HOUSE OF ASSEMBLY

Tuesday 1 July 2008

ESTIMATES COMMITTEE B

Chair:

Mr T. Koutsantonis

Members:

Ms V.A. Chapman
Mrs R.K. Geraghty
Mrs E.M. Penfold
Mr D.G. Pisoni
Ms L.A. Simmons

The committee met at 09:01

DEPARTMENT OF HEALTH, $2,162,750,000

Witness:

The Hon. J.D. Hill, Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts.

Departmental Advisers:

Dr T. Sherbon, Chief Executive, Department of Health.

Mr J. O'Connor, Executive Director, Finance and Administration, Department of Health.

Mr G. Beltchev, Chief Executive, Country Health SA.

Ms N. Dantalis, Executive Director, Office of the Chief Executive.

The CHAIR: The estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. The committee will determine an approximate time for the consideration of proposed payments to facilitate the changeover of departmental advisers. The minister and the lead speaker for the opposition have agreed on a timetable for today's proceedings and have provided the chair with a copy. Changes to the committee membership will be notified as they occur. Members should ensure that the chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the committee secretary by no later than Friday 18 July.

I propose to allow both the minister and the lead speaker for the opposition to make opening statements of about 10 minutes each. There will be a flexible approach to giving the call for asking questions based on about three questions per member, alternating each side. Supplementary questions will be the exception rather than the rule. A member who is not part of the committee may, at the discretion of the chair, ask a question. Questions must be based on lines of expenditure in the budget papers and must be identifiable and referenced. Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion on the House of Assembly *Notice Paper*.

There is no formal facility for the tabling of documents before the committee; however, documents can be supplied to the chair for distribution to the committee. The incorporation of material in *Hansard* will be permitted on the same basis as applies in the house, that is, that it is purely statistical and limited to one page in length. All questions will be directed to the minister, not the minister's advisers. I advise that, for the purposes of the committee, television coverage will be allowed from the northern and southern galleries.

I declare the proposed payments open for examination and refer members to the Budget Statement, in particular, pages 2.23 and 2.24, Appendix C, and the Portfolio Statement, Volume 2, Part 7. I call on the minister to introduce his advisers and make an opening statement if he chooses.

The Hon. J.D. HILL: Thank you, Mr Chairman, for the explanations. I acknowledge that the opposition and the government have reached agreement about the time arrangements. I will make an opening statement. Two and a half years ago, when I became Minister for Health, I said that we had a good health system in South Australia and that my ambition was to make it a great one. In the past 2½ years, this government has undertaken an ambitious program of legislative and operational reform to transform the system from good to great and to ensure that it is sustainable into the future. This budget is yet another step in that process.

The Health Care Act comes into force today. This means that for the first time the Department of Health will have direct responsibility and accountability for managing South Australia's public health system. It will be true to say that from this day on the buck truly stops with the minister and the departmental head. Until today the government has been responsible for funding the health system, but each individual board has had operational responsibility for individual hospitals and health units. Today will see the dissolution of the 44 country health boards, the three metropolitan boards, the ambulance (SAAS), IMVS, and the Repatriation General Hospital boards. From today, rather than having 50 different bodies trying to run different aspects of the health system in South Australia, the buck will stop with me, as Minister for Health. This direct line of responsibility and accountability established under the act will accelerate the reform process undertaken by this government. The 2008-09 state budget is yet another step in this government's continuing reform of the South Australian health care system.

When this government came to power in 2002, we inherited a system that was totally ill-prepared to cope with the increased demand created by an ageing population. Much of our state's health infrastructure was over 35 years old and was built to deal with a set of circumstances which had long since passed. Doing nothing and letting the system limp along on its path to collapse was not an option. The first step was the Generational Health Review, which focused on primary health care—that is, keeping South Australians healthy and out of hospital. The second step was modernising our health infrastructure.

South Australia's Health Care Plan is a detailed system-wide strategy that has been developed specifically for the needs of this state. It is a $2.2 billion plan, which is bringing together the metropolitan hospitals to provide a unified health care system. The centrepiece of the plan is the $1.7 billion Marjorie Jackson-Nelson hospital, which will replace the Royal Adelaide Hospital. This is the largest single capital investment ever made in health care in South Australia—and one of the largest ever made in Australia.

