

LEGISLATIVE COUNCIL

Monday 5 June 2006

The **PRESIDENT (Hon. R.K. Sneath)** took the chair at 2.18 p.m. and read prayers.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE

The **Hon. R.P. WORTLEY**: I bring up the 2004-05 report of the committee on the Upper South East Dryland Salinity and Flood Management Act 2002.

MURRAY-DARLING BASIN MINISTERIAL COUNCIL

The **Hon. G.E. GAGO (Minister for Environment and Conservation)**: I lay on the table a copy of a ministerial statement relating to the Murray-Darling Basin Ministerial Council meeting made in another place by my colleague the Minister for the River Murray (Hon. Karlene Maywald).

QUESTION TIME

NATIVE VEGETATION

The **Hon. D.W. RIDGWAY**: I seek leave to make a brief explanation before asking the Minister for Environment and Conservation a question about native vegetation.

Leave granted.

The **Hon. D.W. RIDGWAY**: As we all know, a number of country councils try to plan for the future and have set aside land for future developments such as houses, schools, hospitals and, in fact, cemeteries. I recently became aware that a number of councils are now finding they are unable to clear native vegetation for expansion of cemeteries. I am aware that perhaps you, Mr President, and some members of the Labor Party think that you will never need cemeteries and probably will live forever but, unfortunately, that will not be the case.

Recently, the Port Macdonnell council, in particular, sought exemption to clear native vegetation for its cemetery but was denied exemption because of the Native Vegetation Act. At a meeting in Port Lincoln in May this year, a Native Vegetation Council officer said permission could not be given to remove vegetation. When asked where burials could be conducted, he suggested using the car park. My question to the minister is: where will South Australians be buried if we cannot clear native vegetation to expand cemeteries?

The **Hon. G.E. GAGO (Minister for Environment and Conservation)**: I will take the honourable member's question on notice and bring back a response.

WORLD ENVIRONMENT DAY

The **Hon. G.E. GAGO (Minister for Environment and Conservation)**: I lay on the table a ministerial statement relating to World Environment Day made today in another place by the Premier.

GOODS AND SERVICES TAX

The Hon. R.I. LUCAS (Leader of the Opposition):

I seek leave to make an explanation before asking the minister representing the Treasurer a question about GST deals for the states.

Leave granted.

The **Hon. R.I. LUCAS**: *The Australian* today has a report on the front and subsequent pages headed 'Premiers squander tax bonus'. It is based on a report dated June 2006 released by the Institute of Public Affairs headed 'Opportunity squandered: how the states have wasted their reform bonus'. The Institute of Public Affairs highlights that the states have squandered a \$50 billion windfall on higher wages for public servants instead of cutting taxes or investing in infrastructure, according to a new analysis prepared by the institute. It has found that, since the GST was introduced in 2000-01, revenue distributed to the states has increased by more than 9 per cent a year, delivering an extra \$22 billion to state governments. It also reported that state tax revenue over the same period was \$28 billion more than expected as a result of a range of property taxes, without going into the detail. The institute also found that this unexpected revenue growth has been pumped into higher wages for bureaucrats and public servants and significant increases in the number of public servants rather than being invested in infrastructure.

Without going through all the details of the figures produced by the Institute of Public Affairs, the tables incorporated in its report under the heading 'Spending spree. State and territory revenue growth versus extra recurrent spending 2000-01 to 2004-05' highlight that South Australia has received extra revenue of \$5.5 billion. The growth in state employees during that same period was 17 per cent, and the average annual growth in employee entitlements was 6.8 per cent, according to the IPA.

Mr President, you will recall that, during the recent election campaign, the issue of the significant funding bonuses and windfalls available to the state and the waste of that money by the current government was an important political issue. During that election campaign, for example, the opposition highlighted that the state budget papers in 2002, 2003 and 2004 show that the Rann government budgeted for a total increase in those three budgets of 666 public servants. However, the actual increase in those three years was 6 909 public servants—or, in fact, an unbudgeted increase of 6 243 public servants in just three budgets. The opposition also highlighted that the claim by the government—that most of the increases had been for police, teachers, nurses and doctors—was demonstrably wrong and that, in fact, these occupations added up to less than 1 000. That number was a 9 000 full-time equivalent increase over a five-year period between 2001 and 2006.

My questions to the minister representing the Treasurer are: first, does he now concede that the Rann government has indeed squandered the tax bonus, the windfall gains that have been provided to the state of South Australia as a result of the GST deal, as claimed by the respected national commentators, the Institute for Public Affairs; and, secondly, will the Treasurer produce his own figures if he disagrees with the figures of 17 per cent and 6.8 per cent produced by the Institute for Public Affairs in its report today in relation to growth in state employee numbers and the average annual growth in employee entitlements?

The **Hon. P. HOLLOWAY (Minister for Police)**: I will refer that question to the Treasurer and bring back a reply.

MENTAL HEALTH

The Hon. J.M.A. LENSINK: I seek leave to make a brief explanation before directing a question to the Minister for Mental Health and Substance Abuse, on the subject of mental health.

Leave granted.

The Hon. J.M.A. LENSINK: The Australian Nursing Federation is an instructive web site for people interested in the topic of mental health. Indeed, an article which has been published in the Australian Nursing Journal in June of this year—very recent—is entitled ‘Mental health—It’s time for action’. The author is Melissa Sweet, who also happens to be the author of the recently released book *Inside Madness* which provides an account of the life and work of murdered psychiatrist Dr Margaret Tobin.

In the article there are a number of references of note and I would like to quote a couple of those. Under the subsection ‘Quality care’, Professor Hickie—that is, Professor Ian Hickie of the Brain and Mind Institute at the University of Sydney—warns of the following:

Some small sections of the mental health nursing work force, like other mental health professionals, need to move beyond their historic focus on custodial care. ‘No matter where we work in mental health, there is a danger of taking a custodial and disempowering and patronising attitude.’

In a box below that, a section headed ‘The national picture: a mixed report card’ states:

States and territories have achieved varying progress in implementing the national mental health strategy since 1993. Victoria is generally agreed to have made most headway in moving towards community-based care, while SA and New South Wales are lagging behind.

Professor Hickie is quoted further down as saying he has been closely involved in efforts to put mental health on the political and public agenda. He said that, while the PM’s involvement is extremely encouraging, he is disappointed that most state leaders still have not grasped the issue. Professor Hickie stated:

Mental health reform requires a degree of tough leadership. You run into vested interests. It’s a long term, not a short-term investment. Morris Lemma in New South Wales is the only premier I have spoken to who seriously understands the issue and is seriously looking at solutions.

Another reference on the web site relates to a campaign which is about to be launched by the Australian Nursing Federation here in South Australia dealing with mental health in the public sector. The title of the campaign is ‘Time’s up, Mike; it’s time for action’. My questions for the minister are: has she met with the Australian Nursing Federation and, if so, what specific issues has the federation raised with her in relation to areas of reform, and would one of those issues involve reforming the culture of our mental health system?

The Hon. G.E. GAGO (Minister for Mental Health and Substance Abuse): I thank the honourable member for her question and long explanation.

The Hon. J.M.A. Lensink interjecting:

The PRESIDENT: Order!

The Hon. G.E. GAGO: I will start first with the honourable member’s last question. I have met with a delegation from the Australian Nursing Federation, and I acknowledge the important work that the federation contributes, both as an industrial organisation and as a union and, of course, as a professional body for nurses as well. I have indicated to the federation that I am prepared to meet regularly with it, and I look forward to the federation’s contribution.

A number of issues were raised at the meeting. I cannot recall all the matters discussed—it was a lengthy meeting—but, if I recall correctly, most of the conversation was around the proposed changes to the Glenside campus and the master plan, as well as discussions around work being done by the Social Inclusion Board in relation to mental health matters; that is what most of the delegations have dealt with. However, in relation to the general comments made by the honourable member opposite, implying that South Australia is in some way lagging behind, I take this opportunity to remind the chamber of the important commitment the Rann government has made to mental health. In fact, this government is contributing \$35 million more to mental health services than did the previous Liberal government.

The Premier has also designated a mental health minister to concentrate efforts and energies on the mental health issues, and the former minister, my colleague the Hon. Carmel Zollo, and I have been the only mental health ministers in Australia, which I think shows the Rann Labor government’s very important commitment to mental health, together, of course, with the focus of the Social Inclusion Board in this regard.

I remind members also of the important work we have done in relation to deinstitutionalisation and the placing of community services: 18 per cent of the wider population will experience mental health issues some time over the next 12 months, during which period the chances are that family members or someone we know will in some way experience a mental illness. That is why we have worked very hard to provide a range of mental health services, rather than adopting a ‘one size fits all’ approach. Our approach is about balance; we have worked to create a mental health system that is tailored to individual needs, and that also includes deinstitutionalised or community-based care.

We have spent a lot of money—and we are continuing to designate money—towards moving mental health beds out into mainstream hospitals so that services can be provided closer to people’s homes and local communities and networks. Also we are about to open the Margaret Tobin Centre, and there are new beds and capital investment at the Repat. So, we have made a huge commitment to shift beds out to community placements.

I also need to mention the Returning Home project, which is helping people to get better, and I have talked at length about our recovery-based model of mental health care. We look at services such as the mobile assertive care teams (another community-based program) which provide intensive support, treatment and rehabilitation for people in their own environment and which are especially tailored for those who would not otherwise be actively engaged in mental health services. Acute crisis intervention service teams are also on call 24 hours a day for people with mental illness who are in crisis in the community.

There are also other important community-based initiatives which we announced at election time, and our GP shared care program. Of course, our GP services are front-line, and we have committed to fund 30 allied health workers such as psychologists, occupational therapists, nurse practitioners and social workers to work in private GP clinics across the state to assist people with mental illness and to provide much needed support for our GPs. These allied health workers will provide information and referral services to GPs, which will assist people with mental illness.

