LEGISLATIVE COUNCIL

Thursday 30 May 2002

The PRESIDENT (Hon. R.R. Roberts) took the chair at 2.15 p.m. and read prayers.

PAPER TABLED

The following paper was laid on the table:

By the Minister for Agriculture, Food and Fisheries (Hon. P. Holloway)—

Public Sector Responsiveness in the 21st Century—A Review of South Australian Processes.

LUCAS HEIGHTS NUCLEAR REACTOR

A petition signed by 187 residents of South Australia concerning nuclear reactors at Lucas Heights and praying that this council will call on the federal government to halt the nuclear reactor project and urgently seek alternative sources for medical isotopes and resist at every turn the plan to make South Australia the nation's nuclear waste dumping ground was presented by the Hon. S.M. Kanck

Petition received.

CRIME STATISTICS

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): On behalf of the Premier, I table a statement in relation to crime statistics.

PUBLIC SECTOR REVIEW

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I table a ministerial statement on the review of public sector processes made by the Premier in another place.

QUESTION TIME

TEACHERS, WAGE OFFER

The Hon. R.I. LUCAS (Leader of the Opposition): I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Transport, a question about the teachers' wage offer.

Leave granted.

The Hon. R.I. LUCAS: On 1 May of this year, the Minister for Industrial Relations issued a press release entitled '12 per cent pay rise offer for teachers'. In that statement the Minister for Industrial Relations indicated, as follows:

> The government has tabled its estimated $205 million offer with the Australian Education Union and Public Sector Association/Community and Public Sector Union. . . . central features of the government's offer include:
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> · Cash bonuses for teachers in country schools and preschools.
> · Four weeks paid maternity leave instead of the current two.
> · More than $2 million per annum to increase School Services Officer time in every primary school.
> · A $10 million package for extra leadership time in primary schools and preschools.

On that day, and subsequent days, the minister did a number of radio and television interviews. I will refer to one of many on 5AA on 2 May, where he said:

> It certainly is a serious offer, from a money point of view we're offering as a total package $205 million—I don't know whether we can go beyond that, you know, we're in a tight budgetary situation, we've put on the table our best offer.

There has been subsequent debate about the total cost of the teachers' wage increase negotiations between the government, the Australian Education Union and other associated unions. My questions to the Minister for Industrial Relations are in relation to the government's best offer it put on the table on 1 May. My questions are:

1. Will the minister break down the $205 million cost into components for each of the three financial years 2002-03, 2003-04 and 2004-05?

2. In doing so will he provide a breakdown between salary and non-salary items?

3. Will he also provide a breakdown of the estimated cost for the non-salary items, that is, leadership time and cash bonuses, for each of the financial years that led him to make a statement on behalf of the government that it was a $205 million best offer to the teachers' union?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I will refer those important questions to the minister in another place and bring back a reply.

CALLANA STATION

The Hon. CAROLINE SCHAEFER: I seek leave to make an explanation before asking the Minister for Regional Affairs a question on the subject of access to pastoral land.

Leave granted.

The Hon. CAROLINE SCHAEFER: There has been a long running dispute between the proprietor of Callana Station and the officiator of a camel ecotourism company based in Marree, as I understand it, but with some camels agisted on Stuart Creek Station. I will not use the name of the proprietor of the tourist venture because, in the short time available to me, I have not been able to contact him. However, it has been a long running dispute involving a number of ministers over a long time. Recently, the tourist proprietor applied to the Hon. Rob Kerin and then to me to have access to Callana as part of the Year of the Outback.

The proprietor of Callana Station, Mr George Morphett, has continuously and vigorously objected to allowing this camel trek to traverse his lease, on the grounds that his ewes are lambing at this time of the year. He also fears third party injury: he is concerned, as a neighbour of the dog fence and having an ongoing program of shooting dingoes, that he may not know where these people are on account of their wishing not to use the normal track. Another of his concerns, although it is a slight risk, is that camels carry BJD disease. Mr Morphett has continuously objected to access to his property for those reasons.

During the time I was minister, I asked Mr John Chappell of the department to intervene and broker some solution between the two protagonists. It seems he was unable to do so. I said at the time that I was disinclined to allow anyone to go on to a property without the permission of the proprietor on the grounds that I believe that, as lessees, they are the caretakers of the land unless there is good reason to override that arrangement. My questions are:

1. Is the minister aware that the Hon. John Hill has informed the proprietor, Mr George Morphett, of Callana Station in writing that he is allowing a camel trek to traverse his property in spite of Mr Morphett's expressed wishes that he not do so?

2. What, if any, conditions has the Hon. Mr Hill imposed on access, or has he simply given carte blanche approval?

3. Is this lack of consultation indicative of the treatment that pastoralists can expect from the Hon. Mr Hill's department now that responsibility has shifted to his office from PIRSA?

4. Will the minister intervene to have the Hon. Mr Hill at least meet with the protagonists to try to broker a more satisfactory outcome?

5. Will the government indemnify the proprietors of Callana from any third party liability arising from these people and camels being on their property?

The Hon. T.G. ROBERTS (Minister for Regional Affairs): Many of these questions would be better answered by minister John Hill. The question of intervention will be one where I will consult with the minister responsible, and I will take the questions at issue in relation to any conditions that were placed on the instruction and the consultation process. If there is any brokering of any arrangement to change that, then I am sure the honourable member's position will be to talk cross-agency and to other ministers, including the Hon. Paul Holloway who I understand was a party to some of those discussions prior to the decision—if a decision has been made—being made.

It is an important issue in relation to any future cooperation that is required by landowners in the northern regions for both environmental tourism and celebrations. We have had one celebration close in near disaster, not for the animal handlers but certainly for the animals. I am sure that it would have been disastrous for the other members of the party who had to pull out as well. I will do my best to take up the challenge of the offer to work through this program and bring back a reply.

The Hon. CAROLINE SCHAEFER: As a supplementary question, will he do that as a matter of urgency, because I understand that this trek is to take place next week?

The Hon. T.G. ROBERTS: All matters that I take up on behalf of the opposition and my colleagues in relation to questions put to me is as a matter of urgency.

BUILDERS INDEMNITY INSURANCE

The Hon. R.D. LAWSON: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Attorney-General, a question about builders' indemnity insurance.

Leave granted.

The Hon. R.D. LAWSON: Yesterday a ministerial statement was made by the Attorney-General in another place and tabled here concerning the government's proposal in relation to exemptions from the requirement to obtain building indemnity insurance. The opposition welcomes this somewhat belated announcement. The Attorney's statement contains the following extracts which I will read briefly:

> It should be emphasised again that it is intended to grant exemption to builders who are unable to obtain insurance because they are a bad financial risk.

He also said:

> It is regrettable in the circumstances which necessitate this measure. There is anecdotal evidence that builders and owners are in fact finding ways to circumvent the requirements of the legislation.

The Attorney also mentioned that the Local Government Association, on behalf of councils, had indicated support for the proposal. In an earlier statement, he said that he was consulting with the Housing Industry Association in relation to the matter. My questions to the minister are as follows:

1. What steps will be taken to ensure that the process of obtaining a case by case exemption from the requirement to obtain building indemnity insurance will not be as time-consuming as the process that led to the current difficulties?

2. Is the statement that the minister uttered in his ministerial statement delivered yesterday, 'it is intended to grant exemption to those who are unable to obtain insurance because they are a bad financial risk' an error on his part, and did he intend to say something else in relation to that issue?

3. With reference to evidence that builders are already seeking ways in which to circumvent the requirements of the legislation, what steps will the government take to ensure that these new arrangements will not be circumvented in a similar way?

4. Was the Housing Industry Association in support of the scheme outlined and, if so, why was that fact not mentioned in the ministerial statement alongside the Local Government Association?

5. Will the exemption be available to companies which are able to obtain insurance but which choose instead to seek an exemption? If not, does the minister agree that it is unfair that buyers of homes through members of the Housing Industry Association who do obtain insurance and, thereby, incur an additional cost, will be prejudiced as against those who seek the exemption route?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I will take those important topical questions to the Attorney-General in another place and bring back a reply.

RECONCILIATION WEEK

The Hon. J. GAZZOLA: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation a question about Reconciliation Week.

Leave granted.

The Hon. J. GAZZOLA: I am aware that the minister officially launched Reconciliation Week at the central railway station and hosted a special screening in Old Parliament House of the documentary *Without Prejudice* on Monday. Will the minister advise us of any other activities designed to support Reconciliation Week?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I thank the honourable member for his important question. I note that, particularly in the metropolitan area, the activities associated with Reconciliation Week have been taken up with gusto—and activities relating to the celebration are still taking place in the metropolitan area and in regional areas. More importantly, I also note the solid work that is being done by local government, in particular, which has taken up the reconciliation process seriously and is putting in place a whole range of programs—and I include the good work being done by the Adelaide City Council.

Yesterday, the Minister for Administrative Services launched two reconciliation initiatives. The two projects—a video and a book—include extensive information about all aspects of Aboriginal affairs in this state since 1834. This

project demonstrates how one can access that information through South Australia's state records. The video, *Distant Voices*, which was produced by DAIS and the South Australian Film Corporation, demonstrates the processes involved in accessing the archival collection held by state records, with specific focus on material relevant to Aboriginal people. It was acknowledged that not all people have access to the Internet, and the video was considered to be more accessible. I also acknowledge the work done by the previous government in putting this program together. I had to apologise for not being able to attend because, unfortunately, I had other business to attend to.

The book, *A Little Flower and a Few Blankets—An Administrative History of Aboriginal Affairs in South Australia 1834-2000*, is a publication containing a chronology of events, personalities and changing legislation. It also features a useful list of historical documents held by State Records. Even though we have had this and other activities during this special week, reconciliation is not something we can focus on for just 10 days or so; it needs to be recognised that, after Reconciliation Week has been completed, the hard work of reconciliation within the community needs to be carried on in daily activities.

The federal and state governments have a great deal to address to achieve reconciliation and I know all my cabinet colleagues are committed to doing this. I enjoy working with the shadow minister for the work he has done in a bipartisan way in the short time we have been back in the council. It is a pleasure to be able to work through issues with the opposition and Sandra Kanck from the Democrats. It makes life a lot easier in a very difficult area if we can come to a common agreement to move forward on a wide range of issues. The steps taken by the Minister for Administrative Services in relation to reconciliation are small but all of the programs that will be put together through Reconciliation Week will be a significant step forward.