The 2008-09 investment program for the health portfolio is $290.8 million, and this will continue the work identified in the health care plan. Some $14.3 million has been allocated this year to commence site works and undertake other planning and consultation processes for the Marjorie Jackson-Nelson hospital. A preliminary master plan has been developed, and work will start on the site later this year. The 2008-09 capital investment program includes a further $112 million to continue redevelopment works at metropolitan hospitals, including $31.8 million towards stages B and C of the upgrade of the Lyell McEwin Hospital as part of the $336 million makeover, which is virtually doubling the number of beds and modernising that hospital; $62 million towards the $153 million Flinders Medical Centre redevelopment, which will include an expanded Emergency Department and new operating theatres; and $18.2 million as part of the $120 million stage 2 redevelopment of the Queen Elizabeth Hospital. Aside from transforming our health infrastructure, this government has also provided the additional operating funds needed to prepare our health system for the future.

This budget allocates $3.246 billion for health units in 2008-09; that is about $1.3 billion or 69 per cent more than what health units spent in 2001 (the last year of the former government). The extra funding allows us to treat more patients and employ more doctors and nurses. Between June 2002 and June 2007, we have employed an extra 2,406 nurses and 699 doctors into our health system. South Australia's Health Care Plan is about modernising our infrastructure and streamlining the system so that money is spent more wisely.

Every metropolitan hospital will have a defined role. Rather than competing with one another and creating unnecessary duplication in an attempt to be all things to all people, each hospital will have a defined role so that each part contributes to the system as a whole. General hospitals will focus on elective surgery, aged care, palliative care and rehabilitation, as well as general medical services and general surgery.

There will be four general hospitals in Adelaide—Modbury, Noarlunga, the Queen Elizabeth Hospital and the Repatriation General Hospital—and four general hospitals in the country—Port Lincoln, Whyalla, Berri and Mount Gambier. The three major hospitals in Adelaide

will provide acute and specialist care in the north, south and central metropolitan areas. These hospitals are the Lyell McEwin Hospital, the Flinders Medical Centre, and the new Marjorie Jackson-Nelson hospital in the Adelaide CBD. The Women's and Children's Hospital will continue to be the main provider of maternity and paediatric health care to the patients and children of South Australia.

The Health Care Plan anticipates future demands on the health care system and introduces strategies to reduce the need for patients to access acute and emergency care wherever possible. The first step in preventative health programs is to keep people fit and healthy. Secondly, we are providing better primary health care resources closer to where people live, such as the out-of-hours GP Plus health care centres. These centres will provide additional nursing and allied health services so that GP Plus can offer a greater range of services for their homes to prevent admission to hospital or to enable patients to return home from hospital sooner. These reforms will enable South Australia to deliver Australia's most integrated, efficient health system and its most comprehensive primary health care system.

The needs of country areas are also being addressed through the Country Health Care Plan. The plan provides the way forward for a coordinated and integrated system of care for the residents of country South Australia. By providing a greater range of services in the country, we can, as far as possible, deliver complex health services closer to where people live and reduce the number of visits country patients will need to make to Adelaide hospitals.

Currently, on any given day there is an average of 550 country inpatients in metropolitan hospitals. More than 45 per cent of the public hospital acute inpatient costs spent on country people is spent in city hospitals. We wish to spend money on country patients wherever we can. The key strategies outlined in the plan focus on supporting country residents to take the best care of their health, ensuring primary health care services are locally accessible, optimising the use of the health workforce to ensure a balance between primary and specialised services, consolidating and coordinating specialised services to ensure sustainability, and high-quality care using advanced communication and information technologies.

The state government's annual spending on country health has risen dramatically over the past six years. In 2008-09, $591 million will be spent on public hospitals and health services in country South Australia. This is $210 million (55 per cent) more than in 2001-02. The budget also includes funding to continue or commence projects worth a total value of $92 million at the following country hospitals: $2.7 million in 2008-09 to continue the $36 million redevelopment of the Ceduna Hospital; $1 million in 2008-09 to commence a new $41 million project to redevelop the Berri Hospital; and $7.5 million in 2008-09 to commence a new $15 million project to redevelop the Whyalla Hospital.

