of tyre nor inflation pressure on their test sheets for their drive-through vehicles. His concerns over the accuracy of calibration of fixed speed cameras should not be discounted at all. We need to do that.

Having said that, with fixed point cameras it is speed physics. There is a law of physics (speed equals distance over time) and you can be much more accurate there. We still need to be cognisant of the fact that some drivers, no matter what they do, will still not be travelling at the speed they think they are travelling at. As Mr Felix pointed out to me in his email of 9 May, a standard vehicle will have an uncertainty of 13 km/h at 100 km/h on the speedo. That is an extraordinary figure. I will leave it for the scientists at the DPTI to contact Mr Felix and talk to him about that. We need to make sure that every person out there is doing the best they can to obey all the road laws and is certainly not speeding in any way, shape or form.

Coming down the freeway yesterday, the police were sitting behind the tollgate. You have to reduce your speed from 110 km/h to 80 km/h to 60 km/h and you sit on the brakes most of the time coming through there. It can be quite dangerous because you have big trucks trying to swap lanes, because most of them travel in the inner left-hand lane in the 60 zone and then head off down Portrush Road. Swapping over there can be quite dangerous, so you really do want to be slowed down. How the police are able to identify individual trucks and drivers I do not know but they were out there doing their best to make sure people were not speeding.

I just mentioned the trucks coming down the freeway. We were promised cameras that were going to detect trucks doing more than 60 km/h as they came down the road. I think the technology is out there that could be used for that particular lane of the freeway and for particular trucks, but there are still a lot of issues with that technology because you get such things as phantom axles and cars travelling very close together which can cause issues. I think the photographic point-to-point cameras will certainly give us some assistance.

I drive down there obeying the speed limits—and I am not an expert in this field in any way—but my best guess is that a significant percentage of trucks are not doing 60 km/h. I am not saying that they are going at 100 km/h. Certainly some of the truckies are doing their best because they have 40 tonnes or 50 tonnes behind them, but I still think some of them have issues maintaining that 60 km/h speed limit.

We have seen so many accidents there and we do not want to have any more so they have to do what they can do. The design of the road is very good now with the run-offs and plenty of warnings and all the technology that we have with the variable speed signs and the other big signs—it is all working well. The need to alert everybody to which speed zone they are in and to give them the opportunity to do what they want to do, which, in 99.99 per cent of cases is obey the law, is something we should all be trying to achieve in this place. We should be making it easier, not harder, for motorists to obey the law.

This technology is a fairer way of picking up people who are speeding because it is over a distance; it is not just a moment in time, so to speak, a momentary lapse or a particular downhill run where the car just gets away a bit. This is a better way of doing it; however, I obviously will not be told the tolerances but I would like to see similar tolerances that are in fixed point cameras in this regime, because there are uncertainties. As I say, I do not believe that South Australians are out there recklessly or deliberately speeding.

With that, I say that the opposition does support the bill. I believe there are one or two other speakers who would like to make some comments. There may be some questions about how

drivers are identified when they swap over between cameras and about how it will be enforced. Also, what happens when one driver says, 'It wasn't me,' and the other driver says, 'It wasn't me,' and nobody knows? I think there is a need to clarify that. I think it will be similar to what happens now with single point of detection, but I will ask the minister to inform the house about that when she replies to the second reading speeches. With that, I wish the bill a speedy passage so that we can make South Australian roads as safe as we possibly can.

Mr PEDERICK (Hammond) (17:36): We are supporting the Road Traffic (Average Speed) Amendment Bill, and I note the comments made by the member for Morphett. The average speed that will be managed here will be ascertained by taking the time taken by a vehicle to travel between two camera sites and dividing it by the distance between the cameras. Obviously, if the average speed of the vehicle is in excess of the speed limit, then the driver of the vehicle has committed an offence.

I note that the government wants to introduce these detection systems initially on Port Wakefield Road, Victor Harbor Road, South Eastern Freeway, Dukes Highway (which concerns me because it is the road home and it splits my farm), Sturt Highway and the Northern Expressway. The expected distance between the cameras will be around 14 to 50 kilometres. We have consulted with the RAA, the South Australian Road Transport Authority and others, but those two groups certainly have no concerns with the bill and support point-to-point speed detection.

Some of the issues I have with what happens with speeding is that, a lot of times, when I go home from this place on the 130 to 140 kilometre drive home, you might see up to four or five speed detection devices. A lot of the road from here to Coomandook is dual lane all the way to Taillem Bend. I am not advocating speeding, but I think there are far more dangerous roads where people can be checked for their speed to see if they are breaking the law. I would hate to think it is just being used as a revenue-raising exercise.