The Hon. J.M.A. Lensink interjecting:

The Hon. G.E. GAGO: The honourable member opposite needs to wake up and listen. I answered the part of her question about the delegation with the ANF and then I stated quite clearly that I was going on to comment, in relation to her questions, about institutionalisation and about her allegations of South Australia lagging behind in terms of community-based services. In effect, because the honourable member has finally woken up again, I am going through some of our important developments and commitments to provide community-based services for mental health clients.

Given that I was cut off in midstream, the other important initiative relating to community-based services is, of course, our Healthy Young Minds program. These services were an important election commitment of \$10.5 million, and they are based at early intervention and prevention for young people with illness, amongst other things. There are many more initiatives and achievements that I could go on and discuss, but for the time being I will leave it there.

The Hon. J.M.A. LENSINK: I have a supplementary question. Was one of the issues raised by the ANF the ambiguous reporting structure within mental health?

The Hon. G.E. GAGO: Not to my recollection.

KAPUNDA ROAD ROYAL COMMISSION

The Hon. B.V. FINNIGAN: I seek leave to make a brief explanation before asking the Minister for Police a question about the Kapunda Road Royal Commission.

Leave granted.

The Hon. B.V. FINNIGAN: The Kapunda Road Royal Commission was established on 5 May 2005 with Mr Greg James QC appointed royal commissioner. On 15 July 2005 Mr James brought down his report and recommendations. Can the minister advise what action has been taken by the government and South Australia Police to implement the recommendations made by the royal commission?

The Hon. P. HOLLOWAY (Minister for Police): I thank the honourable member for this very important question. I have been advised by the Police Commissioner that SAPOL has completed a review of the Kapunda Road Royal Commission recommendations and, as a result, a number of changes to improve service delivery have been, or will be, implemented.

One of the recommendations made by commissioner James was for all major crash personnel to be trained in the use of the Criminal Law (Forensic Procedures) Act. I can advise that, although SAPOL members had previously been trained in its use, an updated refresher course is being developed to promulgate to all members. Another of the recommendations was for a review of major crash training, procedures and management to avoid a clash of priorities which could result in ineffective or delayed investigations, and I can advise that extensive work has been undertaken in this area resulting in a number of changes being implemented. These include:

- changes to policies and work practices which have been implemented to improve efficiency and service delivery;
- structural changes to ensure adequate and appropriate supervision and accountability, including the addition of three additional staff to the major crash section, comprising an inspector, senior sergeant and senior constable. An inspector and detective senior sergeant have been in place since the royal commission. These positions have now been made permanent, and position descriptions have been

developed. The senior sergeant and senior constable positions will be advertised shortly.

- the development of a tiered approach to training, resulting in increased professionalism of members, akin to detective training and recognition and the development of corporate training for all SAPOL operation members in managing traffic crimes.

Other recommendations made by the royal commissioner have been considered by SAPOL, and I am advised that a number of changes will or have been made.

These include: recognising the criminal aspects of traffic matters and implementation of a structured management plan in line with other serious criminal matters involving oversight by senior managers; changes to notification and call-out procedures to ensure accountability; introduction and additional training in case management systems to enhance the capability for overseeing and ensure completeness of investigations; a tiered approach to accidents based on the seriousness of the incident; on-call procedures have been changed, ensuring that an experienced consultant is involved in the process; retraining of major crash in relation to arrest, charging or reporting of a suspect; examining the provision of bound A4 books with numbered pages to investigators, together with an auditing process for all notebooks; and amending SAPOL instructions to include the need to document and disclose the use of a personal mobile when used in relation to the investigation of an offence.

SAPOL has also conducted an internal review of the Major Crash Investigation Section. As a result of the internal review, the following changes will or have been implemented. A new roster has been selected that is intended to enhance the section's response capability, as well as providing greater accountability through a reduced span of control for supervisors. An additional inspector has been attached to Traffic Support Branch, with direct responsibility for the Major Crash Investigation Section. In addition to monitoring and controlling the activities of the section, the inspector will be overseeing the implementation of the Kapunda Road royal commission review recommendations. Processes have been established to provide access to the Director of Public Prosecutions' advice on a 24-hour basis. Protocols have also been introduced to ensure proper communication with the DPP on matters investigated by the Major Crash Investigation Section.

Standard operation procedures have been identified as a requirement for the Major Crash Investigation Section and are currently under development. A tiering process has been developed in relation to the allocation of investigative responsibility for fatal and serious injury crashes. The process reflects that applied within the SAPOL serious crime plan. The responsibility for the coordination and facilitation of Major Crash Investigation Section training has been allocated to Traffic Support Branch, Traffic Training and Promotion Section. This will ensure training for major crash investigations is developed in accordance with SAPOL requirements. An on-call recall policy has been developed that ensures appropriate supervisory and management responses to fatal and serious injury crashes.

Major Crash Investigation Section now utilises the resources of the physical evidence section, Forensic Services Branch. Subpoena management protocols have been adopted within major crash that are consistent with the crime service subpoena management policy. The use of the SAPOL case management system has been introduced as a compulsory request for all major crash investigations, and all Major Crash

Investigation Section personnel have been trained in the use of the case management system. The protocols for investigating crime in accordance with the serious crime plan have also been applied to major crash investigations. Additional senior sergeant and sergeant positions have been created, with the Major Crash Investigation Section to enhance supervision and investigative control of investigations.

The government has also acted on the royal commission recommendations by increasing the maximum penalty for causing death by dangerous driving to 15 years imprisonment for a first offence and life imprisonment for a second or aggravated offence. Also, such convictions will involve the disqualification of a driver's licence for 10 years. Penalties for failing to stop after an accident causing death or injury have also been increased. The penalty for leaving an accident scene after causing death or harm by careless driving has risen to 15 years imprisonment for the first offence and life for a second offence. There will also be disqualification from holding or obtaining a driver's licence for 10 years. This means that there will no longer be any incentive for dangerous or drunken drivers to leave the scene of an accident.

These changes bring these two very serious offences into line with the penalties for manslaughter. Unfortunately, these measures will not bring back Ian Humphrey, nor will they lessen the grief of his family. However, the proposed increases in penalties are in line with community expectations. I hope that the changes made by both the government and South Australia Police will stop a tragedy and injustice of similar proportions from ever happening again in our state.

The Hon. NICK XENOPHON: What is the time frame for the introduction of the numbered police notebooks referred to, and will police be instructed to use only the new numbered notebooks once available?

The Hon. P. HOLLOWAY: I will obtain a response from the Police Commissioner in that regard.

The Hon. R.D. LAWSON: Were any—and, if so, which—police officers subject to any disciplinary actions in respect of their part in the events that led to the Kapunda Road Royal Commission, and was any officer the subject of any reprimand or other disciplinary action?

The Hon. P. HOLLOWAY: I will refer that matter to the Police Commissioner and bring back a reply.

HONEYMOON URANIUM MINE

The Hon. M.C. PARNELL: I seek leave to make a brief explanation before asking the Minister for Environment and Conservation a question about the environmental assessment by the EPA on the proposed new Honeymoon uranium mine.

Leave granted.

The Hon. M.C. PARNELL: In the lead-up to the last election, the government promised the strictest environmental standards for uranium mining in this state, including impacts on groundwater at the new and yet to be approved Honeymoon uranium mine. The in situ leaching process proposed for Honeymoon will result in the long-term contamination of groundwater resources near the mine with acid, chemical, radioactive and heavy metal liquid waste. There are currently no plans for groundwater rehabilitation as part of the mining proposal to be considered by the EPA. We know from the Premier's statement just released that the government is concerned about the radioactive contamination of water resources in the Mount Lofty Ranges at least.

My World Environment Day question of the minister is: how can the government ensure that the environmental harm prevention objectives of the Environment Protection Act and the Radiation Protection and Control Act will be satisfied in a uranium mining regime that requires no rehabilitation of the polluted groundwater that will follow the in situ process?

The Hon. G.E. GAGO (Minister for Environment and Conservation): I thank the honourable member for his question. To put it in context, the Honeymoon operation has been granted a number of licences and leases in the past, including an export licence. Under the previous Liberal government, in 2002 the operation was granted a 21-year lease to mine uranium at the site. An environmental impact assessment occurred in the granting of that mining lease at that time, so that has already been completed. There are still some additional state government requirements that need to be satisfied. The company has obviously applied for a licence to mine or mill radioactive ores, and as part of the process the EPA will be publishing the application of that on its web site and inviting public submissions for one month. I have been told that this is an unprecedented process of open public consultation and involvement.

The EPA, with the advice of the Independent Statutory Radiation Protection Committee, will assess the application according to the relevant legislation. The assessment process for this licence will consider the requirements of the code of practice for radiation protection and radioactive waste management in mining and mineral processing; whether plant and processes meet the requirement for best practice technology; whether the proposed radioactive waste management plan actively protects the environment from radiological hazards; and whether the proposed radiation management plan adequately protects workers and the public from radiological hazards. I cannot speculate on or prejudge the outcome of that licence application, given that it is currently in the process of assessment.

Permits from the Department of Water, Land and Biodiversity Conservation for drilling water bores will also be required. The EPA will then independently consider a licence under the Environment Protection Act. This licence is for the undertaking of activities of environmental significance under Schedule 1 Part A of the Environment Protection Act 1993. These activities would include, but not necessarily be limited to, 1(2)(a) chemical works, inorganic; and 8(2)(a) fuel burning, rate of heat release exceeding 5 megawatts. In granting a licence the EPA then ensures that the company complies with the act and associated environmental policies.

SALISBURY RAIL CROSSING

The Hon. J.S.L. DAWKINS: I seek leave to make a brief explanation before asking the Minister for Road Safety a question about the Park Terrace level crossing.

Leave granted.