The Health Care Act, which comes into effect today, will provide the legislative and operational framework to support our program of reform in both metropolitan and country South Australia by consolidating the governance structure of our health system. This will reduce existing fragmentation and unnecessary duplication within the public health system so that our resources can be used more efficiently. The legislation, like every other health reform put forward by the government, unfortunately has been opposed by our opposition. As the reform process of our health system is an ongoing project, an independent Health Performance Council has been established under the Health Care Act to oversee SA's public health system and advise me and all subsequent health ministers on how to improve it.

The council will be chaired by Ms Anne Dunn. The Health Performance Council will provide an annual report card to parliament on the health system and provide a four-yearly report on the health of our state. The reports will outline statewide trends and changes and show where we need to concentrate our resources to get the best results. Today I am also releasing a report—South Australia: Our Health and Health Services—which has been prepared by the department to provide the council with a starting point. The report shows that 83.2 per cent of South Australians over the age of 16 reported their health status as excellent, and as an ultimate measure of the effectiveness of the health system the average life expectancy at birth has increased steadily over the past 20 years. Particularly pleasing is the fact that South Australia has the lowest infant mortality rate in the country.

In closing, the 2008-09 budget provides the resources necessary to forge ahead with reforming the state's health care service. The 2008-09 budget will see total operating expenditure in the health portfolio reach $3.634 billion, an increase of $267.7 million (8 per cent) compared with the previous budget. We are increasing funding to health to meet the needs of today, and we are reforming the system to ensure that it continues to be sustainable into the future.

Ms CHAPMAN: I refer to Budget Paper 4, Volume 2, page 7.4. Can the minister advise how much provision is in the 2008-09 budget for him to pay out the contract of Dr Tony Sherbon upon his accepting a position with the federal government?

The Hon. J.D. HILL: That is a hypothetical question. There is no money in the budget papers to do such a thing, and it is an outrageous statement for the deputy leader to make as her opening question; however, I must say that it is typical of her style.

Ms CHAPMAN: I refer to Budget Paper 4, Volume 2, page 7.4. There is a reduction in your workforce, minister, from 26,826 to 26,766 full-time equivalents. There is an explanatory note for 2006-07 that relates to domiciliary care and Modbury Hospital staff changes, but this is from last year to the forthcoming year (which we are in currently).

What is the total number of doctors and nurses in the public health system, both full-time and full-time equivalent respectively, as at 30 June 2008? From my records, minister, I am still awaiting the same information for the financial year ending 30 June 2007 in answer to a question I asked on 20 June 2007, to which the minister responded, 'I will get back to you.'

The Hon. J.D. HILL: If I failed to provide information that I said I would, I apologise to the deputy leader and I will have it checked. The only information available at this stage for full-time equivalents is, of course, as at June 2007. It is impossible to say actually what the position was yesterday. It will take us time to get those figures detailed, and they will, of course, be published at the end-of-year reporting for these fields through me, as the minister, and the Auditor-General's Report. That information will not be available until late August or early September.

The estimates 2007-08/2008-09 target of the SA health FTE workforce summary and the Department of Health FTEs are based on an indicative full-time equivalent cap number, which is aligned to the budget in the Department of Health's Finance and Hyperion budget management systems. The cap has not been divided into regions or occupations.

In relation to the reduction in the number of officers in the department, I think the member herself highlights the reason for that, that is, some of the management changes with the transfer of services through Metropolitan Domiciliary Care to my colleague the Minister for Families and Communities.

The full-time equivalent cap for the Health portfolio in 2008-09 is 26,766, and this represents a decrease from the estimated result from 2007-08 of 60 full-time equivalents. The decrease is a result of the reduction in full-time equivalents and relates to the implementation of savings initiatives as part of the 2006-07 and 2007-08 state budgets, which relate to achievements of efficiencies and which support health reform packages. These reductions have not been targeted at front-line health services and will not result in any medical or nursing positions being lost. They have been administrative and back-of-house functions.

It is necessary to note that the reductions in full-time equivalents associated with savings initiatives effectively mask the budget increases associated with a range of initiatives previously announced by the government. So, there are ups and downs that happen at the same time. As I say, the other reductions have been noted in relation to some of the administrative changes.