SMOKE DETECTORS

The Hon. SANDRA KANCK: I seek leave to make an explanation before asking a question of the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Health, about radioactive smoke detectors.

Leave granted.

The Hon. SANDRA KANCK: Members will probably be aware that the Minister for Health is responsible for the use and disposal of radioactive material under this state's radiation protection laws. Smoke detectors are mandatory in South Australian homes. Most smoke detectors contain small amounts of radioactive material, americium 241, and while the detectors remain intact this material is not a health hazard. Correspondence I had last year with the Minister for Human Services in the previous government revealed that there are other types of smoke detectors that are not radioactive, but he declined to promote the non-radioactive alternative. The former minister informed me that to dispose of smoke detectors members of the public can return them to the supplier, to some local councils and some MFS stations or bring them to the department's environmental health branch at Kent Town. My questions to the minister are:

1. What is the expected life span of a radioactive smoke detector?

2. Over each of the past five years how many radioactive smoke detectors have been sold in South Australia and how many have been handed in to the environmental health branch?

3. How are the operators of the hardware stores, the relevant local councils and MFS employees in this state made aware of their responsibility to take back used or unwanted smoke detectors? Are there any written guidelines in place setting out the obligation to forward the detectors to the environmental health branch? Are there written guidelines about the appropriate handling of damaged smoke detectors? If so, will the minister provide me with a copy of those guidelines?

4. Given that most people would be unaware that their smoke detectors contain radioactive materials, does the minister consider that consumers are likely to dispose of used smoke detectors via the domestic waste stream?

5. Which local councils and which MFS stations are willing to accept responsibility for the disposal of smoke detectors?

6. Will the new government undertake a public education program about the non-radioactive alternatives and the appropriate method for disposal of radioactive based smoke detectors?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I will take that list of questions back to the minister in another place and bring back a reply.

SPEED CAMERAS

The Hon. T.G. CAMERON: I seek leave to make a brief explanation before asking the Minister for Agriculture, Food and Fisheries, representing the Minister for Police, a question regarding the use of speed cameras.

Leave granted.

The Hon. Sandra Kanck: Got pinged Terry, did you?

The Hon. T.G. CAMERON: No, I have not been pinged for a long time.

An honourable member interjecting:

The Hon. T.G. CAMERON: Yes, apart from yesterday, but that was not by a speed camera, that was by something else. Nevertheless, it was a trap. The Royal Automobile Club of Victoria (RACV) has called on the Victorian government and the police to re-evaluate their approach to speed camera enforcement following a public backlash in Britain which pressured authorities to review their speed camera guidelines. In an effort to combat accusations of revenue raising, the British Labour government has outlawed the use of speed cameras at sites that are not considered to be accidents blackspots.

The British Labour government now insists that all speed cameras must be placed in plain view of motorists and painted bright yellow for high visibility, unlike here where they are often camouflaged and hidden, and all officers on mobile camera duty must wear high visibility day-glo bibs. All staff camera units must also be placed in the open in marked police vehicles. The Public Policy Manager for the RACV, Mr Ken Ogden, said that the British example was something that Victorian police and road safety authorities should seriously consider. Mr Ogden said:

> There are tremendously important lessons for the local road safety authorities in this. It would be a major concern to us if people developed a disrespect for the police and traffic enforcement if it was seen as revenue raising. The RACV policy is that speed cameras should only be deployed where there is a safety problem. To deploy them anywhere else smacks of revenue raising.

My questions are:

1. Will the minister examine the speed camera initiatives undertaken by the British Labour government, including outlawing the use of speed cameras at sites that are not accident blackspots, placing speed cameras in plain view of motorists and painting them bright yellow for high visibility, and ensuring that all staffed camera units are placed out in the open in marked police vehicles?

2. Will the minister find out the reasoning behind the British government's decision and report back to the parliament?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I will refer those questions to my colleague the Minister for Police and bring back a reply.

The Hon. SANDRA KANCK: I ask a supplementary question: is there any danger to the operators of speed cameras from having increased visibility, and what are the rates of assault and attempted assault on the operators of speed cameras in South Australia?

The Hon. P. HOLLOWAY: These are important questions raised by the honourable members. Effectively, between the first question and the supplementary question, we are developing a debate on the virtues or otherwise of speed cameras—

The PRESIDENT: That is highly inappropriate.

The Hon. P. HOLLOWAY: —but I will let my colleague the Minister for Police be the adjudicator of that.

PUBLIC LIABILITY

In reply to **Hon. R.D. LAWSON** (16 May).

The Hon. P. HOLLOWAY: The Deputy Premier has provided the following information:

A ministerial meeting on public liability insurance was held in Canberra on 27 March 2002. The treasurer, as the responsible minister, attended this meeting.

At that meeting the ministers agreed, inter alia, that in recognition of the complexity, urgency and technical nature of many of the issues, the heads of treasuries working group on public liability insurance was best placed to develop practical measures for consideration by each government by 30 April 2002. This working group comprises commonwealth, state and local government representatives.

A copy of the joint communique released by the ministers at the conclusion of the 27 March 2002 ministerial meeting is attached.

The difficult task for governments is to strike a balance on behalf of the community between the rights of the individual to adequate compensation for the negligence of others and the capacity of the offending parties to pay such compensation. On the one hand restrictions on the rights of the individual to be adequately compensated will throw injured parties back on their own resources and/or the safety net provided by the public health and social security systems. On the other hand continuation of the present arrangements may result in many worthwhile community groups and small businesses closing their doors.

To suggest that this question can be resolved simply and quickly is not helpful, particularly in the absence of a central source of reliable data on the past claims experience of insurance companies in this field. That data must first be gathered and analysed before governments can make informed decisions.

In the meantime some steps can be taken. Insurance companies would almost certainly prefer to deal with larger clients or groups of clients where risk is aggregated and to some extent averages out rather than with smaller clients. Thus groups with like risks should think seriously about insuring through their associations rather than individually.

Improved risk management is a very important initiative since it has the potential to bring about the best of all outcomes—a reduction in the number and severity of injuries. On their own behalf organisations should take all reasonable steps to minimise the likelihood of injuries.

Australian governments are working as quickly as possible to find solutions to this difficult question. Some patience will be necessary however or we run the risk of implementing the wrong solutions.

Ministers have agreed to meet again on 30 May 2002 in Melbourne to further discuss the implementation of appropriate measures.

It would be inappropriate for the South Australian government to implement any policy solutions prior to detailed consideration by all levels of government on the 30 May 2002.

In reply to **Hon. A.J. REDFORD** (16 May).

The Hon. P. HOLLOWAY: The Deputy Premier has provided the following information:

The South Australian government did not provide a written submission to the ministerial meeting on public liability Insurance held in Canberra on 27 March 2002.

FRUIT FLY

In reply to **Hon. J.S.L. DAWKINS** (15 May).

The Hon. P. HOLLOWAY: As indicated in my response to the honourable member's question on 15 May 2002, Primary Industries and Resources SA have recently undertaken the first of a small number of random roadblocks on the Sturt Highway near Blanchetown.

The key purpose of these roadblocks, which are being run in conjunction with the South Australian citrus industry, is to raise the awareness of the travelling public to the importance of not carrying backyard fruit into the Riverland from other parts of the state.

This awareness is particularly important given the four recent fruit fly outbreaks in metropolitan Adelaide—Queensland fruit fly at Thebarton and Magill, and Mediterranean fruit fly at Salisbury Downs and Salisbury East.

Only a limited number of operations are planned in this assessment stage and, at this point in time, only the Sturt Highway is being targeted because this is the key route for travellers into the Riverland from metropolitan Adelaide. PIRSA have however, in conjunction with Transport SA, assessed a series of other potential future random roadblock sites including a number of those mentioned by the honourable member. These routes include those secondary roads entering the Riverland that are currently signposted—the Sedan to Swan Reach Road, the Eudunda to Morgan Road, and the Burra to Morgan Road. A number of key border crossings have also been assessed.

Again I would reiterate however that this is an initial trial program and I will await a final report from the department which will consider any future random roadblock program proposals.

AQUACULTURE

In reply to **Hon. IAN GILFILLAN** (13 May).

The Hon. P. HOLLOWAY: Minister for Environment and Conservation has provided the following information:

There has been no change in the Development Act 1993 that affects the role of the EPA in aquaculture development assessment.

Schedule 21 of the Development Regulations 1993 lists *Aquaculture or Fish Farming: the propagation or rearing of molluscs or finfish in marine waters*. Developments including activities listed in Schedule 21 must be referred to the Environment Protection Authority for comment to which the planning authority must have *regard* (Schedule 8 of the Development Regulations).

Similarly, Schedule 22 of the regulations lists Aquaculture or Fish Farming: the propagation or rearing of marine, estuarine or fresh water fish or other marine or freshwater organisms, but not including:

(a) the propagation or rearing of molluscs or finfish in marine waters; or

(b) the propagation or rearing of other marine or freshwater organisms in an operation resulting in the harvesting of less than 1 tonne of live fish or organisms per year.

Developments including activities listed in Schedule 22 must be referred to the Environment Protection Authority for comment and the authority may direct the planning authority to impose specific conditions if the application is approved, or to refuse the application.

The Environment Protection Authority has powers to enforce the general environmental duty and environmental harm under the Environment Protection Act 1993 on activities that might have an impact on the environment. For certain 'activities of environmental significance', prescribed in the Act, it is a requirement that a licence to operate be obtained. Currently marine-based aquaculture is not a

prescribed activity that requires a licence, however land based aquaculture that produces more than one tonne of product per year is required to be licensed.

With the commencement of the Aquaculture Act, 2001 the Environment Protection Authority will play a key role in approval and monitoring of aquaculture development under the Aquaculture Act, 2001. The Act requires that prior to the Minister granting a licence, the Environment Protection Authority approve the licence and any amendment of conditions.

While the current aquaculture licensing provisions of the Environment Protection Act 1993 will be revoked, the breadth of aquaculture operations examined by the Authority will increase.

Accordingly, the authority will be supported by increased resources to undertake its role in accordance with a service level agreement with Primary Industries and Resources SA.