The Hon. J.S.L. DAWKINS: The Messenger's *News Review* of 17 May reported that police figures indicated that up to 230 people had run red lights at the Park Terrace railway crossing in Salisbury between 1 April 2005 and 31 March this year. The report also indicated that a further 445 speeding offences occurred at the congested crossing precinct during that period. Will the minister indicate what action the government will take to remedy the situation at the crossing, the site of a tragic fatal collision between the Ghan train, a car and a bus in October 2002?

The Hon. CARMEL ZOLLO (Minister for Road Safety): I thank the honourable member for his question. Obviously, I am aware of the tragedy that occurred at the level crossing in Salisbury in October 2002, and I can tell the honourable member that following that fatal accident the government re-formed the State Level Crossing Strategy Advisory Committee. The committee is chaired by the executive director of the Transport Services Division and has representation from rail groups and SAPOL as well.

The sum of \$2.665 million was allocated in 2005-06 for level crossing safety in South Australia. The department is undertaking risk assessments of all level crossings using the Australian Level Crossing Assessment Model (ALCAM). Of 1 137 public crossings, 901 have passive warning signs and 236 have active warning devices. I can also inform the honourable member that the government has committed \$1.5 million per year for a new program to address pedestrian crossing safety, commencing in 2005-06, and TransAdelaide has prepared a strategy which includes automated pedestrian gates at several other crossings. Automated pedestrian gates, of course, have been installed at Park Terrace, Salisbury; they were commissioned last month, and no doubt the honourable member knows that they are now in working order. I think that clearly demonstrates this government's commitment to monitoring our level crossings.

The Hon. J.S.L. DAWKINS: I have a supplementary question, Mr President. Will the minister make time to attend that crossing precinct at peak hour?

The Hon. CARMEL ZOLLO: I am always happy to visit areas and observe any particular issue concerning honourable members. The initiative at Salisbury was undertaken at a cost of \$800 000, which came out of the state's Black Spot Program. Of course, as Minister for Road Safety, my main area of responsibility is in relation to policy but, as to be expected, I have an interest in many other aspects of road infrastructure so I would be more than happy to go and have a look.

EMERGENCY SERVICES, RESPONSE TIMES

The Hon. R.P. WORTLEY: I seek leave to make a brief explanation before asking the Minister for Emergency Services and Minister for Road Safety a question about our emergency services' response to major road crash incidents. Leave granted.

The Hon. R.P. WORTLEY: I understand that a recent exercise will aid research into bus rollovers and the impact of heavy vehicle rollovers on driver and passenger safety. Is the minister able to provide any information about how the government is researching passenger safety in buses and how our emergency service agencies train for a response to a road crash incident involving a passenger vehicle?

The Hon. CARMEL ZOLLO (Minister for Emergency Services): I thank the honourable member for his important question. On Sunday 28 May I attended Exercise Edge, a joint operation between the South Australian Country Fire Service, the South Australian Metropolitan Fire Service, South Australia Police, the SA Ambulance Service, the Royal Adelaide Hospital Retrieval Service, the State Emergency Service and the Centre for Automotive Safety Research. The business sector also provided valuable support and cooperation to enable this exercise to be undertaken. That support was provided by Bus Stop Sales and Service Brisbane, Bus Stop Adelaide and Hanson Construction Materials. Torrens

Transit and Shipp Brothers Towing also participated in the exercise.

The exercise scenario involved recreating a bus rollover down a steep embankment. It was held under strictly controlled conditions at the Hanson quarry. The aim was to test the response of emergency service agencies and to measure the impact of a crash on passengers (fortunately, in this case, 'crash test dummies'). Exercise Edge was a two-part operation. First, the exercise was designed to evaluate the strength of a passenger bus, its deformation characteristics as it rolls over and the possible extent and nature of injuries from such an event. The second phase of Exercise Edge was to evaluate the response by emergency services to such an incident.

All three of the state's emergency services—the MFS, the SES and the CFS—are trained and highly skilled in road crash rescues. The CFS played the lead role in this exercise. The exercise has provided important data to emergency services agencies on the structural damage to a large passenger vehicle and the potential casualties. It was also a training and practice exercise for our emergency service agencies in their call-out and response procedures to a major road crash incident as well as examining the coordination, control and liaison of a multi-agency incident. This and other exercises of this nature also help in training rescue personnel in evidence preservation with respect to major road crash incidents and evaluate the efficiency of communications amongst the multi-agency response group.

I would like to thank all those involved, including those involved in the important planning that ensured everyone's safety, and to those who played an active part at the scene. I witnessed first-hand the very efficient and cooperative way in which members of all the participating groups worked well together and, of course, I particularly wish to thank the volunteers, who again gave up their weekend with their families and friends to participate as control staff, response personnel, role players and observers.

GAMING MACHINES

The Hon. NICK XENOPHON: I seek leave to make a brief explanation before asking the Minister for Emergency Services, representing the Minister for Gambling, questions in relation to the regulation of the state's poker machine industry.

Leave granted.

The Hon. NICK XENOPHON: On 26 May, the Liquor and Gambling Commissioner handed down a decision in the matter of the Adelaide Juventus Sports and Social Club relating to the application for a gaming machine licence at premises at Fosters Road, Oakden. It was a case where the Independent Gambling Authority's gaming machine licensing guidelines, issued on 2 November 2005, were considered by the Commissioner. These guidelines are referred to in section 15(5)(b) of the Gaming Machines Act as being matters that the Commissioner must take into consideration before granting a gaming machine licence. Section 15(5)(a) refers to the Commissioner's having regard to the likely social effect of the grant of the licence on the local community and the likely effect on problem gambling within the community.

The Commissioner apparently obtained advice from the Crown Solicitor's Office in relation to the guidelines and decided that the guidelines were ultra vires—that is, beyond the powers of the authority—and, therefore, it could not

consider them. This leaves the regulatory regime in respect of the approval of new poker machine licences in limbo; some would say in tatters. My questions are:

1. First, will the minister obtain and release the crown law advice relied on by the Liquor and Gambling Commissioner?
2. What steps will the minister actively pursue to remedy the apparent striking down of the IGA's guidelines by the Commissioner?
3. Can the minister advise the timetable for new guidelines to be in place?
4. When did the Commissioner obtain the crown law advice referred to, and was this advice forwarded and/or conveyed to the IGA and, if so, when?
5. Does the minister agree that a key element of section 15(5) of the Gaming Machines Act—namely, the IGA's guidelines—is now in tatters following the Commissioner's decision?

The Hon. CARMEL ZOLLO (Minister for Emergency Services): I thank the honourable member for his questions in relation to regulation of the state's poker machine industry. I will refer his questions to the Minister for Gambling in another place and bring back a response.

DRUGS

The Hon. S.G. WADE: I seek leave to make a brief explanation before asking the Minister for Mental Health and Substance Abuse a question about the Drugs are Simply Drugs campaign.

Leave granted.

The Hon. S.G. WADE: On Friday I attended the launch of a campaign by Variety Club and Life Education Australia to encourage people to avoid the use of the term 'recreational drugs' on the basis that the word 'recreational' suggest legitimacy for illicit drug use. I acknowledge that the minister was also present at the launch.

We were advised at the launch that 73 000 Australians are addicted to amphetamines and methamphetamines, more than double the number of those dependent on heroin. Users of so-called methamphetamines are 11 times more likely to have suffered a psychotic episode than the wider population, and the average life expectancy of regular methamphetamine users is just six years. The campaign is based on the conviction that there is an urgent need to stamp out the ambiguity in everyday language when referring to drugs and their use. Drugs are not recreation; drugs are drugs. I ask the minister:

1. Does the government support the Drugs are Simply Drugs Campaign, and will the minister ensure that state government officers support the campaign by refraining from using the term 'recreational drugs'?
2. Will the government maintain support for Life Education South Australia in real terms?

The Hon. G.E. GAGO (Minister for Mental Health and Substance Abuse): I thank the honourable member for his questions. It was indeed a very eye-opening event that he refers to, and the message was quite pointed. I do, indeed, support the organisation in its campaign to remove terminology like 'recreational drug use' or 'party drugs' and other such terms that tend to sanitise the severity and the harmfulness of such drugs. We do, indeed, support that move. I may be incorrect but I believe that I will meet a delegation from that group to discuss funding within the foreseeable future.

MULTIPLE CHEMICAL SENSITIVITY

The Hon. A.L. EVANS: I seek leave to make a brief explanation before asking the Minister for Environment and Conservation, representing the Minister for Health, a question concerning multichemical sensitivity.

Leave granted.

The Hon. A.L. EVANS: On 5 July 2005 the report of the Social Development Committee Inquiry into Multiple Chemical Sensitivity was tabled in the Legislative Council. The inquiry found that up to 6 per cent of the population may have MCS and concluded that MCS is very real and that many individuals experience considerable suffering, particularly in the light of lack of recognition surrounding this condition. In its response to the report tabled in November 2005, the government indicated that it fully agreed, or agreed in principle, with 10 of the 11 recommendations arising from the inquiry. Despite this, no practical action has been taken by the government to assist people with MCS, or to address this growing public health problem since. My questions to the Minister for Health are:

1. When will the Department of Health convene the recommended multichemical sensitivity reference group?
2. Will the MCS reference group be resourced with a full-time officer to ensure that real progress is made?
3. Will key groups in the community, such as the SA Task Force on Multichemical Sensitivity and the Chronic Fatigue Syndrome Society of South Australia, be represented in the reference group?
4. Which government agencies will be represented in the MCS reference group?

The Hon. G.E. GAGO (Minister Assisting the Minister for Health): I will refer the honourable member's questions to the Minister for Health in another place and bring back a reply.

NUMBATS

The Hon. I.K. HUNTER: I seek leave to make a brief explanation before asking the Minister for Environment and Conservation a question about numbats.

Leave granted.