Essentially, we have been streamlining the way the system works, reducing the number of administrative staff and increasing the number of clinical medical staff. When those figures are available (and my advice is that it will be towards the end of August), we will make sure that they are known publicly.

Ms CHAPMAN: Have I missed this, minister? Did you give me the figures for 2007?

The Hon. J.D. HILL: I cannot recall, but I will check to see whether or not I have.

The CHAIR: Order! Before we go any further, the process of estimates is that you ask a question through me. There will be no discussion between you and the minister resembling a conversation in a bar. You will ask questions, you will reference your questions. If you wish to ask supplementary questions, you will ask for my permission and I will consider it. This is your third question.

Ms CHAPMAN: With reference to Budget Paper 4, Volume 2, pages 7.4 and 7.14, will the minister confirm how much was spent on agency nursing in the financial year to 30 June 2008—and, if available, the amount for each hospital—and the amount budgeted for agency nursing in 2008-09?

The Hon. J.D. HILL: This question is similar to the question that was just asked. The information you are requesting is not in the budget papers. It will not be available until the end of year results are finalised, which is August-September, I understand.

Ms SIMMONS: I refer to Budget Paper 4, Volume 2, page 7.12. Why does the government want to build a new hospital rather than rebuild the existing hospital, and what would be the risks of changing the approach now?

The Hon. J.D. HILL: Just over a year ago the government announced its intention to build a $1.7 billion state-of-the-art hospital to open in 2016, replacing the ageing Royal Adelaide Hospital and incorporating some services from the Queen Elizabeth Hospital. This hospital will be the most advanced in Australia and provide brand new facilities for our doctors, nurses and patients. This major decision was not taken lightly.

As I have said many times, the government's first consideration was to rebuild the Royal Adelaide Hospital. However, as this option was investigated, it became quite clear that it was highly problematic operationally for the patients, staff and families, who would be disrupted by the major construction works on the constrained sites for many years; and, also, because of the time lines involved, rebuilding the hospital would take at least 15 years.

In comparison, we will build a brand new hospital without any disruption to patients at the Royal Adelaide Hospital, and this hospital will combine the best practice and patient care, environmental practice and medical technology and have more beds. It will be far more efficient than the existing hospital or even a redeveloped RAH site. It will also have the capacity for expansion in the future (unlike the existing constrained site); will be located next to rail, tram and road transport options; and will lead to a revitalisation of the west end of the city.

The suggestion that we should rebuild the RAH and use the railway land for a stadium is, of course, being promoted by the other side of politics, but we will look at that closely. When we studied rebuilding the RAH, the option was to begin work in 2007, so that is where we start the planning process. It would have cost $1.4 billion and would have taken at least 15 years if we had decided to rebuild the RAH starting in 2007, and that would have taken us through to 2021 or 2022. However, if we were to lose government and the opposition were to form government and then begin that process, it would not start, of course, until 2010.

These three years (the gap between 2007 and 2010) would have added to the construction time lines, the years of disruption for patients and staff, and the overall cost of the project. The Department of Health advises me that three years of delay for that already very long patch-up job would add approximately $370 million in escalation costs during the construction. This alone would take the cost of the Liberal policy to $1.75 billion (more expensive than the Marjorie Jackson-Nelson option), and it would not be finished until 2024 or 2025, some 15 years after the next election. On the other hand, if the Labor Party is successful, we will be able to open a new hospital in eight years' time. So there is a big difference in time lines.

There are also three other important factors that we need to take into account in relation to the other party's policy, all of which add significantly to cost. First, under Labor, from 2016, this state will have a brand new hospital—one of the most efficient in the world—and this will save at least $50 million a year. This means that, by the time the Liberals could have completed and upgraded their hospital eight or nine years later, they would have forgone at least $400 million in operating savings that they would have had by building the Marjorie Jackson-Nelson Hospital. The savings that could be made were a key factor in the government's decision to build a new hospital. These must be included in the cost of the Liberal Party policy as well.

Secondly, rebuilding the RAH will involve the progressive destruction of the old buildings as new ones are built. This will seriously impact the capacity of the hospital to undertake its day-to-day work. If the Liberals were to start rebuilding the hospital and it was not completed until 2024-25, the lack of capacity, combined with the increased amount for hospital services, would lead to a huge problem.