Importantly, the Environment Protection Authority will retain existing powers to enforce the general environmental duty and environmental harm under the Environment Protection Act 1993 as it relates to aquaculture.

To achieve efficient and effective administration of the Act, a memorandum of understanding will be developed between the Department of Primary Industries and Resources and the Environment Protection Authority.

BRANCHED BROOMRAPE

The Hon. D.W. RIDGWAY: I seek leave to make a brief explanation before asking the Minister for Agriculture, Food and Fisheries a question about branched broomrape.

Leave granted.

The Hon. D.W. RIDGWAY: The government is committed to a program of fumigation to eradicate branched broomrape wherever it is discovered and thereby provide certainty to release the land from quarantine and fairly compensate landowners who make their living from the land on which that infestation occurs. The only fumigant known to be effective is methyl bromide. I think this council should know some facts about methyl bromide.

Methyl bromide has a dramatic environmental impact. Although a shorter lived substance than chlorofluorocarbons (CFCs) and a better known family of ozone depleting compounds, methyl bromide destroys ozone molecules at 50 times the rate of CFCs. In 1994, a scientific assessment by the World Meteorological Organisation concluded that phasing out of this chemical is the single largest step that governments can take to protect the ozone layer.

There are some application rules: it must be applied to a well-prepared soil that is well cultivated and relatively free of trash and crop residue; to get maximum effectiveness, it must be applied under a plastic sheet with a thickness of 12 microns, and the plastic sheet must be left in place for at least five days; for maximum control there ought to be no holes in the plastic sheet from either stones, sticks or mallee roots which, incidentally, are quite common in the quarantine area; if a hole were to appear, there would be no control for the chemical in a diameter of 100-200 mm; the fumigant is applied to the soil via a specialised fumigant rig that injects the chemical under the surface through a series of tines at a depth of 100-200 mm, making it impossible to control any pests at the base of native vegetation due to inground roots and the inability to seal in the fumigant.

The amount of plastic used per hectare is quite considerable—approximately seven rolls per hectare with the average weight of a roll being between 70 and 80 kilograms. That equates to about half a tonne of plastic per hectare. There is also a problem with hard seeds in relation to fumigation. A couple of plant species (marshmallow and clover) have seeds that do not germinate every year. Fumigation with methyl bromide actually stimulates their germination and therefore does not control the weed—I wonder whether there are any hard seeds in branched broomrape? With 5 857 hectares in quarantine (and in excess of 5 600 infested), and the fumigation program committed to the eradication of branched broomrape at an estimated cost of between $6 000 to $10 000 per hectare, my questions are:

1. Were the stakeholders and landowners in the quarantine area consulted on this measure prior to the government's accepting it as a condition of the compact and committing South Australian taxpayers to an inappropriate and ineffective control program costing between $30 million and $60 million?

2. Since the election, what comment has been received from the stakeholders and landholders in the quarantine area?

3. If the government honours its commitment to the member for Hammond, how does the minister propose to deal with the 2 800 tonnes of waste plastic?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): The program that has been conducted by the Animal and Pest Plant Control Commission in relation to branched broomrape is under the jurisdiction of my colleague the Minister for Environment and Conservation and, I am sure he will be pleased to answer the questions. However, inasmuch as my portfolio does take into account some of the agricultural chemicals—and of course we do have legislation in relation to that before the parliament at the moment—I would like to make some comments on the advice that was given to me by my department in relation to these matters.

There is certainly no doubt that methyl bromide is recognised as being 100 per cent effective against branched broomrape. However, I am informed by my department that recently cyanogen (C2N2) has been brought to the department's attention and is now being investigated—it was developed for use in stored seed. I am also informed that, in relation to dealing with branched broomrape, a range of group B herbicides, the ALS inhibitors, are 100 per cent effective at suppressing branched broomrape at application rates that are acceptable for less than the normal paddock and crop rates. These results were achieved after only a year of trials and cannot as yet be widely prescribed.

Branched broomrape is not found in just over 70 per cent of infested paddocks on the second or third survey. One of the reasons for this is that farmers at present are successfully suppressing hosts. I think it is important that in relation to branched broomrape, as with a number of other pests that plague our country, there is a suite of research being undertaken with the best scientists in Australia and, in the case of branched broomrape, in Israel, and that will assist our understanding of branched broomrape. So I think it is important that we look at all these options and look at all the possibilities that are being developed everyday, because history tells us that breakthroughs in relation to treatments and so on have in the past proved very effective in dealing with many of the plant and animal pests that plague our rural industries. As to the rest of the matters, I will see whether the minister responsible wishes to add further to the answer.

The Hon. D.W. RIDGWAY: As a supplementary question, your government is committed to a program of fumigation to eradicate branched broomrape. How do you propose to deal with that, or have you perhaps breached a promise?

The Hon. P. HOLLOWAY: I am sure my colleague has dealt with the Speaker from another place, who, as far as I am concerned, will be very happy with the action this govern-

ment is taking in relation to this very considerable pest plant. Perhaps I could ask the honourable member who asked the question does he wish to—

An honourable member interjecting:

The Hon. P. HOLLOWAY: No, just like you couldn't ask one when you were over here. Yes, that would be out of order.

An honourable member interjecting:

The Hon. P. HOLLOWAY: No, of course not. How serious was the previous government in dealing with the branched broomrape problem in this state? I would have thought it is a significantly serious problem for this state, and it is of great concern to many, as I pointed out the other day, not just to the broadacre farmers in the Murray-Mallee region. This is a potentially disastrous problem for horticultural industries, should it become established in those regions. So, it is vitally important that this state does everything it can to eradicate this very serious parasitic pest plant.

BOVINE JOHNE'S DISEASE

The Hon. G.E. GAGO: I seek leave to make a brief explanation before asking the Minister for Agriculture, Food and Fisheries a question on Bovine Johne's Disease.

Leave granted.

The Hon. G.E. GAGO: I understand that there is a continuing concern within the cattle industry about the risks posed by Bovine Johne's Disease and, in particular, the costs of regulatory controls and the recent apparent rise in the incidence of the disease associated with the establishment of several large dairy herds in the state. Can the minister advise the council of the current situation with regard to these issues?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): Bovine Johne's Disease is a significant issue, particularly for dairy farmers in this state. When cabinet had its community meeting in Mount Gambier last week, I was able to speak to both large and small dairy farmers in that region who have concerns about the spread of the disease and current policy in relation to that, but more of that in a moment. South Australia's approach to BJD, as Bovine Johne's Disease is commonly known, has evolved steadily over the past 10 years following the increase in detection of that disease throughout this state. That policy has been developed with industry input.

The current policy with respect to BJD does reflect the collective industry position, which supports moderate regulatory controls to minimise the spread of the disease, and that is combined with the provision of technical advice to farmers whose cattle are affected and, at the same time, we aim to minimise the economic effects of the disease and contamination of the environment by the causative organism.

I am informed that the disease has a relatively low prevalence in South Australia. It is estimated to be less than 10 per cent in dairy herds and perhaps less than .1 per cent of beef herds. The great majority of cattle herds in this country are free of BJD—that is, Western Australia, Queensland and the Northern Territory are generally considered to be free areas—and most of South Australia and New South Wales are considered relatively free of the disease. The disease is most prevalent in the dairy industries within Victoria and Tasmania.

A business plan for the disease was developed in 1998 for BJD control, and that plan, prepared by the industry, was supported by the South Australian Farmers Federation, which produced a formal policy statement in support of that plan. What has happened is that, over the past few years, several large dairy herds have been established within this state substantially from cattle sourced from Victoria—and that is scarcely surprising given that Victoria is the main centre of the dairy industry within this country—and there are some estimates that up to 50 per cent of the dairy herds in Victoria may be affected by this disease. That has resulted in the confirmation of BJD and consequential heavy increases in regulatory activity in farms, as well as a substantially increased risk of the spread of the disease in the cattle industry as a result of those occurrences.

The cattle and dairy industry have agreed in principle to an increase in the size of the levy paid by producers on transaction. In the case of beef cattle producers, that is the levy on transactions; in the case of dairy farmers, there is a tail tag on dairy calves. There are proposals to increase the funding by $500 000 in order to meet the expected sharp rise in control costs in the next financial year. The cattle advisory group, which is being assisted by PIRSA Animal Health, is currently conducting a review of the situation in this state in the light of these increased and projected activities and costs, and taking into account the recent national trends and the progress of Victoria's test trial and control program.

On 6 May 2002, the Dairy Industry Development Board was provided with a comprehensive summary of the international and national position with respect to BJD with a rationale for the current approach by PIRSA and the industry in South Australia. I should also say that a draft national approach to BJD in Australia (prepared by Animal Health Australia) has been released. That was released in April 2002 for public comment. That will form a basis for what we hope will be a national response to this disease, which, unfortunately, is increasing in prevalence in this state.

The Hon. IAN GILFILLAN: I have a supplementary question. Will the minister indicate whether there has been any evidence that the increase to bigger herd sizes in dairy herds, particularly in the South-East, and the consequent lower individual animal husbandry has led to an increase in BJD in those areas?

The Hon. P. HOLLOWAY: I think I have already referred to that in my answer. Obviously, if, as some people suspect, up to 50 per cent of the herds in Victoria are infected, then clearly, if herds are being built in this state, the risk of importing that disease must grow. I think that is pretty self-evident. I know that later on this afternoon we will be debating the honourable member's motion to establish a select committee into the dairy industry. I am sure the Hon. Ian Gilfillan as the past chairman of that committee would be well aware of some of the issues involving the dairy industry in this state. If that committee is ultimately established, I am sure that will give him the opportunity to again receive greater information in relation to this problem.

UNIT PRICING

The Hon. IAN GILFILLAN: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Consumer Affairs, a question about unit pricing.

Leave granted.

The Hon. IAN GILFILLAN: Unit pricing has the potential to make shopping much easier for consumers, and

with technological advancements it should not prove to be a particular burden on retailers. When we shop in supermarkets we are often confronted with products that are available in different sizes. We may find a certain brand of coffee is available in various sizes from 100g to 1kg. Other brands could come in different and not easily comparable sizes. The idea of buying things in bulk usually means that, the larger the packet size, the cheaper the product. If you can afford to buy the 1kg coffee jar, coffee will usually cost less per cup than bought as a succession of 100g coffee jars during various trips to the supermarket. However, as shoppers will know, this does not always hold true and it could be difficult and time consuming to work out the real price.