I am also concerned about the roads close to suburban country roads (I will call them), such as the ones in my electorate, the ones up through the electorate of Goyder, and others on which the speed limit has been reduced to 100 km/h in recent times. I have roads that get me through to Goolwa, whether I come off towards Woodchester, or out of Murray Bridge or off the ferry at Wellington. A lot of these roads have been reduced to 100 km/h. Other roads in my electorate that head towards Mannum, right up through to Palmer, each side of the river to Mannum, have been reduced to 100 km/h. As I said before, many of these roads are in the member for Goyder's electorate.

What I find hard to understand in this day and age, when we have such good vehicles to drive, that the government's excuse for not spending money on road maintenance is to just bring the limit down. What happens? We will see the limits brought further and further down. There is a section of road between Mount Pleasant and Sandy Creek, and that is signposted 80 km/h. I am not saying we should not be thinking about road safety, but let's have some maintenance. We are not driving EH Holdens anymore. We are driving very good cars, latest model cars and, for the kilometres that especially country members have to do—and most do a minimum of 60,000 kilometres a year—time on the road is a longer time that you can be forced to keep awake and the more chance there is to go to sleep. It happens. Fatigue happens when you are out on the road for extended periods of time.

I look at roads throughout my electorate that need attention. There are roads through Wynarka, Karoonda, heading up through to the Riverland and Wanbi that all need attention and upgrading to bring them up to a suitable standard. There is another road between Pinnaroo and Loxton which is quite a thoroughfare where there is quite a lot of heavy transport bringing horticultural produce down from the Riverland through to Pinnaroo from Loxton. There is also a connecting route for many people that work at either end of that road. I know there are quite a few people who live in Pinnaroo and travel to Loxton for work. It is also because we do not have a resident doctor in Pinnaroo that we need to rely on doctors coming down from Loxton or the other way from Lameroo to conduct the health service at Pinnaroo.

Soon after I got elected, the ambulance crew at Pinnaroo said to me, 'We are going to give you a ride in an ambulance to see what it is really like going down this road.' There is a 10 to 12 kilometre section that is just shocking. It is really rough. A lot of transfers need to be done between Pinnaroo and Loxton and there could be people with hip injuries or other injuries and they need a gentle ride. The ambulance people said, 'We back off for patients. We back off to about 60 km/h through this rough section of road,' because that is probably about the comfortable speed,

especially if you have someone strapped in the back as I was for the trial. They took me through it at full speed limit.

Mr van Holst Pellekaan interjecting:

Mr PEDERICK: Even with my amount of ballast, member for Stuart, I could not make that ambulance settle down. I am just so glad that our ambulance workers are good at strapping patients in because it could have got ugly.

The DEPUTY SPEAKER: It would have, wouldn't it!

Mr PEDERICK: It would have got ugly. Thank you, Mr Deputy Speaker. It just showed me how bad the road was and they certainly wanted to make sure that I realised how tough it was for people who use that road. It is terrible.

I look at other issues as far as managing our roads with speed limits and that kind of thing and I see about \$100 million of mainly federal money that is being spent between Tailem Bend and there is some work down at Tintinara. A lot of that work is between Tailem Bend and where I live at Coomandook where they have put the 1.2 metre strip in the middle of the road which is a bit of a no man's land. I have said this to committees and I have said it in here before: why haven't we done the sensible thing and started dual-laning that road to the border?

I see all these projects here in Adelaide—\$800 million-odd for a superway and they are talking about perhaps another part of that for the same money. For close to \$1 billion, so not much more than that, we could get a dual lane on the Dukes Highway all the way to the Victorian border. It would be a far more sensible thing. In fact, the \$100 million would have paid for at least 20 kilometres of that.

Even if you build the road with four lanes right next to each other—in fact, there is enough bitumen laid down there that I think you could have done it—just put the wire rope down the middle, two lanes each side. It is simple. There is enough wire rope getting put up around the place. It is unbelievable.

An honourable member interjecting:

Mr PEDERICK: Yes, Mason Fencing. They do a great job and they are making a lot of money. The nub of the bill is the average speed and, yes, I think the average speed is a very good idea. We have to make sure that people are not just looking out for the odd spot where someone could be. Cruise control is a great thing, especially for those of us who travel any distance out on the road. It keeps us on the straight and narrow.

Something the minister may address in her response is what tolerances there will be in this average speed. For instance, if it is a 110 km/h zone, will the tolerance be somewhere where I think it is—the police will never tell you this—which is around the 114 or 115 km/h area? It used to be around the 119 km/h area, but there was an announcement that said they had pulled their tolerance back. I am talking about this in regards to 110 km/h zones.