Most likely, we would have to extend another hospital to create the capacity for the patients who could no longer be served by the RAH over the construction period of some 15 or 16 years. We think at least $100 million in order to supply 150 beds of extra capacity would be required somewhere else. Lastly, by the time of the next election, of course, the PPP process (which we are already undertaking) will have spent money, and we estimate approximately $25 million in government funds would have been spent on the Marjorie Jackson-Nelson project which would be lost if the other option were pursued. Of course, the bidding consortia will have potential costs, as well.

If we combine these factors, the policy to rebuild the RAH starting in 2010 would cost at least $2.2 billion—approximately $500 million more than building a new hospital. These figures are a reality check for anyone proposing that the RAH is a cheaper option. Clearly, it is not. It would take longer—it would take until 2025—and it would cost something like $500 million extra if it were to be done. The cheapest and only realistic option—and the option that would provide the best outcome for the people of this state—is the greenfield development we are proposing on the site.

I will give those figures again. The projected cost of the new hospital when starting in 2010 is $1.677 million—and that is the total cost—and it will be completed by 2016. Rebuilding the RAH: projected costs when starting in 2010, $1.384 million; escalation costs from 2021 to 2025, $370 million; expenditure on the Marjorie Jackson-Nelson project 2007-10, $25 million (which would be lost); and the savings lost from 2016 to 2025, $400 million. That takes to $2.179 billion the cost of rebuilding the RAH.

Membership:

Ms F.E. Bedford substituted for Mrs R.K. Geraghty.

Ms SIMMONS: I refer to Budget Paper 4, Volume 2, sub-program 3.6, Portfolio Statement page 7.35. How will the Country Health Care Plan improve services for people in small country towns?

The Hon. J.D. HILL: The government's Country Health Care Plan will lead to improved services in country hospitals, more funding for country health, improved facilities and fewer people who need to travel to Adelaide for treatment. It will not lead to any hospital closures and will ensure that every hospital has access to emergency services. As I have been saying from the very beginning, this is a 10-year strategy, not a 10-minute strategy.

This plan has been released for consultation with the community. Of course, no matter how much you release for consultation there will always be complaints that there is too much detail or not enough detail. In this case, many people have told me that there is not enough certainty about what will happen for GP Plus emergency hospitals under the plan, even though we have made it clear that this is something on which we wish to consult. Given this uncertainty, I believe that further information needs to be provided to communities about our intentions in relation to these hospitals.

Today I inform the community that, of the 43 GP Plus emergency hospitals, 13 hospitals which have a stable workforce, population and activity will continue into the future with the current services available. I will name those hospitals: Kingston, Port Broughton, Cleve, Coober Pedy, Wudinna, Laura, Maitland, Mannum, Meningie, Penola, Riverton, Minlaton and Tumby Bay. In order to be absolutely clear, no material change is expected in the next 10 years (and that is as far as we are planning) as a sustainable, stable workforce is predicted and an established service profile is present. Medical acute admissions would be maintained. A mix of aged and acute care services will continue in these hospitals. These sites do not currently deliver birthing and/or surgical services.

I also indicate that three hospitals which have a stable workforce, population and activity range of services, including birthing and/or surgical, will continue their current service profile, as well. They are Crystal Book, Jamestown and Bordertown. Material change in the existing service profile, including birthing, surgical and acute medical admissions, is not expected during the 10 years of the plan, unless there is a dramatic change in workforce sustainability or compliance requirements related to safety and quality. So, we are not predicting any change in those three hospitals either.

There are 13 hospitals that undertake birthing and/or surgery that may change over the 10 years, subject to workforce and safety and quality compliance, but will maintain medical acute admissions. They are: Quorn, Peterborough, Streaky Bay, Booleroo Centre, Cummins, Kapunda, Strathalbyn, Balaklava, Renmark, Yorketown, Mount Pleasant, Loxton and Waikerie. Those are where we will keep a watching brief, but we would not expect that there would be much change over the 10 years—and that is, once again, subject to workforce and safety and quality compliance.

There are issues, of course, in relation to the Barossa, where there are two hospitals at the moment, and we will conduct a business case to see whether or not a new hospital should be developed. We are also upgrading the Berri Hospital.