Unit pricing solves this problem by providing greater information to consumers. This is achieved by displaying two prices on the shelf, one being the total price of the product and the other being the price per unit, which would apply in an equivalent situation to all the various brand names of the product. The issue has a long history, and in 1977 the Trade Practices Commission presented a report to the federal Minister for Business and Consumer Affairs which indicated that generally consumer groups favoured an extension of unit pricing.

At the recent state election the Consumers Association of South Australia conducted a survey of various political parties on consumer issues, and unit pricing was one of the questions raised. I can quote the actual question in the survey: does your party support improved shelf information about the price of goods, in particular, unit pricing? The Democrats answered this question in the affirmative. It is interesting to note also that the Labor Party answered yes; in other words, it supported unit pricing.

South Australia's current legislation on unit pricing extends only to prescribed food units that are usually sold in random weights and are often broken, cut or separated from bulk—things such as fruit, vegetables and meats not sold in prepacked containers. This leaves the vast majority of supermarket goods outside the unit pricing scheme. My questions to the minister are:

1 Does the Labor Party support the extension of unit pricing, as it responded in the survey?

2. If so, what measures will the government be taking to introduce extensive unit pricing in South Australian supermarkets?

3. If not, why not?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I will take those important questions to the minister and bring back a reply. As an individual consumer and a Labor Party member, I support supermarkets that show individual pricing on ticketed items over and above those that have only the computerised ticket.

The Hon. Ian Gilfillan: Where do you find it?

The Hon. T.G. ROBERTS: That is a good question.

The Hon. Diana Laidlaw: When did you last shop?

The Hon. T.G. ROBERTS: I shop regularly. I will not mention the name of the supermarket, but I complimented the manager for having dual pricing—which I noticed recently has gone. So, my custom was not valued very much.

The Hon. Ian Gilfillan interjecting:

The Hon. T.G. ROBERTS: You are probably right.

The Hon. A.J. Redford interjecting:

The Hon. T.G. ROBERTS: It made me feel totally unimportant and totally ineffectual. There is a lot of sympathy for dual pricing within supermarkets, if only for older people who are not familiar with the checkout system and pricing mechanisms. After you have paid for and left the supermarket, you can crosscheck the items you bought. But it is difficult for people who wear spectacles and leave them at home—like I do, quite regularly—to work out the problem in relation to volume, price and indicated price before you get to the checkout. I understand the problems people face, and I thank the member for those questions.

SCHOOLS MINISTRY GROUP

The Hon. A.L. EVANS: I seek leave to make an explanation before asking the Minister for Agriculture, Food and Fisheries, representing the Minister for Education, a question on the subject of the schools ministry group chaplaincy program.

Leave granted.

The Hon. A.L. EVANS: The schools ministry group chaplaincy program has been running in schools for the past 15 years. The program continues to expand across the state and has an excellent reputation for quality care and support for students and staff. I am sure that each chaplain could share stories of times when they have been able to support students going through rough times.

Primary schools are one of the areas of major growth. In the final term last year, the program's coordinator was placing a new chaplain every week. There is a high demand for chaplains, with over 400 primary schools still without chaplains. A great majority of the funding for the program comes from the schools ministry group. Government funding for the program is only adequate to meet the wages of two coordinators. An extra $12 875 per year is needed for each coordinator. The extra cost is currently being met by the schools ministry group. The two coordinators oversee 130 chaplains.

Given the increased demand for chaplains in schools and the need for an extra coordinator, the board at its meeting in June determined whether the schools ministry group can continue to fund at the current level. I understand that without additional funds the program may need to be reduced. The schools ministry group has written to the Hon. Trish White, stressing the need for additional funding. As yet, no response has been received. The Premier, the Hon. Mike Rann, spoke at last year's schools ministry group fundraising dinner. He concluded with the following remarks:

> I congratulate the schools ministry group on the wonderful work you perform. I will assure you that the next government continues to support your endeavours and encourages schools to partner with you in your work.

My questions to the minister are:

1. Will extra funding be made available to provide for the extra cost of the two current coordinators? If so, what will be the extent of that funding? If not, will the government accept responsibility for the possible reduction in the schools ministry program?

2. Will the government consider funding an additional coordinator, given the level of demand from the schools for extra chaplains? If so, what will be the extent of that funding? If not, how does the Government intend to provide for children's spiritual needs in these schools without chaplains?

3. Will the government consider funding a part-time training and development officer to develop and implement the benchmark training of chaplains? If so, what will be the extent of that funding? If not, does the government have any idea about how much funding can be obtained?

4. Does the minister intend to respond to the letter sent by the board of the schools ministry group dated 26 April 2002?

The PRESIDENT: Before calling on the minister, I just draw to the honourable member's attention—and I know that this is a subject dear to his heart—that realistically he asked 10 questions. It is generally the practice to keep questions short. Obviously it is for the minister to decide how he responds, but I would ask all members to pay attention to the fact that we are getting quite a few seven or eight part questions. It is quite difficult for the ministers.

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): It certainly does put some pressure on providing detailed answers within the time frame. As members would be aware, we have been doing our best over the first three weeks to provide answers as quickly as possible. I will pass on those questions to the Minister for Education for a reply. Obviously these matters are all related to the education budget which, like most people, I am aware is under enormous pressure.

Heavens knows what the Leader of the Opposition was doing when he was the treasurer in relation to placing controls over spending in the education department, but that is something for another day. There was an incredible laxness—a staggering, unprecedented laxness—of control within that department.

The Hon. A.J. Redford interjecting:

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: Quite clearly what his government was doing was promising money that it did not have and knew that it had absolutely no possibility of having. The questions asked by the honourable member are very important and serious and I will seek a response from my colleague.

REGIONAL AIR SERVICES

In reply to **Hon. DIANA LAIDLAW** (9 May).

The Hon. T.G. ROBERTS: The Minister for Transport has advised that:

I thank the honourable member for her question. As was stated by the Minister for Transport in another place on 13 May and 16 May 2002, his office was approached on 13 May 2002 by AustraliaWide consortia, which is the preferred bidder nominated by the administrator for the purchase of Hazelton Airlines and Kendell Airlines. I understand that was the first contact by the consortia with the Minister's office.

However, on the administrator declaring AustraliaWide as the preferred bidder, my colleague also was advised by Transport SA that contact was made with the administrator, AustraliaWide and the Commonwealth Department of Transport and Regional Services to establish if there were any expectations of the South Australian government by the bidder. The advice obtained was that it appeared that conditions applied only to the New South Wales and Commonwealth governments. The Minister for Transport's office also had discussions on the night of the initial contact with the Office of the Commonwealth Minister for Transport and Regional Services, Hon John Anderson.

Notwithstanding this late approach, the Minister for Transport arranged for both himself and the Deputy Premier, along with officials from the Department of Industry and Trade and Transport SA, to meet with the consortia just over 24 hours after their approach.

They met with the consortia representative who confirmed that: first, they had been negotiating with the New South Wales' government since February; secondly, they were the administrator's preferred bidder; thirdly, the administrator had given them a deadline of Friday, 17 May 2002, to resolve any conditions associated with its bid; fourthly, they were seeking a government guarantee of a $15 million loan which had recently been refused by the New South Wales government despite three months of negotiations and analysis; and, finally, they were seeking direct financial assistance of $5 million from the South Australian government.

The Deputy Premier advised the consortia representative that the South Australian government was not able to provide the level of financial assistance that was being sought. Nevertheless, the government has indicated that it is open to further approaches from AustraliaWide.

This government is certainly very concerned as to the outcome of this process of administration for Kendell Airlines. However, it will not simply pour very significant amounts of money into a venture that the financial markets have identified as a venture that they themselves will not independently support. The government is certainly examining all possible outcomes from the current administration process and will do whatever it can as a responsible government to assist in the maintenance of airline services to regional areas.

DRUGS SUMMIT

In reply to **Hon. M.J. ELLIOTT** (16 May).

The Hon. P. HOLLOWAY: The Premier has provided the following information:

The South Australian Drugs Summit will focus on illicit drug use, with a particular emphasis on the growing use of amphetamine-type drugs, including 'designer drugs'. It will also consider broad licit and illicit drug use issues for young people and Aboriginal people.

The government is well aware of the personal and social costs associated with the use of both licit and illicit drugs generally. The Summit will be considering the illicit drug use problem in the context of overall drug use and particularly the linkages between, and progression from, licit to illicit drug use, and also between illicit drugs.

The emphasis on amphetamine-type substances reflects the substantial increase nationally and internationally in the last several years in the production, distribution and use of these substances.

There is also much less information available about the health effects of amphetamine-type substances or treatment options compared with other licit and illicit substances (eg alcohol, tobacco, marijuana and heroin).

The government has organised the Drugs Summit to provide input from as many people as possible from the South Australian community representing a wide range of experience and views.

ABORIGINAL COMMUNITIES

The Hon. R.K. SNEATH: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs a question about Aboriginal communities.

Leave granted.

The Hon. R.K. SNEATH: I refer to recent criticism from the former minister for Aboriginal Affairs of the approach of the new government towards the Aboriginal Affairs portfolio, in particular, criticism directed at the way in which the new government is taking an interest in and playing an active role in helping communities resolve challenges they face. My question is: will the minister inform the council of the challenges that the government has had to face when dealing with the problems confronting Aboriginal communities?

An honourable member interjecting:

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): The honourable member says that it should be a ministerial statement. I have given reports and ministerial statements on a similar sort of question, but there are issues which are running at the moment which certainly need updating. I was going to say that I appreciate the bipartisan approach that the shadow minister has taken in relation to helping to solve a lot of these problems—more so than the problems that were created by the previous minister when his party was in government.

The current inquiry into petrol sniffing and the Coroner's report will show that a lot of work needs to be done in a bipartisan way between the commonwealth, Western Australia, South Australia and the Northern Territory. The

AP lands have been neglected for some considerable time, and I think I need to explain the difference between this government's policy—which will be carried out—and the previous government's position in relation to dealing with problems within the Aboriginal communities. It is not my intention, nor is it the government's intention, to be patronising—which we have been accused of. It is our intention to be able to solve problems—that is, to talk to people on the ground, to work with those people affected by difficulties within their communities and to try to come to terms with service delivery. It is my intention to divide into three parts the negotiating process—that is, to involve elected leaders, to involve traditional owners (where they can be identified) and to involve the peak bodies. Only by working in this way can we get to the source of the problem to reach a unified position in relation to taking ownership of those problems as they are being created and to form new policies to deal with them.