The Hon. I.K. HUNTER: Extinction of native species because of predation and competition by pest species and habitat destruction has become increasingly a matter of concern to the community. I note that the government is responding to the challenge of biodiversity loss through land and marine biodiversity programs and has recently released a draft biodiversity strategy. Having people care about individual species and their status and understanding the relationship between habitat protection and the health of native species is essential if we are to work together to halt human-caused extinctions. Numbats are a case in point. Since their local extinction more than half a century ago, numbats have not been on display in South Australia for families and individuals to see and learn about. I therefore ask the minister: are the people of South Australia able to see numbats on display, besides those which may from time to time occupy the benches opposite?

Members interjecting:

The PRESIDENT: Order!

The Hon. G.E. GAGO (Minister for Environment and Conservation): I thank the honourable member for his most important question and his ongoing interest in these important matters. I am very pleased to be talking about this issue on

World Environment Day, a day when our thoughts turn to the state of the environment globally and our individual and collective responsibilities for the biodiversity that surrounds us and on which our societies and economies depend.

I can inform the council that Cleland Wildlife Park has scored a coup with its numbat enclosure, which is the first time the marsupials will be on display in a South Australian wildlife park or zoo since their local extinction 60 years ago. Two four-year-old females are settling into their new home after arriving from the Perth Zoo, where they were part of a breeding program, and I was very pleased to visit these numbats in their new enclosure. For those who do not know, numbats are a small marsupial that is occasionally called the Banded Anteater. They are about the size of a guinea pig, with a long nose and a long bushy tail, and they have quite interesting and stark markings. Numbats are quite beautiful, and I recommend that those members opposite who are laughing take the time to visit these quite beautiful animals.

The role of the numbats at Cleland is to educate the public about the species' status and about the ongoing conservation programs. The first two numbats currently on display are no longer breeding, but I understand Cleland plans to obtain breeding animals in the future to assist the broader re-introduction programs, as well as to maintain an exhibit within the park. Numbats became extinct in South Australia in the 1940s due to a combination of factors such as habitat clearance and predation by foxes and cats.

Once widespread, numbats now survive as an endangered species. Since European settlement, their range has been reduced by about 90 per cent. In South Australia, numbats are listed as endangered. Nationally, they are vulnerable, which is why it is particularly important for South Australians to be able to see these animals so that they realise that working towards habitat protection and remediation will mean that it is possible to have wild populations of numbats back in our state, and we are introducing a number of measures to do that.

A trial is going on in Roxby Downs, which is looking at testing how this species will survive in a desert environment. It is a project involving BHP Billiton, DEH and the Adelaide University and, of course, the Friends of Arid Recovery. I am pleased to note that this recovery effort for numbats puts it on a growing list of South Australian native species making a comeback from local extinction—species concerning which we have worked very hard to recover their populations.

Other species on this list include the South Australian mainland Tammar wallaby, the bilby, the brush-tailed bettong, the yellow-footed rock wallaby, the burrowing bettong, the greater stick-nest rat, and the leafy greenhood orchid. Much like the numbat, the recovery of these species is due, thankfully, to conservation programs. Pest removal and habitat preservation and restoration is everything when it comes to bringing back a species from the edge of extinction.

The Hon. D.W. RIDGWAY: I have a supplementary question. The minister said that the four-year-old females were not of breeding age. At what age do numbats breed, how many young do they have, and what is their life expectancy?

The Hon. G.E. GAGO: I am very pleased to be able to answer those questions. The honourable member has not listened intently. I have been told that numbats live for approximately eight years. They breed for up to the first four years of their life and then do not breed after that. The two females that we have in captivity at Cleland are, in fact,

beyond that breeding age. I think that answers the honourable member's questions.

The Hon. M.C. PARNELL: I have a further supplementary question. If Cleland is successful in acquiring breeding females, where in South Australia (other than at Roxby) is it envisaged that numbats would be reintroduced?

The Hon. G.E. GAGO: I was attempting to be brief, but since I have been asked I am very pleased to provide further detail. A population of numbats has been re-established in the state's Murray Mallee region and another in the arid recovery reserve near Roxby. We are looking at ensuring that both those areas are fenced to keep out foxes and cats, and we are looking forward to a successful breeding program.

SEA RESCUE SQUADRON

The Hon. T.J. STEPHENS: I seek leave to make a brief explanation before asking the Minister for Emergency Services questions about training for Sea Rescue Squadron volunteers.

Leave granted.

The Hon. T.J. STEPHENS: It has been revealed that on-water training for South Australia's Sea Rescue Squadron volunteers has been suspended due to rising fuel costs. These volunteers undertake important on-water training as part of a vital volunteer search and rescue service that operates in large areas of St Vincent and Spencer Gulfs. These volunteers give up a great deal of their time to ensure that boating is a safe activity for South Australians to enjoy. Some of the funding for the training that the volunteers undertake comes from the Emergency Services Levy. My questions are:

1. Will the minister confirm that training for sea rescue volunteers has been cut due to funding shortfalls and rising fuel costs? If so, will this government admit that the suspension of this training is a mistake, and ensure that this important training is resumed?

2. Will the minister confirm reports that funding for the program will be increased by only 2.5 per cent in the budget which will not, it appears, cover anywhere near the fuel cost requirements?

The Hon. CARMEL ZOLLO (Minister for Emergency Services): I thank the honourable member for his question because it allows me to place on record this government's—and, I am sure, the whole community's—appreciation of the work of volunteer marine rescue organisations in South Australia. The South Australian Sea Rescue Squadron is one of six that we have in this state, with flotillas in various places around the coast. Honourable members may like to hear that the other volunteer marine rescue organisations are the Australian Volunteer Coast Guard, the Victor Harbor-Goolwa Sea Rescue Squadron, the Royal Volunteer Coastal Patrol, the Air Sea Rescue-Cowell Squadron, and the Whyalla Sea Rescue Squadron. As well, of course, we have our SES.

I can advise the honourable member that since 2001 the South Australian Sea Rescue Squadron has received over \$1.3 million from the community emergency services fund towards its operational and capital expenditure. Representatives from the South Australian Fire and Emergency Services Commission (SAFECOM) have met with the Sea Rescue Squadron to discuss their concerns about rising fuel costs. We would all appreciate that rising fuel costs are an issue across all sectors of government, in particular emergency services and, as to be expected, those factors will form part of budget considerations. I will not be disclosing what percentage future

budgets will be, but, as I said, it is just commonsense. Fuel prices have risen, so they need to be factored into future budgets. Early last week, my advice was that all volunteer marine rescue agencies had enough funding to cover fuel costs for any emergency situation between now and 1 July. It is my belief that they will be receiving their next payment on 1 July.

The South Australian Sea Rescue Squadron has also advised that it will continue to respond to marine emergencies at all times. Indeed, I was at Edithburgh not last weekend but the weekend before to open a radio base. It is a very supportive community, ranging from the local council, to the progress association, to the caravan park, and they are all very much united in having the radio base built. Of course, that money came out of the community emergency services fund. The volunteer marine rescue organisations sit around a council which meets regularly to discuss any issues and concerns, and fuel prices were flagged, as members would expect them to be. It is my understanding that, the last time the council met the South Australian Sea Rescue Squadron, it did not flag that particular concern, although it was raised generally in the discussion. However, it did flag some other issues and I made some other moneys available as, indeed, one would expect. Again, there is sufficient money to respond to all emergencies until the next lot of funding is available on 1 July.

The Hon. T.J. STEPHENS: I have a supplementary question. Given the minister's answer, will those people be able to resume training from 1 July?

The Hon. CARMEL ZOLLO: It is up to them. We make moneys available for operations, as well as administration, and the manner in which it uses its operational moneys, I would assume, would mean that money would be available for training. That is part of their operations, yes.

LAKE BONNEY

The Hon. SANDRA KANCK: I seek leave to make an explanation before asking the Minister for Environment and Conservation a question about Lake Bonney in the South-East.

Leave granted.

The Hon. SANDRA KANCK: According to the foreword by Dr Paul Vogel in the EPA publication 'Lake Bonney SE: SA past, present and possible future', Lake Bonney in the South-East is 'one of the state's major wetlands'. The Friends of Lake Bonney in the South-East have raised concerns with me about the proposed expansion of local industry and the potential increase in pollution in Lake Bonney. Locals have been told by the powers that be that it is too late to take water samples and have them tested; that the process is finalised; and the licence to increase discharge into the lake will go ahead. The licence for industrial discharge from Kimberley-Clark's pulp and paper mill, sewage from the township of Millicent and effluent from the local dairy industry to flow into the lake dates from the first licence agreement with a company called Cellulose in 1958.

The current permission to pollute exists under an historic arrangement with the government and will continue, I understand, until 2014. Residents have expressed deep concern about a lack of transparent process, genuine community consultation and scientific information in the plan to increase the discharge to the lake. My questions are:

1. What is the process by which the Department for Environment and Heritage has undertaken to test the water in the lake and to inform local residents of the results? Is the minister satisfied that this process has been open and genuine?

2. Are there threats to the local crayfish industry if increased discharge washes sediment containing dioxins out to sea?

3. Will the minister ensure that a comprehensive independent scientific study on lake samples, including dioxin levels, is undertaken and continually monitored?

4. What alternatives have been investigated for each of the licence polluters to dispose of their wastes by other means? Has the government undertaken an economic environmental risk benefit analysis of withdrawing the current permission?

The Hon. G.E. GAGO (Minister for Environment and Conservation): I thank the honourable member for her questions. For the first time in over 50 years, Lake Bonney, one of Australia's largest freshwater lakes, located in the state's South East, will again be supporting a seasonal wetland system as a result of a government initiative to reinstate the passage of water flow between Lake Bonney and Bucks Lake, just south of the main lakes system. The state government has worked very hard to manage and improve the state of this area, and this is an important initiative. The reinstating of the water flow will encourage the reinvigoration of the historic wetland that once surrounded Bucks Lake, and the decision to reinstate the flow comes after overwhelming support from the Lake Bonney consultative committee and other groups.

The Environmental Protection Authority results indicate that the water quality of Lake Bonney has significantly improved in recent years. After analysing these results the department then went ahead so that it complies with recreational water quality guidelines, as will Bucks Lake also. In relation to the other matters the honourable member raised, I am happy to take them on notice and bring back a response.