So, I am just wondering what percentage of tolerances there will be in working out this average speed, because I can just see people challenging this if there is not enough tolerance in there. There are always differences and, as our shadow minister, the member for Morphett, was saying, tyre pressures and changes in conditions can alter the speed significantly. So, I would be very interested in the response to that.

Certainly, we are very keen for road safety at the appropriate speed limits, but I just think things could be done a lot better in this state in the maintenance of our roads, so that we can drive at appropriate speeds around this state and be able to do it in a safe manner. I commend the bill.

Mr VAN HOLST PELLEKAAN (Stuart) (17:46): I too rise to speak about the Road Traffic (Average Speed) Amendment Bill. I too support the bill and am very pleased to say that I think that average speeds are a very sensible, very practical, very appropriate way to manage speeding. The shadow minister, the member for Morphett, has certainly touched on accuracy and the member for Hammond did as well. I trust that appropriate tolerance will be provided, directly in line with the known accuracy of the instrumentation, so I will not delve into that again.

With regard to driving, I suspect that I have driven more than just about any other member in this house. Like many of our country members, I currently drive well in excess of 60,000 kilometres a year but, in a previous working life, self-employed, I drove well in excess of 100,000 kilometres a year and, in a few years, 120,000 kilometres a year, on outback roads. That

does not make me an expert, but it does make me somebody who is comfortable in talking about this because this bill is directly related to country roads, by definition. There will not be too many average speed point-to-point setups in the city. They will all be out in the country and the outback.

It is also only fair for me to point out that my driving record is not perfect. It is not that bad, but I do get a ticket from time to time. In fact, since becoming a member of parliament, I have found it a bit more difficult coming down to the city regularly and getting pinged occasionally for 56 in a 50 and that sort of thing. So, I consider myself an extremely good driver and extremely experienced but not perfect.

The member for Hammond touched on speed limits. I will not go into this in great detail because I have here and in public put on record my great disappointment with the government's downgrading of speed limits from 110 to 100 on roads in our close country areas. I will not go through all of that again, other than to say I believe it penalises the wrong people. The people who have followed those rules, who are currently driving at 110 and are going to decrease their speed to 100, are not the at risk drivers: it is the people driving well in excess of that on our close country roads.

I will also very, very quickly add that I know my predecessor was a great advocate for 130 km/h on some roads and so am I, on some roads—on the good, distant sections of the Barrier Highway, Stuart Highway and the Eyre Highway. My opinion is supported by some of my colleagues but, in deference to them, I say that, far more importantly, it is supported by many police officers. Currently serving and previous police officers share that view, so I just put that on the record.

Minister, I have two key points that I would like to make specifically with regard to this bill that I would like you to consider, either in your comments by providing some assurance when you speak, or if you prefer we can deal with them in the committee stage. The first point is that, on a point-to-point basis, how are you going to deal with two drivers who both blame each other, and neither one of them is the owner of the car?

The proposed legislation, as I understand it, is pretty clear: the owner of the car will get the first expiation notice. If you can find any gaps in whatever stories you might receive about who else was driving then it should not be too difficult to try to expiate effectively and make sure the right person receives it. However, imagine a situation where a car is linked to two other people who are in the car and they both blame each other. If one person says, 'I wasn't driving at all; the other person drove the whole way,' and the other person says, 'I wasn't driving at all; the other person drove the whole way,' and they stick to their story, who is going to get the fine, the bill or the infringement? Please address that issue, minister.

The second point is that, as I understand it, the proposal is that, if somebody exceeds the limit on an average basis between two point-to-point cameras and also infringes the speed limit at one point through a fixed or a mobile camera in between, then the average would override and they would only be fined for the average. That is my understanding of the proposed legislation.

I would like to suggest that whichever is the greater of the two infringements is the one that should apply. There are two reasons for suggesting that. The first reason is that I think, if you are fairly pinged, then the greater of the two is the one that should apply just morally. Also, if you do not and the point-to-point average is going to override the single-point infringement, then I do not believe there will actually be many cameras, either fixed or mobile, placed between the two fixed averaging cameras.

I think what you will actually do in the real world is encourage idiots to speed. They may use that section of highway, probably late at night, as a place to race and roar up and down. As long as they do their calculations well enough and they do not leave the zone before the average of their time within the zone would drop back down, then all you have done is encourage quite deliberate idiots to take advantage of this. Therefore, I strongly propose that the greater of the two offences is the one that should apply, for those two reasons.