We are, sadly, lacking in being able to deal with a whole range of problems, particularly in the AP lands, because of the lack of attention by the previous government in the name of allowing the communities to be self-governing and to look after themselves and not be patronised by government. It is not the government's role to patronise, but it is the government's role to make sure that government funding and services are provided to prevent communities from collapsing inwardly on themselves. By any measure that one wants to use to look at the conditions of people, in particular within the north-west of the state and in and around the Coober Pedy area, one will see that circumstances have deteriorated markedly in the past eight to 10 years.

It is incumbent on us to work with the communities to identify the issues within the communities which they think prevent them from moving forward, and to work with them to design solutions so they can take ownership. We also need to make sure that there is community-building within those regions so that they are capable of making those decisions and carrying out those decisions with our assistance. It is not a matter of bureaucratic dictate, which is another form of delivery that has failed over the years, where we fly in our bureaucrats to identify problems, do not place any reliance on governance on the ground, or ownership on the ground, with respect to those problems, fly them out and expect those problems to be solved by funding allocations. The other strategy is to do nothing, that is, to provide funding with no support and assistance, and that is not a solution either.

The communities are calling out for help. The current inquiry has found that the terms of reference are, in fact, too narrow in relation to a broader range of issues that have impacted on the communities. And I am afraid that the problem associated with not dealing with those programs—not allowing government committees to be formed so that a wider range of people in parliament can be exposed to the problems that people face in regional and remote areas—has not assisted in the process.

We will be putting together a committee of governance across parties to assist the process of identification and monitoring of programs that will be put in place by demand through recommendations coming out of the Coroner's report, and we will also be putting in place on the ground a discussion program through the communities in relation to how to form a governance program for themselves so they can participate in identification and delivery. I do not think that is patronising but a constructive way to proceed. I know from the meetings I have held with the communities in the remote regions that the traditional owners are the ones left out of a whole range of discussion programs. That is the area in which I have been accused of being patronising. They now will find a voice and hopefully their elected leaders and representatives within the state and across borders into the territory and Western Australia can assist to find solutions to outstanding problems that are costing young people and adults their lives and setting up a whole range of mental health service problems with which we need to deal.

The Hon. Diana Laidlaw interjecting:

The Hon. T.G. ROBERTS: If the honourable member is concerned about the time taken, this is a very serious issue and over the next four to six weeks we will find out—

The PRESIDENT: Order! The interjections are not making it any shorter.

The Hon. T.G. ROBERTS: I might go through *Hansard* to find some of the honourable member's replies when she was in government as transport minister.

The Hon. Diana Laidlaw: This should be a ministerial statement.

The Hon. T.G. ROBERTS: We will be dealing with it.

The Hon. NICK XENOPHON: I have a supplementary question. The Northern Territory Coroner's findings in 1998 concerning the death of Kunmanara Muller, a 14 year old petrol sniffer, stated that there ought to be a noting by medical examiners of a deceased's history of inhalant abuse, even if the death could be attributed, for example, to asphyxiation or heart failure; the establishment of treatment and rehabilitation facilities; and the increased cooperation of government agencies in the tri-state area. Does the minister agree that these recommendations ought to be implemented in South Australia immediately?

The Hon. T.G. ROBERTS: The list of Coroner's recommendations are probably the recommendations that will come forward from the state's inquiry into deaths. We will be looking at implementing those recommendations as soon as possible. The issue associated with the individual who was the subject of a coronial inquiry I am not familiar with, but I will familiarise myself with that case.

VETERINARY SURGEONS ACT

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Minister for Agriculture, Food and Fisheries a question about the review of the Veterinary Surgeons Act 1985.

Leave granted.

The Hon. J.F. STEFANI: The previous Statutory Authorities Review Committee undertook an inquiry into the Veterinary Surgeons Board. The role of the Veterinary Surgeons Board is to protect consumers in maintaining a high standard of veterinary practice within South Australia. The board is established as a body corporate under section 5 of the Veterinary Surgeons Act 1985. During its inquiry the Statutory Authorities Review Committee took evidence indicating that the Department for Primary Industries was undertaking a review of the Veterinary Surgeons Act.

Witnesses from the board expressed some concerns that the Australian Veterinary Association and other stakeholders had only limited input into the review of the act. The Veterinary Surgeons Board also expressed concern that its request for the provision of an informal complaints system had apparently not been incorporated in the amended act. In particular, the board was of the view that the new act should

contain a number of provisions including: continuing education, an endorsed code of conduct, greater powers to impose conditions upon registration, and increased powers of inspection. My questions are:

1. Will the minister give an undertaking that greater consultation will occur with the stakeholders in completing the review of the act?

2. Will the minister ensure that the board's request in relation to its functions is properly addressed and incorporated in the review of the act or amendments to the act?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I thank the honourable member for his important question, and I will bring back a response. I think it is probably best that I have a close look at the recommendations and bring back a considered response.

TC TRUCK AND BUS SERVICES

In reply to **Hon. T.G. CAMERON** (16 May).

The Hon. T.G. ROBERTS: The Minister for Transport has advised the following information:

The Minister for Transport is aware that TC Truck and Bus Services were subcontracted by MAN Automotive Imports Pty Ltd (MAI), the supplier of MAN buses in Australia, to assemble the chassis imported from Germany for the gas buses, and that commercial decisions have been made by MAI to redirect works associated with preparation of the chassis for the new diesel buses to another subcontractor.

As stated in Mr Glenn Statham's letter in the *Advertiser* dated 14 May 2002, Transport SA has committed to the purchase of diesel powered buses for the next 50 buses. This is due primarily to the fact that these buses will be delivered to the Outer South contract area over the next 12 months and there are no gas refuelling facilities available at the Lonsdale Depot.

The government is committed to the provision of 'clean and green' buses for the future and has specified that the new diesel buses be produced to Euro 3 standard which, in terms of emissions, is comparable to the current production of CNG powered buses.

The government also is committed to responsible risk management in terms of providing a bus fleet which contains both gas and diesel powered buses to spread the risks of future fuel price and availability.

For the record, there are now 213 CNG powered buses in the 758 strong state bus fleet representing 28 per cent of the fleet.

TAXIS

In reply to **Hon. DIANA LAIDLAW** (16 May).

The Hon. T.G ROBERTS: The Minister for Transport has advised that, on 21 May 2002, he announced that all South Australian taxis will have security cameras installed by 1 December 2002.

This will require operators to place their orders for cameras from one of the four accredited suppliers by 1 July 2002 in order to meet the deadline.

The government will not utilise taxpayer funds or funds from the Passenger Transport Research and Development Fund to purchase cameras. Taxi operators are required to fund the purchase and installation of cameras.

The government has agreed to use funding from the Passenger Transport Research and Development Fund for a promotional campaign to inform the public about existing security measures such as two-way radio, global positioning system (GPS), and alarm system. The campaign will also explain how the community can help the industry through measures like leaving the porch light on at night when a cab has been ordered.

A range of further safety measures will be considered. These include extra training and refresher courses for drivers about risk management techniques. The adequacy of existing penalties for offences against taxi drivers also will be considered.

This government is committed to ensuring that people trying to make a living can do so safely. For our cab drivers that means making the workplace as safe as possible and harnessing community support.

RURAL HEALTH

In reply to **Hon. CAROLINE SCHAEFER** (13 May).

The Hon. T.G. ROBERTS: The Minister for Health has provided the following information:

1. Rural health units must meet the financial reporting requirements of all government agencies. The request for details of cash balances in 'non departmental—capital accounts' is a routine matter to meet these reporting requirements, it is not a sign of predicted cuts.

2. These routine requests for information on 'non departmental—capital accounts' is for accounting purposes only and infers no call upon health unit capital funds whatsoever.

SHOP TRADING HOURS

In reply to **Hon. T.J. STEPHENS** (16 May).

The Hon. T.G. ROBERTS: The Minister for Transport has advised the following:

I have received advice from the Hon. Michael Wright MP, Minister for Industrial Relations that, at this point in time, it is not the government's intention to undertake a full deregulation of shop trading hours nor to conduct another review.

The parliament can be assured that any change in hours will be in a way which will enable small traders to be treated fairly and their interests recognised. The government is committed to protecting the owners of small stores from the impact of a full deregulation trading hours. Similarly, the government also is committed to ensuring that the interests of retail employees are given similar regard.

SUPPLY BILL

Received from the House of Assembly and read a first time.

AGRICULTURAL AND VETERINARY CHEMICALS (SOUTH AUSTRALIA) (ADMINISTRATIVE ACTIONS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 May. Page 224.)

The Hon. IAN GILFILLAN: The Democrats support the passage of this bill. The bill arises from a High Court decision in The Queen v. Hughes 2000. Members will recall that we have already amended a number of state acts in regard to this matter, in particular, the amendments to the Corporations Act last year, which were quite extensive. It is not my intention to review the arguments for the bill as they have been more than adequately covered by the minister, the Hon. Ms Schaefer and the insightful contribution from the Hon. Angus Redford. It is a pity he is not here to hear this bouquet. I hope it is referred to him by his friends and colleagues, because it is pretty rare.

In short, the High Court decision has brought into question the ability of commonwealth agencies and offices to perform functions and exercise powers under state law. This bill will remove that doubt in the area of agricultural and veterinary chemicals. I indicate that the Democrats support the speedy passage of this bill.

The Hon. T.G. CAMERON: This bill amends the Agricultural and Veterinary Chemicals (South Australia) (Administrative Actions) Act as part of a commonwealth-state agreement to validate the actions of commonwealth officers and authorities that may potentially be invalid following the High Court judgment of R v Hughes. In that

case, the High Court held that the actions of commonwealth officers who perform state duties under joint schemes were invalid because there was no nexus between the exercise of the state function transferred to the commonwealth and one or more of the legislative heads of power of the commonwealth parliament. This applied specifically to the National Registration Scheme for Agricultural and Veterinary Chemicals.

The previous government approved the passage of the Cooperative Schemes (Administrative Actions) Amendment Bill—a commensurate piece of legislation. There are no previous actions that need to be validated, nor any that are pending, but the bill must be passed in case there are actions in the future and to validate the commonwealth act. SA First supports the bill.