SUPPLY BILL

Adjourned debate on second reading.
(Continued from 1 June. Page 273.)

The Hon. J.M.A. LENSINK: I support the bill, which enables us to continue the funding for a number of very important services in this state. I draw to the attention of the council a document sent to the Liberal opposition during the campaign period for the state election. It shows a picture of a smiling Rod Kerin with a line through it saying, 'No Kerin political spin'. It states:

Mr Kerin will try to con you into thinking that things are not okay in South Australia when they are.

On the other side it says:

The federal Liberals are collecting record high tax revenues.

It says, 'GST', with a big red X next to it. It also refers to income tax, petrol excise and so forth, and on the other side it says:

Yet the Rann government keeps delivering quality services for South Australians.

It talks about law and order, health, mental health, education and the economy. It would be hard for members to have missed a significant item that appeared in *The Australian* today by Mike Nahan, the author of a document entitled *Opportunity Squandered*—a publication by the Institute of Public Affairs. It refers to how the states have wasted their reform bonus. This publication, and the article flowing from it, outline a number of things which those on this side of the chamber have been saying for a very long time in relation to the way the state Labor government has been handling our economy. Indeed, in my comments on the Appropriation Bill, I talked about the areas in which I have a particular interest, those being mental health, corrections and the status of women, and I would be very pleased to see those areas properly funded.

I think I also talked about the frustration we used to feel when we were in government because we had such a tight budget and there was what they call the headroom issue—there was very little headroom in the budget to expand services in many areas because we were still paying off the State Bank debt. That is something which members opposite in their contributions to this debate have conveniently chosen to forget. They say that is history. Well, it is part of our history and the State Bank put South Australia in difficulty because our state has a vulnerable economy which is very reliant on primary industries, resources and manufacturing, not like some of our eastern state (or, indeed, western seaboard these days) compatriots, where they have vast reserves, thanks to either tourism or mineral wealth, or because the size of their economy means they are not dependent on certain industries. Indeed, I think even in my first speech in this parliament I talked about the need for governments with such a narrow base to be very careful in the way they handle the state's resources.

We had some contributions last week which were, at times, a little difficult to sit through where the Treasurer in particular was lauded as some sort of god of economic management. Indeed, I noted during the Bevan and Abraham radio program this morning that Bevan asked the rhetorical question, 'Would you have to be a monkey not to be able to balance your books?', and the author who was being interviewed at the time, Mr Mike Nahan, said, 'Well, it's a bit like bankrupting Saudi Arabia—very difficult to do.'

I refer to some of the comments in the IPA report, because I think they are telling comments and are we-told-you-so indications, if you like, of what those on this side of the council have been warning about for a long time. It is all very well while you have a very effective federal government which has been driving this economy and driving reform and which indeed has been very generous to the states since July 2000 in providing a great deal of additional revenue, but the counter side of what the states are expected to provide is initiatives in the way of tax reform and also in properly funded services.

This government is gaining a figure of \$2.3 billion extra in revenue every year, and we are not seeing that being delivered to the people of South Australia in services. This report *Opportunity Squandered* describes itself as a backgrounder and, dealing with 'exactly what have been the effects of the GST', it states:

Unfortunately its prognosis is not optimistic. Instead of continuing and initiating reform, state governments have systematically grown the number and entitlements of bureaucrats with no discernible improvement in services.

If Australia is to continue to improve its productivity levels and to provide opportunities for all individuals, it is imperative that the pace of reform not slacken. But as state government revenues grow the incentive for reform is reduced.

I think it is also interesting to note that the left of the Labor Party is flexing its muscles, and I have a great deal of sympathy for the left of the Labor Party because they actually know what they stand for in terms of social justice and so forth, and I think the people running the Labor Party in this state are driven by knee jerks and headlines. Indeed, rather than remembering their base and what they actually stand for, I think it is always dangerous for any political party to abandon its base, because not only do you get your supporters offside but inevitably you will run into trouble as you are driven by headlines, as we see with this particular administration.

The GST is described as the largest change to state-federal fiscal relations since federation. The report refers to the COAG meeting of February 2006, at which Victoria presented an ambitious program of reform which it claimed that, if undertaken, would add half a percentage point to GDP each year and bring fiscal dividends of between \$8 billion and \$13 billion a year over the next 10 years, which is large by any standard. The report states:

However, rather than make a commitment to reform, the states have once again demanded more money—\$10 billion over 10 years—from the Commonwealth, claiming that they lack the money to undertake the necessary changes and will, as a result of their inferior tax base, not receive a fair share of the tax gain.

That echoes a lot of the comments we have heard from this government that it needs more funds. Recently the Treasurer said that the federal government can have the hospitals. What does that say about this government's management? We have also seen massive blow-outs in the transport sector, and that has been blamed on the officers of the transport department.

I cannot understand how any ministers could not stay on top of those sorts of things unless they were not paying much attention at the time. I think that, to be an effective minister, one needs to ask tough questions so that one can obtain the answers needed. Under our Westminster system, it is the ministers who have parliamentary responsibility and, therefore, they need to make sure that they know what is going on. Just turning around when things go pear-shaped is not a particularly effective defence.

The report warns that, when economic growth falls, the state will face some serious problems because the recurrent funding that is going out the door from the state's coffers is unsustainable. I think that, at that stage, very difficult decisions will need to be made. Before the election we knew nothing about the state of the budget and then—surprise, surprise—afterwards the government did a quick about-face and is trying to buy time by bringing down the budget in September. Again, the question that needs to be asked is: at what stage did the Treasurer or any of the cabinet members know the true state of the budget? For them not to know the state of the budget is a question of incompetence, laziness or just not wanting to know the truth—or, indeed, they may have been told the truth and have been concealing it from the public of South Australia. When the Labor government was elected in 2002 it was able to deliver a budget at the usual time and, for some reason, after this election, it is unable to do so. By anyone's standard, that is a very peculiar situation.

I again quote from the report, in which Ken Wiltshire of the University of Queensland is cited. He states:

Faced with the image of overlap and duplication and constant squabbling between commonwealth and states, the average citizen quickly jumps to the conclusion that abolition of one tier is the answer and will save money and acrimony. While the commonwealth has done much to undermine the standing of the states by usurping taxing and spending power, in the end, the states are responsible for their own poor reputation and for fixing it.

I note that there are a number of instances in which the commonwealth has stepped in to start providing its own programs. In the case of mental health, the Minister for Mental Health and Substance Abuse has talked about how the federal government's \$1.8 billion announcement duplicates what has been done with the states. I think that is a reflection of the view of the commonwealth of the states' ability to manage those programs, because it is coming in over the top and funding some areas that the states might otherwise handle: in other words, it does not trust the states to do it. The report indicates that, if the states are becoming increasingly irrelevant, it is their own fault for not administering their funds properly.

Some of the figures are fairly interesting. According to this report, which uses South Australia's own budget papers, South Australia has received a massive 20.9 per cent own tax windfall (windfall from own sources of revenue), which amounts to some \$2.2 billion (which is, I think, the figure that is often quoted), and a further \$1.6 billion grants windfall, which is from external sources. That amounts to some \$3.8 billion.

If a government cannot fund additional and new services, one has to ask some very serious questions about where the money is going. The paper goes on to say that in the main the states have squandered their reform bonus. While there is variation among the individual states in terms of fiscal performance, they are a combination of sloppy budgeting, failure to control Public Service wages and a propensity to throw money at problems.

I interpret that as being the reactionary 'Throw money at the bad headline' approach. They have, in aggregate, consumed their reform bonus without undertaking reform or investing in infrastructure. It says that the states have planned to keep spending within the limit set by expected revenue growth and the desire to retain balanced budgets. However, as revenue exceeded expectations the states allowed recurrent spending to grow, often in an unplanned manner, driven by excessive wage deals. It also says that collectively the states have failed to use their gains from higher taxation to fund new infrastructure. This is not a very pretty picture that is being painted for us. I do hold some concern about where the funds are going and whether, indeed, the non-government organisations will continue to miss out and be cut off by this government in the need to rein in its massive spending.

I have raised this issue on a number of occasions in relation to the non-government funding that is being provided to mental health services—the \$25 million in one-off funds. The sector would like that money to be made recurrent, and the government has thus far refused to provide those services. If the government is going to continue to take that line—and take that line right up to the budget—a lot of important services that are now being funded will suddenly cease to exist. That is a very scary proposition when you consider that those services are essential to the reform of mental health services in this state.

I think that we have cause for alarm. This has been a very big spending government. It has been in the very lucky position of being able to ride on the back of the effective

federal government management of our economy and also the very difficult reforms that the previous Liberal government undertook. As I said, this report, which has come out today, has really confirmed what we have known all along: that this government is out of control and incompetent at best at managing our economy.

The Hon. J.S.L. DAWKINS: I rise today to support the second reading of this bill, which will provide some \$3.2 billion to ensure the payment of public servants and the continuation of state government services from 1 July until the Appropriation Bill for 2006-2007 passes both houses. The Supply Bill gives parliamentary authority to the government of the day to continue delivering services via public expenditure. The government is entitled to continue delivering these services in accordance with generally approved priorities—that is, the priorities of the past 12 months until the Appropriation Bill is passed. Having said that, it is an extraordinary situation that we find ourselves in.

An unprecedented amount of \$3.2 billion is being sought by the government in the Supply Bill, because the budget has been pushed out from May to September. The question that must be asked is: why is the newly re-elected government incapable of handing down a budget until September? After all, it is not a situation where the Hon. Kevin Foley has to deliver a budget based on the handiwork of a previous government; this is the Hon. Kevin Foley dealing with his own handiwork. He has been the steward of this economy for the past four years. Why is it that he and his government cannot bring down a budget before September, almost six months after the election?