The last thing I would like to say is that I assume that the penalties that are in place now for an infringement are exactly the same penalties that would apply to an average. So, if you are going five, 10 or 20 kilometres over past a single-point camera, that exactly the same penalty would apply if you are five, 10 or 20 kilometres over the average.

[Sitting extended beyond 18:00 on motion of Hon. J.M. Rankine]

Mr VENNING (Schubert) (17:53): I want to speak very briefly because I have had a bit of a history on this subject, and I have been here a long time. I will not reveal all that history, but I have had a bit of a colourful history in relation to being apprehended for speeding. As the member for Stuart just said, both he and I do a lot of kilometres. In fact, I average 60,000 kilometres a year. In 22 years, that is a lot of kilometres, so I have reasonable experience in this subject. It is an interesting concept to have these cameras. I much prefer this type of detection than cameras that seem to sneak around the place.

If you drive on the highway and if you regularly exceed the speed limit, particularly the 110 km/h speed limit, I do not have any problem with you being apprehended and fined. People will know where these cameras are, and I do not know whether they will either drive around them or whether a detour will be built around them. I do not want to put any ideas into people's heads, but you do not have to be Einstein to work that one out, do you? When you know where the second lot of cameras are you will either make sure that you are behaving—hopefully you have been—or you will avoid it.

As I said, I will be interested to see what this concept does. I am very pleased that these cameras are up because other countries have them. I think that, eventually, we will even have barcodes on the roof of cars and particularly trucks. If there are barcodes then all sorts of information will be able to be read automatically, because there is nothing worse than speeding trucks, particularly the larger ones. I have no problem with the cameras doing that.

I am happy to penalise people, as I have said before in this place, who are a hazard on our roads. I am certainly very strong on road safety because, particularly for our young people, we want to be a good example. We expect people to have safe passage on the roads. I think it is an opportunity, again, to say to people that we should have driver training in schools, as we did many years ago. When I was first elected, so many years ago, the school had a couple of T Fords and people were taught how to drive.

That was a good idea. We had driver training for year 11 students. These cars were provided by the local Holden dealer, and it was very good. We cannot stress enough to the young ones because they all think that they are invincible. I can assure them that they are not. Even with my own three children, two have had accidents. I have been lucky, touch wood, they have not had a major accident.

I am very conscious about road safety. If you get pinged for doing over 110 km/h, I have no problem with you copping the fine. If you get pinged for doing over 80 km/h in an 80 km/h zone, I have no problem with you copping the fine. However, when you get pinged for doing 58 km/h in a 50 km/h zone (and we have had this discussion before), I have difficulty with that, because there is confusion between the 50 km/h zone and the 60 km/h zone. Some people are not law-breakers and they just assume that they are in a 60 km/h zone and they are actually travelling in a 50 km/h zone.

It is the inconsistency between the two that causes the problem. When people can wear a \$380 fine and three demerit points, I do not think it is fair. In fact, I do not think that is what the law is all about. That is quite unjust and it really is a revenue raiser. As you know, Mr Deputy Speaker, a paper was prepared for me by a University of Adelaide student which quite clearly showed that these fines are revenue raising for the government—or was it all about road safety? It quite clearly said—and the minister made comment at the time—that it is more about revenue raising, because some of these cameras are not put in the accident black spots; they are put where the maximum dollar can be raised on the camera, particularly on King William Road, which is the best tax collector in the state. Absolutely millions of dollars have been raised by these cameras.

I have no problem because people have to obey the law, but it does annoy me that so much money is collected from the cameras. I do not think that it has turned out to be a deterrent because the amount of money collected from these cameras is consistent. It annoys me that this money is not automatically tagged for spending on the roads, to improve road safety, because, after all, I believe that a lot of the accidents occur because of poor road conditions and poor signage. I believe that if it was all spent that way I would not get quite so cross. I would be happy. I have been pretty good lately, Mr Deputy Speaker; I have not had a problem—maybe it is because I am getting older; maybe I am not in such a big hurry. I certainly support the bill and I will be interested to see what happens.

Debate adjourned on motion of Hon. J.M. Rankine.

DRUGBEAT

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (17:59): I seek leave to make a personal explanation.

Leave granted.

The Hon. J.W. WEATHERILL: Earlier today in the other place the Hon. Ann Bressington made a number of remarks that I seek to address. I had a meeting with the Hon. Ms Bressington to discuss shop trading hours legislation. It was the Hon. Ms Bressington who brought up with me the issue of DrugBeat funding. I sought advice from the Minister for Health, who informed me that funding for DrugBeat was subject to an independent procurement process. I, and indeed the minister, did not believe it was appropriate to interfere with the independent procurement process that was then underway, and the government did not interfere with that independent process.