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I thank members for their contributions and indications of support for the second reading of this bill. The government acknowledges that the cooperative schemes which require complex arrangements between the commonwealth, states and territories are not immune to errors and oversights; and the Case of R v Hughes illustrates this reality.

In our federal system, where the powers of particular issues are divided between the commonwealth and the jurisdictions, it is incumbent on all legislatures to improve the harmonisation, workability and transparency of these arrangements. In this bill, the validity of the nexus between the commonwealth's Agricultural and Veterinary Chemicals Code Act 1994 and our Agricultural and Veterinary Chemicals (South Australia) Act 1994 is being strengthened.

South Australia is the last state to make the amendments to the template legislation concerning rural chemicals and we are fortunate that no past prosecutions have occurred in South Australia under this legislation and none are currently pending. Nevertheless, we must make the changes indicated in the bill to ensure that the spirit of the cooperative legislation is validated. I again thank members for their indication of support.

Bill read a second time.

In committee.

Clause 1.

The Hon. A.J. REDFORD: I have a question on clause 1. In light of my contribution concerning national scheme legislation and template legislation with the previous government, in the cabinet handbook there was a prohibition on the adoption by South Australia of template legislation. Is the minister able to confirm that that still is the case in the current cabinet handbook?

The Hon. P. HOLLOWAY: It is my understanding that the handbook has not been altered. But I will confirm that and bring back a response for the honourable member.

The Hon. A.J. REDFORD: I am grateful for the honourable member's indication, and I fully understand if he cannot answer it, but one of the effects of that particular provision was, effectively, to render nugatory all the criticisms from South Australia's perspective of template legislation. Because the practical result of that was, during the term of the last government—or at least the last seven years of the last government—we were always the lead state in this sort of legislation. So, the whole of the bill and the regulations were set out, and all the appropriate scrutiny that took place within the parliament and within the parliamentary committee system took place irrespective of what might have happened in other states.

The Hon. T.G. Cameron interjecting:

The Hon. A.J. REDFORD: The honourable member interjects and says that the Legislative Council was the final arbiter. I suspect that the House of Assembly had as much power but perhaps did not exercise it. That was the net effect of it. Obviously, if that continues, then the criticisms of template legislation that might exist out there would certainly not exist in South Australia, because we will always be the lead state, until another state decides to adopt the same position which, in the end, would mean the death of template legislation, which I am sure would receive the support of most members of parliament.

The Hon. P. HOLLOWAY: All I can do is note the honourable member's comment in relation to that. This is a subject that—

The Hon. A.J. Redford: A hobbyhorse.

The Hon. P. HOLLOWAY: It is a hobbyhorse of the honourable member, and it is a very interesting and important question. It is probably one of those topics that is very well discussed at Legislative Review Committee meetings. What was the name of the overarching committee we had?

The Hon. A.J. Redford: Scrutiny of Legislation.

The Hon. P. HOLLOWAY: Scrutiny of legislation conferences, which are held annually. I think they are important topics, but perhaps they are too big to be included here. I should add to the answer I gave previously that there is a new ministerial code of conduct, and I assume the cabinet handbook is a different document, but I will check that.

The Hon. T.G. CAMERON: In R v Hughes the High Court held that the actions of commonwealth officers who perform state duties under certain joint schemes were invalid, because there was no nexus between the exercise of the state function transferred to the commonwealth of one or more of the legislative heads of power of the commonwealth government. This question may not be valid at all, but it is one that just occurred to me. Has the state government checked to ensure that no other pieces of legislation, or any other matters, are caught up in R v Hughes?

The Hon. P. HOLLOWAY: A whole host of acts have been caught up, and I think we have dealt with some of them. Virtually every cooperative scheme is potentially caught up in this, as I understand it—for example, some of the road traffic schemes. I spoke to an eminent constitutional lawyer about this 12 months ago, and he gave me a quite large list of acts that were potentially caught up by this particular case. Clearly, the Hughes case involved Corporations Law, which is one of the most complex pieces of legislation around commonwealth-state relations. There are many agreements in many areas that I understand were potentially affected by that High Court decision, and some of them have been addressed. I know that a couple of bills that we dealt with last year—and I suspect there may be more—related to that case, but offhand I cannot think of them.

The Hon. T.G. CAMERON: Are there any more of these cases sitting in the cupboard, so to speak, that may come out and, if so, what are they? What areas might they cover?

The Hon. P. HOLLOWAY: The answer is probably better given by the Attorney-General than me, but I suspect that it would be any legislation that involves commonwealth-state schemes where you have commonwealth and state legislation. There are a number of areas. Even within my own portfolio there is legislation in relation to offshore legislation passed last year, although I suspect that—and I will have to check this—because that was fairly recent legislation, it probably took this into account. I am sure there are a number

of schemes where there is complimentary commonwealth-state legislation and, if it was passed prior to the date of that High Court decision, it would be potentially caught up in that decision. That is a matter I would have to ask the Attorney-General to check. I think he is far more qualified than me to answer that question.

The Hon. T.G. CAMERON: My question is: will the minister undertake to contact the Attorney-General to find out what these cases are and report back to the chamber?

The Hon. P. HOLLOWAY: Clearly, as a result of the Hughes case, one would expect that all the various agencies that would be potentially affected by this would be looking through their legislation and seeing whether amendments were necessary. I will see whether the Attorney can provide a list of those that have already been dealt with or those that are pending.

Clause passed.

Remaining clauses (2 to 6) and title passed.

Committee's report adopted.

Bill read a third time and passed.

SEEDS ACT REPEAL BILL

Adjourned debate on second reading.

(Continued from 28 May. Page 225.)

The Hon. T.G. CAMERON: This bill repeals the Seeds Act due to the national regulatory framework which was been put in place. The Seeds Act 1979 protects the consumers of seeds by providing a regulatory framework for labelling and to prevent the spread of noxious weed seeds. It also provides for an official fee based government seed testing laboratory. The Commonwealth Mutual Recognition Act applies to virtually all sections of the Seeds Act, and its purpose was to provide for national standards and to eliminate barriers to national markets. The consumer protection measures are now effectively in place as a national industry code of practice, and the standing committee on agriculture and resource management decided that the states could repeal their seeds legislation.

On 29 October 2001, the previous government approved the repeal of the Seeds Act. Responsibility for important agricultural weed management has been transferred to the Animal and Plant Control Act. Other weeds of concern can also be brought under this act. Farmer to farmer seed trade will be covered under the Fair Trading Act, and a national education program and a code of practice will be established. An Australian Seeds Authority will be established as a watchdog. The Seed Services Board will recommend fee pricing to the minister with the objective of removing any net competitive advantage to government owned enterprise.

SA First supports this bill, but we would be interested to hear from the minister whether the Seed Services Board, which will recommend fee pricing to the minister, will be under any direction or guidance from the minister to ensure that fee increases are kept in line with government promises; that is, that they will be increased no more than inflation.

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I thank members for their indication of support for this bill. As has been pointed out, the bill is a fairly simple piece of legislation. It simply repeals an act that is no longer relevant because of changes that have taken place in relation to mutual recognition. In relation to the specific question the Hon. Terry Cameron asked, I would like to give him a response later and take it on notice. I did not quite get the—

The Hon. T.G. Cameron: Just to say that you will keep your promise; that is, the fees will not go above inflation.

The Hon. P. HOLLOWAY: It is certainly the government's intention that it will keep its promises. I hope that that would go without saying. I did not hear the exact wording of the honourable member's question, so perhaps I should take it on notice and respond later.

Bill read a second time.

In committee.

Clause 1.

The Hon. T.G. CAMERON: I will put the same question I put to the minister during my second reading contribution. I have noticed that the Seed Services Board will recommend fee pricing to the minister. My question is: in line with the government's promise that no fees, charges, taxes and so on will go up over and above inflation, will the minister, when he receives these recommendations, ensure that these recommended fee increases are in line with inflation or not above it, which would then be in breach of a government promise?

The Hon. P. HOLLOWAY: That may not necessarily be so if we are talking about services or fee for services. Clearly, it depends on what is being talked about. If there is an increase in price that needs to be recovered through a cost recovery process, then there may well need to be an increase greater than inflation. I will have to seek some advice on the details of the sorts of services provided. Clearly, if there is a cost recovery element and if costs do increase by greater than inflation, then I guess the normal procedure—certainly in the primary industries field which has cost recovery schemes in place—would be that those costs would rise by the extent necessary to recover cost, but I would need to seek some more information. If the honourable member requires an answer before we proceed, I will adjourn the debate and get that information for him.

The Hon. T.G. CAMERON: I do not know that we will need to adjourn the matter. I do understand what cost recovery means and I do understand that, if the Seed Services Board is recommending fees to the minister which encompass cost recovery exercises, they will reflect the recovery of those costs, but that is not what I am talking about. What I am talking about is a situation where the fee for a certain practice was set at XYZ dollars and, in order to generate additional revenue, the Seed Services Board puts forward a recommendation to the government that the price be increased by a figure well above inflation. I am not talking about pure cost recovery exercises, I am talking about matters whereby you are able clearly to see that the price for this service 12 months ago was $52 and 12 months later they are recommending that the fee be increased to $65, which is way outside inflation.

I am trying to ensure that the government will honour its promise in relation to these fees and that they are not increased over and above inflation. That is all.

The Hon. P. HOLLOWAY: In my second reading explanation I said:

> The newly appointed Seed Services Board will recommend to the minister fee charges for these services to ensure they meet cost reflective pricing principles.

If the cost does not go up, then there would be no need for the fee charges to increase. If there were some factor that caused those fee charges to rise, then those fees would go up by the amount necessary to reflect that cost. I think there is a well-established principle within the agricultural sector of cost

recovery for a number of services, where we do have increases that reflect the cost to the industry. Sometimes price rises are greater than inflation and sometimes there are falls. The fees and costs for the fishing industry, for example, depend on the services provided.

When talking about meeting cost reflective principles, there is a problem if you are talking about indexing to inflation, because there is a different set of factors at work in relation to setting prices. The important thing is that, whatever fees are charged, they will be recommended to the minister and they will meet cost reflective pricing principles. In the second reading explanation, I pointed out:

> The objective is to remove any net competitive advantage available to government-owned business activities. Prices for seed testing and certification will continue to require ministerial approval following the Seed Services Board recommendation.