For those of us who have been here and have had to work with the government over the past four years, it really does defy description. People ask me why we have to wait until September for the budget, when it was the government that was re-elected on 18 March—and no-one denies the fact that the government was overwhelmingly elected. When people ask me why we have to wait until September, I just cannot find any explanation.

Another thing that concerns me is the lack of accountability. This bill provides for the appropriation of \$3.2 billion—and I obviously support its passage, because we need to keep the state running—but there will be no accountability in respect of that \$3.2 billion until we get to the estimates committees process, which will not be until October this year—seven months after the election. This is another example of the government's inability to manage. We keep hearing about the terrible former Liberal government that leased ETSA, but the Labor government is very happy to accept the AAA rating—a rating that was delivered by the leasing of ETSA, pure and simple. The government's inability to manage its own finances in the past four years has been heightened by what has happened since the election. As I have said, first, the government indicated that the budget could not be brought down until six months after the election date and, secondly, we have had an increasing number of indications that projects will be way over budget—and there seems to be a new one every day.

If we go back earlier in the first term of the Rann government, projects such as the Queen Elizabeth Hospital redevelopment resulted in a \$257 million blow-out; there was a \$42 million blow-out on the Port River Expressway; \$15.5 million in relation to the redevelopment of the Lyell McEwen Hospital; and \$5 million in relation to the Sturt Street Primary School. Much attention has been paid to the

\$51 million wasted on the extension of the tramline to North Adelaide and, of course, there is the annual waste of \$6.4 million for two extra Labor ministers and an additional 76 ministerial staff to the number employed when the Liberal Party was last in government. We also have the fact that, having budgeted to increase the number of public servants on the state payroll by around 660 over the government's four-year term, 8 000 extra public servants have been employed.

I think that is another thing: the people who ask why the budget has been delayed until September are the same people who are asking: where are all these public servants, and what are they doing? We are all very pleased to see service delivery from our public servants—and many of them do it well—but when you consider that there are 8 000 more public servants than there were four years ago it is very hard to see exactly what all of them are doing.

The other thing that has received a lot of publicity in recent times is the amount of money being wasted on having opening bridges at Port Adelaide at the end of the Port River Expressway. That figure seems to jump between \$70 million and \$100 million—and knowing this government it will be at least \$100 million or more. Of course, considerable information and concern has recently come forward from people in the transport sector and from senior people in the transport department about under-calculation of the costs of the government's infrastructure projects, particularly in relation to South Road. It is extraordinary to see the extent to which the amount of money budgeted to carry out these major projects has been completely underestimated.

The federal government has put quite a bit of money into the planning process for the Northern Expressway, which will link traffic from the Sturt Highway and Main North Road in the vicinity of Gawler and take it across to Port Wakefield Road. It will mean that a lot of heavy traffic, in particular, will avoid the Elizabeth and Salisbury areas. This is a project that I strongly support, but the first estimate of its cost—about \$300 million—has always seemed to me to be pretty low. I have looked at a number of suggestions as to where that route might go, but I think we always have to take the value of the land in that area into consideration.

The expressway will go through one of the most valuable horticultural precincts in this state—and possibly in the country—and a freeway of that nature, with three lanes extending in either direction, will cut through many horticultural properties in the region. I do not think that the amount of compensation involved has even been contemplated. Many properties will be cut in half or into funny little shapes and machines such as potato diggers and other spray equipment will not be allowed on the expressway. I do not think that the government's estimates ever took into account the amount of money required in relation to the Northern Expressway.

I am a great supporter of that road being built and I think there are a number of potential routes through there—some in the area in which I used to live—which could minimise costs to some extent. However, there is no definite evidence of where the route is going. The suggestion I have heard is that it will not take in existing roads but will create new corridors and split properties into all sorts of funny shapes. If that is not required, why would you do that? I will talk a little more about the very large increase in the number of public servants. I believe that generally people in this state are supportive of public servants, and they work very well with people who deliver the services that the state government provides to the people of South Australia.

However, when we talk about 8 000 extra public servants, I must admit that when I move around South Australia—and I move around the rural areas and the north-eastern suburbs particularly—I do not see evidence of many of those 8 000 public servants based in those areas. I think that the great majority of them are based in the CBD of Adelaide, and that is not the best place for service delivery. That is what we want public servants to be doing. Unfortunately, in the past four years, too many of them have been employed within a bureaucracy and a hierarchy and there is no evidence of a greater amount of work coming out of that department. That is a sad indictment of this government.

I will now focus on a couple of areas relating to the work of particular public servants. Generally, most members would be aware of my particular interest in regional development. I was heavily involved in the previous government with the regional development council and the regional development issues group at the time of the formation of the office of regional development. That has moved on in another name (as most things have been renamed by this government), but the Office of Regional Affairs has done some very good work under this government, despite the fact that it has had four different ministers over that period. One of the projects that the Office of Regional Affairs has managed—and managed very well—is the community builders program. The community builders program has been operating throughout South Australia since the year 2000.

It has had four different regional areas running a series of cluster groups in those regions over a period of six months or so. During this time, people from local communities can become involved with people from neighbouring communities and develop their leadership skills and also become more aware of the way in which federal, state and local government work. Some excellent people have undertaken this program. They have not always been young people but quite often people who have retired early and who have suddenly developed an interest in the community but, because they have not had a culture of community service, they are not quite sure how to become involved or how to take on the leadership of some organisations. The community builders program would normally have sent out applications some time ago for local government and other organisations to put forward groups to take part in that program for this year, but that has not happened.

Of course, that has resulted in speculation that the community builders program will be scrapped. I have asked a question about that matter in this chamber and have yet to receive an answer. However, my colleague Ms Liz Penfold, the shadow minister for regional development, asked a question of the Minister for Regional Development in another place and was told, 'Well, don't expect an answer on that until after the budget.' That is September. Community builders is on hold. Too bad about those rural communities that were keen to become involved in community builders this year—too bad; wait until September. Come September and there is an announcement—if it is to go ahead—they will be told, 'Oh, well, you'll have to wait until next year.' That is one way of saving a few bob. The way the Office of Regional Affairs has been treated in this is very bad, and I implore the government to forget about that nonsense and allow the people who do this work very well and for very little money to get on and do it in the way they have done over a number of years.

The final area I will touch on is one that members have become used to hearing me talk about, and I will continue to

do so for a little while probably, namely, the proposed toxic waste dump at Nowingi in north-western Victoria. We know it is in Victoria, but I have for a long time believed that this government has not done enough to indicate strongly to the Victorian government that it is unacceptable to have that toxic waste dump 14 kilometres from the River Murray, in an area that is slap bang in the middle of two national parks and next to the nationally renowned Hattah Lakes area. I question the government's determination on this issue because I believe that both the Department for Environment and Heritage and the Department of Water, Land and Biodiversity Conservation have been required to do almost nothing in relation to this matter. The research they have been asked to do is minimal.

The Minister for the River Murray really only started getting involved in opposing the toxic waste dump when it became a political issue in her own electorate, and that is because the Liberal candidate and many other community members, who do not necessarily share the Liberal Party persuasion, became concerned about the lack of action on this issue. The minister has put in a submission, and I understand she attended the hearing panels at a relatively short notice rescheduled appearance back in April. The minister put forward a submission that was largely developed with the help of the three local government bodies in the Riverland, the Riverland Development Corporation and the Riverland Horticultural Council. That is fine and I commend those organisations for the work they have done in that area—and I said that on Friday at the Murray Mallee local government conference.

However, I believe that the Department for Environment and Heritage and the Department of Water, Land and Biodiversity Conservation, both responsible for developing policy and mounting arguments about things like this, have been given almost no direction and have been required to do very little in relation to opposition to the Nowingi dump. I am not sure why that would be, because it should have been strongly opposed by this government many months ago. I am saddened that the expertise and knowledge in those departments is not being utilised to the extent that many others in the community have been utilised.

There are people with a knowledge of not only that part of Victoria but also that part of south-eastern Australia that surrounds the junction of the Darling and the Murray in the areas of New South Wales, Victoria and South Australia that are largely described as mallee areas. There is a great deal of knowledge in the community about those areas, and much has been brought forward to the panel hearings currently under way in Mildura. I will be giving evidence at those hearings this Friday on behalf of the Liberal Party. However, I believe that the departments have not been asked to put in the work to develop an argument against the dump on behalf of the South Australian government, and the resource is there and should have been tapped into and has not been.

Having made the comments that I have and put on the record my concerns about the delay in the budget and the fact that this bill involves a significantly larger amount of money than is normally the case, I commend its passage through the council so that it can provide \$3.2 billion for the provision of state government services to the community. In supporting the bill, I also support the facilitation of the continuing delivery of public services by those public servants who are committed to delivering them to the people of South Australia.

The Hon. CAROLINE SCHAEFER: I, too, rise to support the Supply Bill. The purpose of the Supply Bill, as we all know, is to allow the government of the day to have continued funding so that it can, indeed, pay its Public Service and continue with the running of the state until such time as it brings down a budget. However, this time, we are being asked to approve just a lazy \$3 billion—unaccounted for and unaudited—and we have to seek information from all sorts of places to find out where it is being squandered because this government finds itself unable to bring down a budget until September.

There would be some excuse for that if, in fact, this was the government's first term in office. There would certainly be some excuse, and it has become, I suppose, a bit of a practice for governments to hide, by various methods, their mistakes and, indeed, their expenditure so that an incumbent government sometimes has to have extensive briefings from Treasury and other departments to find out the state of the budget. Certainly, although the people of South Australia (and, certainly, the Liberal opposition) knew in 1993 that the then Labor government had totally wrecked the economy of the state to such an extent that we had the highest per capita debt of any regional government in the civilised world, and even knowing how bad it was, we had no idea just how many Pegasus parks, plywood cars and other quite amazing investments the then Labor government had made. In fact, although we had a fair idea that this state was broke and going further down the tube on a daily basis, as I recall, it was something like (and we are now talking 10 years ago) over \$1 million a day in interest alone, and losing about the same, on top of the debt of the State Bank.