ROAD TRAFFIC (AVERAGE SPEED) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

The Hon. J.M. RANKINE (Wright—Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety, Minister for Multicultural Affairs) (18:01): I thank members for their contribution, and thank the shadow minister for road safety. I make just a couple of points. This government is very committed to road safety and has introduced this bill to enable the use of average cameras to detect speeding on stretches of road where speeding has been identified as a road safety problem. Average speed detection is used extensively interstate and overseas, and it has been reported that the average speed cameras are perceived by the public as a fairer way of detecting speed because the cameras detect speed over a length of road instead of at a single point.

It is important to note that speeding remains a major cause of death and serious injury on our roads, and this bill introduces a new approach to detecting that. We have heard comments that most people are not lawbreakers, that we need to challenge those who are doing the worst on our roads, but the fact is that the people involved in crashes on our roads are generally not just those who are hoons but average people out there. The impact of speeding, the impact of exceeding a speed limit on a particular road, can have catastrophic impacts.

People have an obligation to obey the law. We heard from the member for Hammond, talking about the 100 km/h default speed limit; can I say—

Mr Pederick: I am talking about the signage; they're signposted roads as well.

The Hon. J.M. RANKINE: Reverting to the 100 kilometre default speed limit. Now, a couple of things: whilst you complain about these things, our road toll last year was, I think, the second lowest in history, down to 103 deaths. That is still absolutely unacceptable, and we need to do more. We had the lowest casualty crash rate last year, and currently this year—and touch wood—we are tracking at nine fewer deaths on our roads.

In relation to 100 kilometres specifically, there were 1,100 kilometres of rural arterial roads that reduced to 100 km/h in 2003. Research by the Centre for Automotive Safety Research showed that this reduced casualty crashes on the those roads by 20 per cent. That is enormous. We actually expect that the roads that we reduced to 100 last year are likely to save, on average, 12 casualty crashes per year.

Over the past five years we have spent more than \$110 million on arterial roads. In addition, over the same period around \$371 million has been spent on maintenance on rural roads in South Australia. That is a combination of both state and federal funding. There were only 67 overtaking lanes in South Australia when we came into government. Since then, we have built an additional 82 overtaking lanes, which represents an investment of over \$100 million. All of the funds that are collected from speeding expiation notices go to the Community Road Safety Fund, so if you speed and you are caught, your money goes to the Community Road Safety Fund. It does not just go directly into Treasury coffers as people would like to have the public believe.

Dr McFetridge interjecting:

The Hon. J.M. RANKINE: It does not go to SAPOL and it does not go to Treasury, it goes to the Community Road Safety Fund. The member for Hammond asked about tolerances. I think he answered his own question when he said the police commissioner is not about to tell you about the tolerances.

Mr Pederick interjecting:

The Hon. J.M. RANKINE: I cannot get it out of him, so good luck; you try to get it out of him. This really is about providing fairness in relation to people driving and I think people have recognised that it is probably a much fairer system to have a time and distance calculation as opposed to a point in time. We were asked by the member for Stuart which fine would apply if someone received a point in time and an average speed fine. I am told that the police will decide which one applies and it is likely to be the higher speed, so that is my advice.

The member for Morphet asked me quietly about the set-up costs and the expected revenue that will come from these particular cameras that we are putting up. I do not have that information, so we will attempt to get that for him while we are between the houses. The issue around one or more drivers will be settled in exactly the same way as things are now, and the police will issue a fine to the owner. If the owner says, 'I wasn't driving, someone else was driving,' the expiation notice will go to that person. If they say, 'No, the three of us were driving' or whatever, they all have to provide the police commissioner with a statutory declaration to say who was driving and, if it is disputed, it goes to court and they need to convince the court. We understand that people will try to find ways and means out of this but, ultimately, the people working on this bill have done a lot of work to make sure that there is not a lot of wriggle room to get out of this.

In finishing, I thank the house for its support of this bill and I thank people from the department of transport for their hard work and diligence in preparing this legislation.

Bill read a second time.

The Hon. J.M. RANKINE (Wright—Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety, Minister for Multicultural Affairs) (18:08): I move:

That this bill be now read a third time.

Bill read a third time and passed.

SUMMARY OFFENCES (DRUG PARAPHERNALIA) AMENDMENT BILL

Received from the Legislative Council and read a first time.

At 18:09 the house adjourned until Thursday 17 May 2012 at 10:30.