I think there are proper constraints in relation to the prices that will be charged.

The Hon. T.G. CAMERON: I am wondering whether the minister would be good enough to forward me information he has on the guidelines or principles that the government is currently using in relation to cost reflective pricing. If costs go up, then naturally prices and fees will go up, but costs should not be rising well above the rate of inflation. If the Seed Services Board makes recommendations that are way above inflation, what steps will the government be taking to ensure that the fees recommended by the Seed Services Board are fair and transparent, and embrace the principles of cost reflective pricing?

The Hon. P. HOLLOWAY: Ministerial approval is required, and the check is the board itself. In the first analysis, the board works out a fair fee to meet those cost reflective principles. They do require ministerial approval. That is the oversight to ensure—

The Hon. A.J. Redford: Is it done by regulations?

The Hon. P. HOLLOWAY: Most fees are; I would have to check. I would be surprised if they were not.

The Hon. A.J. Redford interjecting:

The Hon. P. HOLLOWAY: I will need to check that and respond later. I think that is the case; they normally are. The fact that they require ministerial approval and they are set by the board in the first instance is the protection to ensure they are cost reflective. The objective of this whole exercise is to remove any net competitive advantage available to government-owned business activities. If there are private providers, then that competition will provide some restraint in any case.

The Hon. T.G. CAMERON: I think I missed your answer to my request for any written information on the cost reflective pricing principles that the government is using currently. Would you be prepared to let me have a written copy of those?

The Hon. P. HOLLOWAY: There are no regulations in relation to this because the act is being repealed. It would follow that there are no regulations. I understand the former regulations expired on 1 September last year.

The Hon. T.G. CAMERON: Is it the government's intention to replace the old system with a system that is comparable, that is, if fee increases go through they will be done by regulation? Is that the government's intention?

The Hon. P. HOLLOWAY: As is explained here, that will be replaced by the ministerial direction. That is the method that will replace it because we are repealing the act.

The Hon. T.G. CAMERON: I do not know a lot about this area but, under the old system, when the government increased fees, it did so by regulation. Is that correct? You are now changing that to do it by administrative action, so these price increases will not be subject to parliamentary approval at all. I would not have thought that was transparent and accountable.

The Hon. P. HOLLOWAY: Under the previous system, seed testing was controlled by regulation, but that was 50 per cent of the cost. The other 50 per cent certification was not subject to regulation.

The Hon. T.G. CAMERON: I am wondering whether the minister could outline how that compares with the new system that the government is proposing. This has come as a shot out of the blue. We may be moving away from a system of regulation, which had parliamentary scrutiny, to one where there may be no appeal once the government accepts the recommendation from the Seed Services Board. Once the minister announces that increase, that is final. Under the current system, if people were concerned about the increase, they would able to bring it back to either one of the houses of parliament and test the parliament as to the fairness or equity of that fee increase. That process in itself, in my opinion, provided a good check and balance, if you like, to ensure that ministers did not go overboard when setting these fees.

We do have a general promise that the government will not increase fees over and above inflation. I was not able to get an unequivocal answer that these fees would be subject only to inflation. Now we find the actual regime is changing. Previously, they were subject to regulation and parliamentary scrutiny. Now they will not be subject to regulation or parliamentary scrutiny. It begs the question as to what the appeals process might be if a group of farmers or someone was outraged and did not agree with these cost reflective principles—which I am hopeful of achieving.

That does not seem to be fair. My question is: will the minister come clean and outline just what changes are being made? Are there any others? Could he please explain in more detail, if we are going to change from this system of regulation to a new system, what checks and balances there might be to ensure that some aggrieved farmer does not get hit in the neck with a huge bill from the seeds services board?

The Hon. P. HOLLOWAY: I am advised that the seeds board is the check and balance, and members of the seeds board are appointed by the chief executive of the department. They are not ministerial appointments, and they involve both seed processors and growers. They are the check and balance. It is these people who are recommending the charges, and the minister is the second line of defence to ensure that there is no over-charging. But it is scarcely likely that the seeds board would recommend excessive fee charges to the people whom they represent.

The Hon. T.G. CAMERON: Well, I am not so sure that I can accept that assurance from the Hon. Mr Paul Holloway. I think he has been around too long to fall for that one. I am a little concerned and puzzled as to my position in relation to this bill. Does the minister's offer still stand to set aside this matter for the time being until I can have a more detailed look at this question of regulations? If we are going to move away from a system of regulating these fees to just government administrative action, I would like to consider that point and consider a possible amendment to the bill to give the council an opportunity to consider it.

The CHAIRMAN: We are looking at a bill with two clauses. One is that the act be cited as the Seeds Act Repeal Act. The second is that the Seeds Act 1979 is repealed. We are technically supposed to be talking to the clauses that are

printed. I understand the reason for the concern. If the minister wants to adjourn it, that is perfectly his right to do so but, if we are looking at the bill as printed, we ought to be discussing the same things. I know that the committee does allow for wide-ranging discussion, and it is right and proper that a member can ask questions, but I do not know that we will go too far with it.

The Hon. P. HOLLOWAY: What we are talking about here is the repeal of the Seeds Act. It is as simple as that. That is what this bill does: it repeals the act.

The Hon. T.G. Cameron interjecting:

The Hon. P. HOLLOWAY: The regulations lapsed in September last year, so no regulations are currently in place. If you were to regulate the price, you would have to introduce an act of parliament by which to do it. Really, in a sense it defeats the whole purpose of the bill. What we are doing here is saying there is a seeds services board that is setting the fees provided by the department in relation to that. It would be fair to say it is not strictly related to the Seeds Act itself. Clearly the board exists outside the Seeds Act.

The Hon. T.G. CAMERON: I thank the minister for his answer and I do appreciate the point he is making. Following some of the questions that I asked, the minister did make an offer that, if I had concerns, he would hold over this matter. I would ask the minister to adjourn this bill until next Tuesday to give me an opportunity to look at the full implications of repealing this act and what it means for this parliament's power to have a say or reject any regulations in future.

If the minister gives me an undertaking that, by repealing this act, the government intends to introduce legislation which will mean that all of these fee increases will be subject to regulation, I guess we could proceed, but he is not doing that. Will the minister adjourn this matter until next Tuesday to give me an opportunity to look at the implications of this, and I will give him an undertaking that I will be ready Tuesday afternoon to deal with the bill.

The Hon. P. HOLLOWAY: In view of those comments, I am prepared to give the honourable member more time.

Progress reported; committee to sit again.

FOOD FOR THE FUTURE

Adjourned debate on motion of Hon. Caroline Schaefer:

That this council congratulates all those involved with the Food for the Future initiative and the State Food Plan on the recent National Jaguar/Gourmet Travel Award for Innovation.

(Continued from 15 May. Page 147.)

The Hon. CARMEL ZOLLO: On behalf of the government, in particular the Leader of the Government in this place, the Hon. Paul Holloway, the Minister for Agriculture, Food and Fisheries and Minister for Mineral Resources Development, I indicate the government's wholehearted support for this motion. In response to a question without notice a few weeks ago, I noted that the minister added his congratulations to all involved with the Food for the Future initiative on receiving this very important and prestigious award.

Food for the Future was recognised in this year's Jaguar/Gourmet Travel awards for developing innovative organisational structures and processes that enable effective working partnerships between the food industry and government departments. It is important to stress that Food for the Future is very much a unique partnership between South Australia's food industry and the government, creating an innovative and competitive industry. The aim of the state food plan, a key initiative of Food for the Future, is to increase the value of the state's food industry to $15 billion by the year 2010.

Food for the Future provides clear direction for food industry initiatives, including the development of internationally competitive export systems for targeted markets. I note that the honourable member paid tribute to Dr Susan Nelle, the Director of Food for the Future. I have had the pleasure of meeting Dr Nelle and I endorse her comments. Doctor Nelle is enthusiastic and committed to see a successful outcome for the state food plan. She approaches her task with great passion and commitment, and I also add my congratulations to her for her work.

The honourable member spoke at great length in relation to the motion. In particular, she gave the history of the Food for the Future initiative as well as the history of the Jaguar Food Awards for Excellence. I will not try to repeat those comments in a different manner, other than to say that I endorse them. However, it is important for me to mention the other South Australians recognised for their innovation. They include Beech's Quality Fruit at Barmera, which produces sun-glazed figs, peaches, apricots and sultanas (Tony and Jenny have turned their hailstorm devastated fig orchard into a successful business and produce high quality glacé and dried fruit), and CSIRO research scientist Dr Maarten Ryder, who has been recognised for his native food plant cultivation project, which trials the suitability of native food specimens for viable commercial production.

There are two other winners in South Australia in different categories: in the category of Innovation in Travel, Banrock Station Wine and Wetlands Centre; and in the Gastronomic Travel section, Iga Warta SA, run by the Coulthard family. On behalf of the government, I add my congratulations to those two winners for their success.

The Jaguar Awards for Excellence recognise and applaud the aspirations and achievements of like-minded individuals, from small producers bringing new and high quality produce to kitchen tables to travel operators who present a unique and truly Australian experience. Judy Sarris and Danny Rezek headed the awards judging panel, which also includes chefs Neil Perry, Philip Johnson and Maggie Beer, chef turned providore Matt Brown, *Australian Gourmet Traveller* Food Editor, Leanne Kitchen, travel writers Tricia Welsh and Michael Gebicki, and Graham Perry, CEO of See Australia. *Australian Gourmet Traveller* readers also play a role through their nominations. Each award recipient receives a trophy featuring the iconic Jaguar 'leaper' symbol and has their achievement profiled in *Australian Gourmet Traveller*, with the first four of the profiles appearing in the May issue, which is on sale from Monday this week. Given that the Jaguar/*Gourmet Traveller* awards recognise just 20 individual or small businesses that focus on excellence and innovation in every aspect of their business, South Australia's success is a great cause for celebration.

The Hon. Paul Holloway has mentioned in other debate that the Premier has agreed to chair the Food Council, with its first meeting to be held in July. The Premier's Food for the Future Council oversees the implementation of the state food program to make sure the intended outcomes are relevant to industry and, therefore, have a high likelihood of success. Food for the Future has been a great success story. This success is shared by all the state—but, in particular, of course, at the source—with increased employment in regional

South Australia and all the benefits that flow from the increased economic activity.