So, it is understandable for an incumbent government to find out that it is in a worse state than it had understood, but this government is coming into its second term with an arrogant Treasurer who on every possible occasion tells us how fiscally brilliant, astute and careful he is with the money of the taxpayers of this state. However, suddenly, after the election, he turns around and says, 'Hang on, I can't actually bring down a May budget. I know I told you I would, but I cannot bring down a May budget because things are worse than I thought. I cannot bring down a budget until September because, hopefully, by then, I will have found a few more thimbles, a few more peas, a bit more smoke and a few more mirrors so I can hide again how bad things are before the people of South Australia wake up to me.' That is how you could paraphrase what has happened with the forthcoming budget, which is why we have to approve such a huge amount for such a long period.

It would be, as I say, quite different if this was the government's first term in office, but how can the Treasurer of a state tell the people that he did not know what the finances were like? It is quite frightening, if he is telling the truth. It is actually more frightening than if he is not telling the truth, because it means that we have a Treasurer who has no idea of the finances that he is in charge of.

My other colleagues have certainly pointed out many of the anomalies that have happened under this government, but I think it has reached new heights in arrogance and incompetence since the March election—and, I would have to say, new heights in dishonesty. We now learn, for instance, that all tenders for capital works within DAIS (and, I assume, therefore, all new capital works across the state) have been frozen. No-one is allowed to tender for any new capital works. We were told until we were nauseous how well this government was doing and how we were back on track.

Mr Triple A Foley kept telling us how well we were doing. Then, just a week or two after the election, we found out that it is so bad that all capital works tenders have had to be frozen. So, there will be no new capital works. An example that was given recently is the work that has been talked about for years and years with respect to Brighton Secondary School. Suddenly, tenders are frozen. Of course, we can assume that, if they are frozen long enough, the cost will rise; even if it only goes up by the CPI, the cost will rise. Will Mr Foley be able to bring down a budget in September, or will we have another Supply Bill? Who knows? How long can a government go without bringing down a budget? Maybe we will just keep doing this indefinitely. All I can say is, thank God for an upper house!

Perhaps the thing that rankles with me most (and, I think, generally with people on this side) is the absolute abject dishonesty with which Mr Rann attacked Rob Kerin and others prior to the election. We said that we had carefully costed out expenditure and that we would need to re-balance the Public Service. Again, one would have to say that it is either classic incompetence or arrogance when a government can budget to increase its Public Service by 650 people over four years and, *voilà*, we find that it has, in fact, net increased the Public Service by 6 500—just one zero out; instead of 650, it is 6 500. The following is an interview on ABC Radio with Kevin Foley two days before the last election:

Abraham: 'Okay, but... will you offer any separation packages at all?'

Foley: 'We at this point are looking at about 800 additional vital public servants in our promises to date. That is 400 police, 100 teachers, 44 new medical specialists.'

Abraham: 'And you won't fund those by getting rid of other jobs?'

Foley: 'No. We will demonstrate today... all of these spendings can be provided through appropriate efficiencies and savings within a budget. Matthew, I've brought down four budgets where I've had savings in every budget.'

Abraham: 'You've said that.'

Foley: 'And we haven't had a separation from the public sector for two years.'

We now have an announcement that, as a start, 400 will go, and who knows after that? Suddenly, we have this budget that is in such a parlous state that the Treasurer cannot even share his concerns with us: it has to be tucked away until September. Where these extra 400 police are I have no idea, because the constant catchcry of this government, as we all know, is health, education and law and order. However, last week we found that there has been a four-year increase in homicide offences since the Rann government.

The ABS recorded crime statistics show a clear 2.8 per cent increase in sexual assaults during the same four-year period. That survey found that, since 2001, there has been a 31.9 per cent nationwide fall in homicides, while in South Australia the figure has increased by 16.7 per cent. So, there goes law and order! Where are the 400 police officers, and where is the money? Our health is in such a poor state that the Treasurer has had to offer it to the federal government to run it. He cannot run it: he is in such a mess that he cannot run our health system.

One of their more clever ploys (amongst other things) is the dismantling of regional health boards. That will be such an efficiency that we will have the bureaucrats run country health from the city. However, one of the unknown little tricks is that not only are we centralising country health boards but also the ownership of country hospitals, lands and assets, including bequests, donations and money raised by

hardworking auxiliaries. They will become the property of this state government.

Sir, you come from the country, as do I, and you know how hard people have worked for their hospitals. I come from Kimba, and the hospital there was built by volunteer labour on land that was given as a bequest. It was given to the people of the Kimba district, not to Mike Rann and Kevin Foley. Yet, in spite of these sneaky little acquisitions, we still have a government that cannot balance its books to such an extent that it cannot bring down a budget until September.

We have many examples of wasted money; what one could only call a very strange set of priorities—for instance, an erstwhile tram extension, which was to cost \$20 million, then \$40 million and then \$60 million. That is just an example of the some \$600 million blow-out in estimated capital works across the state. One of my particular interests, sir, as you would know, is natural resource management and the regional boards that have now largely been put in place across the state. As the shadow minister who handled that piece of legislation in this place, I argued that all that was happening was that another layer of bureaucracy was being created, which sooner or later would cost the state a great deal of extra money for no extra service.

An example was pointed out to me last week (just one example across the state) of the Adelaide Hills Regional Development Board, which has budgeted to spend \$2.8 million to put in place a plan—not to do anything, not to deliver any works, but to put in place a plan. I cannot remember, off the top of my head, when that legislation was proclaimed, but it has been in place now, I would have thought, for at least 2½ years. We have a council which is consulted endlessly; we have a series of regional boards that are consulted endlessly, but at this stage we do not have one regional development board plan in place and working. They are still getting to the stage where they are going to be able to implement something. They are now calling for expressions of interest for people to go on to what are called 'local groups'. What the local groups will actually do is what the soil boards did, without two layers of bureaucracy over the top of them—and for way less money. The groups have not actually been put in place yet and, to my knowledge, we do not actually have one new initiative out of natural resource management.

I could go on and on, but the end message is that I think there is a behaviour becoming endemic because of this government's inability to keep an eye on its Public Service. What is becoming endemic is that we are having larger and larger groups sitting over the top of other groups, all of them costing us money, and most of us would actually like to see some action. We have had a government which is full of plans; we have strategic plans; we have plans for everything. I want to see some of the plans implemented. I will obviously support this second reading and I would support it even if I had the ability not to, because it is important that the government of the day has the right to manage its own budget. But, from where I stand, we need to be very concerned about whether it can manage its budget. Members of the Labor Party need to be very concerned about a Treasurer who cannot bring down a budget after he has been in power for four years.

The Hon. I.K. HUNTER secured the adjournment of the debate.

**TOBACCO PRODUCTS REGULATION
(PROHIBITED TOBACCO PRODUCTS)
AMENDMENT BILL**

Adjourned debate on second reading.
(Continued from 31 May. Page 242.)

The Hon. D.G.E. HOOD: I rise to support the second reading of this bill, which seeks to amend the Tobacco Products Regulations Act 1997. It is a fairly simple change, enabling the minister responsible to ban the sale of cigarettes that are appealing to youth and, importantly, those cigarettes that possess a fruity, confectionery or sweet flavour. I am grateful to the minister who introduced the bill in this place for her statistics on the youth uptake of smoking in other countries via products such as those targeted by this particular bill. It seems that there have been a number of these products introduced in other countries, to the detriment of the youth in those countries.

I add to that my research which shows that the American CBC News reported on 3 June 2004 that Canadian scientists commissioned by British-American Tobacco, were experimenting (I was surprised to find) with maple syrup flavoured cigarettes—most patriotic indeed—and, would you believe, with alcohol—that is, wine flavoured—cigarettes, as well as chocolate flavours and the like. It is certainly becoming very creative. Indeed, the British Medical Association was quoted by the news source as saying:

It is disgusting that the tobacco industry is trying to find new ways to tempt children to start smoking.

I see an analogy here with sweet flavoured alcoholic drinks, such as vodka mixers, or ‘cruisers’ and those sorts of things. Indeed, I recall a debate about alcoholic ice-blocks not so long ago.

The producers of alcohol and tobacco products claim that they are appealing to market demand and product diversification, or some other argument along these lines, but, clearly, some of these products are aimed at the youth market. The tobacco companies also claim that these cigarettes are not targeted at youth, yet they also told us for years that cigarettes did not cause cancer and were not addictive. I think we would be wise to be very wary of what they say and do in this regard.

Indeed, on 10 November last year the Harvard School of Public Health released its research on documents from within the tobacco industry and the research found as follows:

new brands are being marketed to young smokers and racial/ethnic groups using colourful and stylish packaging and exploiting adolescents’ attraction to candy flavors.

Further, in 1993, an industry internal document—internal to the tobacco industry, that is—revealed:

Growing interest in new flavour sensations (i.e. soft drinks, snack foods) among younger adult consumers may indicate new opportunities for enhanced-flavor tobacco products that could leverage [a brand’s] current strength among younger adult smokers.

Remember, this was an internal document from the tobacco industry, so really it is the absolute death knell to their argument that they are not marketing these things to children; clearly they are.

I have commented in the media over the past six months or so about youth debt and the ability of young people, without realising it, to spend huge amounts of money and accumulate significant amounts of debt. I have very little doubt that providers of tobacco and alcohol products realise that our youth are supposedly more cashed up than ever

before and that they are targeting our youth in this regard. Such behaviour is wrong, in my view. I would be less cynical if the promoters of these products acted in such a way as to demonstrate that these products are not for sale to our youth; indeed, mere lip service in a press release is simply not good enough, in my view.

I turn to consideration of the bill specifically. It is sensible, as far as I can see, and it does not ban per se the sale of fruity cigarettes and the like. The ban applies only if the cigarettes have the flavoured characteristics, plus, at the minister’s discretion, the products are sold in such a way as to appeal to our youth. I believe this is a good compromise.

I commend the minister for the attack by her office against this category of tobacco product. I would like to see tougher regulation and oversight over similar alcoholic products marketed not in general but those specifically marketed towards our youth. At the end of the day, these drinks are not red cordial, but at times our youth do drink them in such a way. I digress merely to indicate my point of view in relation to issues at this early stage of my term. The bill is a sensible measure and, in principle, I support it.

The Hon. I.K. HUNTER secured the adjournment of the debate.

**GOVERNMENT FINANCING AUTHORITY
(INSURANCE) AMENDMENT BILL**

Adjourned debate on second reading.
(Continued from 1 June. Page 278.)

The Hon. R.I. LUCAS (Leader of the Opposition): I rise on behalf of Liberal members to support the second reading of this legislation. As the government’s second reading explanation outlines, the purpose of this bill is to seek an amalgamation of the South Australian Government Financing Authority and the South Australian Insurance Corporation, which are known respectively as SAFA and SAICORP. The initial discussions in relation to a possible amalgamation of SAFA and SAICORP first occurred many years ago, under the former government, but the discussions did not proceed too far down the track, other than I think that, as the treasurer at that time, I broadly indicated that I had in principle no opposition to an exploration of a possible amalgamation.

Over the past four years, the new government has continued with those discussions. I think it is fair to say that there has been some opposition from some members of the SAICORP Board, and perhaps I will address some of those issues in the second reading and possibly one or two in the committee stage. I have given that background only to indicate that this legislation has not arrived quickly and suddenly in the parliament; it is an issue that has been debated and discussed for many years. The government obviously has determined its position and is now seeking to implement that through legislation.

Since we are considering the legislation, it is important to look at the current structures and arrangements in relation to SAFA and SAICORP. Both are unusual bodies. SAFA is a body which is essentially the Under Treasurer of South Australia (currently Mr Jim Wright); that is, the Under Treasurer of the state constitutes the South Australian Government Financing Authority, and the legislation makes that clear. The board is therefore, in essence, an advisory board to the Under Treasurer in terms of the implementation

of the policies and procedures of the financing authority. I think it is fair to say that there are procedures and guidelines, etc., which essentially mean that on most occasions the Under Treasurer follows the decisions of the advisory board, although it is certainly my recollection that that is not always the case.

As is the case with an advisory board, there might be some issues where the advisory board has had a view and the Under Treasurer has had a different view. But I suppose it is essentially for this government to confirm or dispute my recollection of past experiences with the Under Treasurer and the advisory board. As I have said, by and large, even if there were rare exceptions, the board operates similarly to most boards, and the Under Treasurer would accept the decisions of the advisory board.

SAICORP is a subsidiary of the Treasurer, as strange as that might sound. The Treasurer is a sole corporation, or a corporation sole, as a minister, and SAICORP is constituted as a subsidiary of the minister (in this case, the Treasurer). So, in essence, we are being asked here to amalgamate the Under Treasurer with the subsidiary of the Treasurer. As I understand the proposed structure, the Under Treasurer wins, because the subsidiary of the Treasurer (that is, SAICORP) is to be dissolved by regulation and its powers and functions are to be absorbed into the operations of SAFA, which, I remind members, is the Under Treasurer.

It is hard to envisage circumstances where that will not be as one: that is, the Treasurer is obviously responsible for the oversight of the Under Treasurer; and the Under Treasurer is required, by way of contract, to report to the Treasurer. I suppose it is possible to conceive hypothetically of circumstances where the Under Treasurer might contemplate going his or her own way, but I cannot think of any, and I do not want to subscribe to any conspiracy theory at all. Certainly, in the practice of these things, the Under Treasurer and the Treasurer will be required to work together very closely, whatever the hypothetical possibilities might be. As I have said, I think the Under Treasurer, by and large, when making his decision, is guided by the decisions of the advisory board.

That is one of the questions that I put to the government—that is, what has been its recent experience? Have there been occurrences in the past four years or so where the Under Treasurer has disagreed with a policy position of the advisory board? Is the proposed structure under the amalgamation to be the same? That is, does the Under Treasurer ultimately have the capacity to make the decisions by himself, even contrary to a unanimous view of the advisory board? The government ought to place on public record, through the minister's response in this chamber, its understanding of the governance issues in relation to the proposed amalgamation.

When one compares the wording of the current SAICORP regulation (the Public Corporations Treasury Regulations 1994) and the functions of the SAICORP subsidiary to that of the bill we have before us, one can see slight differences in terms of the functions and powers of the authority and the functions of SAICORP. I raised this issue with the government's advisers and their response, by way of email, was:

It is our view that the current functions of SAICORP have been adequately addressed in the bill. This has been informally confirmed by parliamentary counsel and a legal opinion has been sought from the Crown Solicitor.

Before the bill is formally passed by the Legislative Council, I believe that the minister ought to provide the chamber with a summary of the advice from the Crown Solicitor—that is (I assume) that the Crown Solicitor confirms the view of

parliamentary counsel that there is no substantive change in the functions and powers of the authority as it relates to the existing powers and functions of SAICORP, under its regulations.

In discussion, I raised the issue that one of the functions of SAICORP includes the words 'the prior written approval' of its function, outlined under 12D, which says that the subsidiary can take certain actions with the prior written approval of the Treasurer. The minister's advisers highlighted to me, quite properly, that under the Government Financing Authority Act the introduction to the function section includes the approval of the Treasurer for various functions of the authority; it certainly does not require the prior written approval of the Treasurer. Not being a lawyer, I seek confirmation that the slight change in wording from 'prior written approval' (highlighting 'prior') before any actions are taken makes it clear that, in terms of precedent or case law, for these various functions—which will now be carried out under the general heading of the approval of the Treasurer—we are talking about the prior approval of the Treasurer as opposed to any retrospective approval that the Treasurer might give for the actions of the subsidiary.

The only reason I raise that, as I said, is that a former government (I am not sure which one, whether it was Liberal or Labor), based on legal advice, indicated, in the functions of the subsidiary, that it had to be prior written approval of the Treasurer in relation to actions that might be taken—particularly in relation to taking possession of real or personal property, dealing with or disposing of real or personal property, or carrying on a third party's business as a going concern. I seek clarification or confirmation from the minister in relation to those issues.

However, as a general question we are seeking reassurance from the government that the slight changes in wording of the functions do not involve substantive changes in terms of the functions of the new body, which will incorporate SAICORP. Certainly, that has been the nature of the assurances in the second reading explanation and that has been the nature of assurances given in the briefings, and we seek confirmation that the Crown Solicitor's legal opinion, sought by the government, has also confirmed that that is the case.

One of the issues I seek to have placed on public record by the minister is the current arrangements in relation to SAICORP and SAFA. My understanding, on the basis of the briefing we have had and on some information that has been provided, is that there has been some formal relationship between SAICORP and SAFA in recent times—for example, I understand that SAICORP is already providing advice to SAFA on its investment strategy and that SAICORP already utilises SAFA for the investment of cash and fixed interest products. I seek clarification of those examples of the current relationship between SAICORP and SAFA and, indeed, clarification of any other current formal understanding or arrangement between the two bodies, even prior to the legislation.

I am also seeking clarification about the investment of funds by the new authority, that is, the funds from the old SAICORP. Again, my understanding is that currently SAICORP uses external managers for property, equity and inflation-linked products. What will the proposed arrangements be? What are the current arrangements in relation to SAFA and Funds SA, for example, and the proposed arrangement under the amalgamation proposals between Funds SA and the new body? Under the Public Finance and Audit Act, certain public authorities can be prescribed for the

purposes of that act. I am seeking clarification, first, to confirm my own understanding and to assure myself that there are no particular issues. Is either SAFA or SAICORP a prescribed public authority under the Public Finance and Audit Act at the moment; and is the proposed authority to be a prescribed public authority under the Public Finance and Audit Act?

Secondly, is either SAFA or SAICORP a prescribed public authority under the current Funds SA legislation, or is the proposed authority to be a prescribed public authority under the Funds SA legislation? Thirdly, under the Local Government Finance Authority Act, currently there is a definition of a semi-government authority. Can the minister clarify whether or not SAICORP was a semi-government authority under the current definition included in the government finance authority legislation? Fourthly, under the public corporations legislation, there is a definition of statutory corporation. I am seeking confirmation from the government as to whether or not SAFA or SAICORP is a statutory corporation under the Public Corporations Act. I am assuming SAICORP must be, given that essentially it is constituted under regulations under that act, but I seek clarification of that.

I also ask whether SAFA, with its new functions, will be a statutory corporation under the Public Corporations Act. My suspicion is that, given that it has its own legislation, there is probably a provision in the legislation which exempts it from the Public Corporations Act, but time did not permit me to read all the clauses of all those bills to enable the cross-referencing that I needed to do prior to the second reading

debate this afternoon. The Treasurer in another place has indicated that he does not believe that there will be significant financial savings from this amalgamation. He has indicated that he believes that the existing staffing levels (approximately) will be carried over into the new organisation with its new functions. He has indicated that the rationale for this essentially appears to be the EDB recommendation that one ought to be amalgamating or reducing the number of statutory authorities or boards in South Australia, and this was one particular opportunity for reducing the number of statutory authorities.

One or two questions were asked at the committee stage in the House of Assembly to which the Treasurer gave some initial responses, in particular concerning the fees and charges to be paid to the board members. In essence, he was going to check those answers. I seek clarification or confirmation from the minister during the Legislative Council debate as to whether the answers that the minister provided need further detail or clarification in relation to the fees to be paid to the board members of the new authority. I indicate that the opposition supports the second reading and, subject to the minister's reply to the debate, may explore one or a number of those issues which it has raised by way of question during the committee stage of the bill.

The Hon. R.P. WORTLEY secured the adjournment of the debate.

ADJOURNMENT

At 4.44 p.m. the council adjourned until Tuesday 6 June at 2.15 p.m.