In relation to regional South Australia, the Food for the Future team is currently developing a series of initiatives in partnership with key service providers to further develop the food industry in regional South Australia. These include, a continuation of support to the Food Barossa initiative. Food Barossa is a regional food brand that has been developed by a group of outward looking food businesses in the Barossa region. Food for the Future has been providing support to the group during its establishment phase, and that support will continue to develop a supply fulfilment system and a marketing plan.

More importantly, the Food Barossa model will be used by Food for the Future to assist other food groups around the state develop their own regional branding initiatives. The team will also provide support to regional development boards to develop regional food plans. Food for the Future has developed a template that will help service providers create their own food plans that are linked to the state food plan and program. Currently, Food for the Future is actively assisting the Yorke Regional Development Board, the Adelaide Hills Regional Development Board and the Murraylands Regional Development Board, with a program to be rolled out to other key service providers as the model is developed.

As was also mentioned by the honourable member in her contribution, a series of demonstration projects involving value adding to commodity products in the grain, dairy, seafood and livestock sectors is being developed in regional areas around the state under the state food program. I add my congratulations to all involved, and I wish the Food for the Future initiative continued success.

The Hon. CAROLINE SCHAEFER: I thank the Hon. Carmel Zollo for her contribution. As I have said before, this is an initiative which is very dear to my heart and one which I will be watching closely in the future. I wish it every success as it continues towards 2010 and $15 billion. I ask that the motion be accepted.

Motion carried.

SUPPLY BILL

Second reading.

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I move:

That this bill be now read a second time.

This year, on 11 July 2002, the government will introduce the 2002-03 budget. A Supply Bill will be necessary for the first few months of the 2002-03 financial year until the budget has passed through the parliamentary stages and received assent. In the absence of special arrangements in the form of the Supply Acts, there would be no parliamentary authority for expenditure between the commencement of the new financial year and the date on which assent is given to the main Appropriation Bill. Due to a later budget than in previous years, it is possible that assent may not be given until October or November 2002. The amount being sought under this bill is $2 600 million dollars. Clause 1 is formal. Clause 2 provides relevant definitions and clause 3 provides for the appropriation of up of $2 600 million dollars.

The Hon. CAROLINE SCHAEFER secured the adjournment of the debate.

DAIRY INDUSTRY

Adjourned debate on motion of Hon. Ian Gilfillan:

I. That, in the opinion of this council, a joint committee be appointed to inquire into and report on the impact of dairy deregulation on the industry in South Australia and in so doing, consider—

(a) Was deregulation managed in a fair and equitable manner?

(b) What has been the impact of deregulation on the industry in South Australia?

(c) What is the future prognosis for the deregulated industry?

(d) Other relevant matters.

II. That, in the event of a joint committee being appointed, the Legislative Council be represented thereon by three members, of whom two shall form a quorum of council members necessary to be present at all sittings of the committee.

III. That this council permits the joint committee to authorise the disclosure or publication, as it thinks fit, of any evidence or documents presented to the committee prior to such evidence being reported to the council.

IV. That a message be sent to the House of Assembly transmitting the foregoing resolution and requesting its concurrence thereto.

(Continued from 8 May. Page 42.)

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): The government intends to support the motion moved by the Hon. Ian Gilfillan, that the Joint Committee on Dairy Deregulation, which was established in the last parliament, be re-established to complete its work. I hope that the work of the committee will be forward looking. The dairy industry in this state has been through considerable dislocation, particularly at the time of deregulation, which occurred on 1 July 2000, nearly two years ago. Of course, I understand that the move to set up this select committee was made some time ago, when the impacts of deregulation were still apparent upon the industry. Given that almost two years have elapsed, I think it is important that we not only learn the lessons from that deregulation process but also that we look forward, because the dairy industry in this state does have, I believe, a very promising future if we can get everything in place and if the industry can get itself together.

I have been informed that, prior to 30 June 2000 when deregulation took place, there were 677 dairy farmers in the state. At the end of March 2002, that number had fallen to 577. So exactly 100 dairy farmers had left the industry: 80 left in the first year from 1 July 2000 to 30 June 2001, and another 20 have been lost in the past nine months. I am informed that production was down last year, which I am informed was more seasonal than anything, due to the hot summer. This year it is expected that dairy production will rise again to the previous level, despite the loss of 100 farmers and the dry weather.

If we look at what has happened in the dairy industry over the past couple of years, we note that deregulation took place on 1 July following the dismantling of all the states' price and supply arrangements. It is generally accepted that deregulation itself was inevitable. It was driven not by the government but by the Victorian dairy industry, which accounts for over 60 per cent of the national dairy industry in terms of both whole milk production and the number of registered dairy farms.

The timing for deregulation and the basis and eligibility criteria for the dairy structural adjustment program were subject to agreement by national and state industry representatives and the federal government. The federal government made clear that it would only support a package whereby all producer payments, regardless of location and state, were calculated on the same basis.

The South Australian government was not involved in the negotiations regarding the conditions for that DSAP package. The major role for state governments was to agree to repeal legislation covering liquid milk marketing arrangements to enable the restructure arrangements to be implemented nationally after 1 July 2000. It is worth noting that the South Australian Dairy Farmers Association leaders argued strongly for restructure payments to be based on a composition formula of protein and fat content of milk rather than volume of milk. This stance did not receive support from the other states and, to get sign off on the package, the SADA was forced to accept the compromise system of payments based on litres.

When establishing a whole of industry package, such as the DSAP, it was always going to be difficult to meet all parties' needs. Federal minister Truss, in his correspondence to the District Council of Grant on 9 January 2001, stated:

> It is also important to understand that the commonwealth package was developed out of a proposal put to government by industry. The final package was the product of considerable consultation and negotiation between the government and all state and national dairy industry leaders. Given the scale of the package, and the significant variation in circumstances between farmers across the country, it is unreasonable to expect that all aspects of the package could meet the aspirations of all individuals. However, the government has no reason to change its view that the package represents the best and most equitable outcome possible given the many competing interests within the industry.

Most South-East producers received lower payments compared with dairy farmers in other South Australian regions due to the different marketing and levy arrangements that applied historically and before deregulation.

Representatives of the South-East producers who considered they were disadvantaged because of the DSAP criteria have been unsuccessful in approaches to the federal government and the Dairy Adjustment Authority, the independent body established to administer DSAP entitlements. It is understood that some farmers took the opportunity to take their case to the Administrative Appeals Tribunal, but to no avail. The previous joint committee established by both houses on 26 July 2001 appeared to focus on the group of South-East dairy farmers who dispute the criteria used to calculate the federal government's dairy structural adjustment payments following deregulation, and the previous committee tabled its interim report for printing in both houses on 29 November 2001.

Prior to 30 June 2000 there were 677 dairy farmers, but by the end of March the number had fallen to 577. Approximately 80 left the industry in the first year and a further 20 have left in the past nine months. Production was down 2 per cent last year. That was more seasonal than anything. If we look at the impact of deregulation on the industry, we can see that deregulation of farm gate prices on 1 July 2000 had an immediate impact on South Australian producers, with the price for milk reducing from 28¢ per litre to 24¢ per litre. Whilst this price fall occurred initially, strong export demand for dairy products and the low Australian dollar—although that has been changing in recent days—have helped to maintain prices above or around the same as 1999-2000 levels.

Discounting of milk by supermarkets added to the initial downward pressure on milk prices received by farmers. However, consumers in the metropolitan area and in larger country centres, where the larger supermarket chains operate, benefited from the discounting. While retail milk prices are generally back to previous levels, this includes an 11¢ levy to fund the restructure package. Generic branded milk in supermarkets is still often sold at prices lower than they were immediately prior to deregulation.

Improved returns to dairy farmers and the injection of funds from the DSAP have lessened the impact of deregulation on regional communities in South Australia, including the South-East. I also point out, in relation to this debate, that the final report of the high level commonwealth and all states task force into the impacts of dairy deregulation on regional Australia was presented at the PIMC meeting on 2 May 2002. This report confirms that the current positive outlook with higher prices and strong export markets has helped mitigate the adverse effects nationally and in South Australia.

The committee has a role in looking at what happened in the past, and its interim report identified a number of issues it wished to look at. I hope that in carrying out its investigations the committee looks forward, because it is important at this time that the industry, with a generally positive future, looks forward. Certainly when I was in the South-East with the regional cabinet meeting the issue of the select committee was raised by a number of people, and dairy farmers in the South-East are keen to see the select committee reach some finality.

I will relay an interesting comment made by one of the winegrowers we met in the Coonawarra region during the cabinet meeting. He made the point that, because of the positive performance of the wine industry over the past few years, it had a positive effect on other farmers in the district who were doing it a little tougher. The point he was making is that if people see success and successful industries, such as the wine industry has been, this in turn has a positive outcome for farmers who perhaps are not doing so well. In other words, confidence rubs off, which is why it is important in this debate that we do not dwell too much on the past. As the Hon. Ian Gilfillan pointed out in his speech, what happened a couple of years ago is accepted and deregulation is here to stay and is irreversible. Given the views of the Victorian industry, it was probably inevitable. Whereas we need to learn from the past, it is important that we do not dwell on it too much and that we look forward.

I will make some comments about the future. The South Australian dairy industry generally is positive about its future prognosis and has strong industry support for the 10 year expansion plan being developed by the Dairy Industry Development Board and which will be released shortly. The plan investigates the option to increase production in South Australia from 700 million litres to 1.5 billion litres in 10 years. This will result in increased export driven processing and additional jobs for regional South Australia. Whilst there is still uncertainty about prices and levels of return to producers, most industry leaders are optimistic about the long-term prospects for dairy production and processing in South Australia.

The launch of the 10 year industry plan by the Premier on 2 July 2002 will precipitate joint participation and implementation of strategies for growth by farmers, processors and government agencies alike. While it is important that we finalise the report and learn the lessons from the past, it is more important to the dairy industry that we concentrate on the very positive future for this industry in South Australia. I trust that the committee will do that.

The Hon. CAROLINE SCHAEFER secured the adjournment of the debate.

ADJOURNMENT

At 4.26 p.m. the council adjourned until Monday 3 June at 2.15 p.m.