There are 14 hospitals and two remote services where medical acute admissions may change over the 10 years, subject to workforce and safety and quality compliance. Those hospitals are: Elliston, Eudunda, Karoonda, Snowtown, Cowell, Hawker, Kimba, Lameroo, Tailem Bend, Orroroo, Burra, Gumeracha, Pinnaroo, Barmera, Leigh Creek and Woomera. The changes may occur as the services are not sustainable as they are, due to low activity, medical workforce retention issues or for other reasons.

This group needs to develop a service profile in consultation with local HACs, local government, local clinicians and the local Country Health SA executive staff. None of these sites delivers birthing and/or surgery at present. These GP Plus emergency hospitals may have the greatest opportunity to shift to an alternative workforce model than the traditional 2 by 2 by 2 nursing requirements. All services deliver co-located residential aged-care, which requires a minimum workforce.

This list of hospitals, which will also be the subject of ongoing consultation, really reflects that one of the key factors of our plan is to ensure that good quality services are still available in the country even as the workforce changes over the next decade. Most of these changes will happen in any case as the workforce changes. Each hospital has been categorised by the current and likely future workforce, current inpatient activity and safety and quality compliance. However, all categories are dependent on access to sustainable resident medical and nursing workforce and compliance with safety and quality requirements.

In regard to the last two categories of hospitals where changes may happen over the 10 years of the plan, subject to workforce and safety and quality compliance, I am today announcing that I will appoint a GP Plus emergency hospital task force to consult with the communities, doctors and nurses with respect to the future profiles for the GP Plus emergency hospitals—and, in particular, these are those likely to see some changes over the next 10 years. A prominent independent person will chair that group and we will seek representation from doctor groups, nurses and community leaders across country SA. I will also invite the Rural Doctors Association to participate in that task force.

The task force will take into account quality and safety, workforce consideration, local population, health needs, proximity of the hospital to a neighbouring community or general hospital and the duplication of activity in integrating with the work of the statewide clinical networks. The task force will commence this month and will work on these issues over the following six months. As each location is considered, the task group will systematically work through, in consultation with local HACs, local government and local clinicians, the role of each of the GP Plus emergency hospitals and two remote services.

I hope that this further information helps to clarify the situation regarding the GP Plus emergency hospitals and make clear the point that this was a 10-year strategy, not a 10-minute strategy, and that we will be able to work with local communities to get the outcomes that are in their best interests.

I am trying to find for members a statistic that indicates the change of services that has already happened over the last 10 years without any planning, which really highlights the need to have a strategic approach in relation to this, because what we see is ad hoc changes occurring without any kind of backup system in place to look after the communities. We are planning a consolidated approach so that, if individual hospitals lose services because of workforce changes, there is a system in place to ensure that services are still available to them. (I might find it during the course of the day.)

Ms SIMMONS: I refer to Budget Paper 4, Volume 2, page 7.13. The budget papers reflect a commitment to substantial investment in the metropolitan hospitals. How does this fit with the SA Health Care Plan?

The Hon. J.D. HILL: In 2008-09, the government will be investing $126.3 million to continue the development works at metropolitan hospitals in order to ensure we continue to respond to the needs of our community and provide the best possible health care and the best possible hospitals for South Australia. In addition to the $14.3 million to commence site works for the Marjorie Jackson-Nelson hospital, we will be investing $112 million in other metropolitan hospitals, including $18.2 for the Queen Elizabeth Hospital, stage 2 redevelopment; $31.8 for the Lyell McEwen Hospital redevelopment; and $62 million for the Flinders Medical Centre redevelopment.

The $153.68 million redevelopment of Flinders Medical Centre is particularly important for meeting the growing needs of the population in Adelaide's south. The Flinders Medical Centre

redevelopment project includes a new three-level south wing to be linked to the existing building. The new south wing will be home to medical consulting clinics; a new labour and delivery ward; an obstetrics and gynaecology ward; and an expanded and redeveloped operating theatre suite will provide 12 new state-of-the-art operating theatres, including a first stage recovery area, staff change room, seminar rooms, offices and a new day surgery unit, including a second stage recovery area. The intensive care unit will be expanded by eight beds, taking the total number of beds to 32.

An expanded and redeveloped emergency department will be provided, including 21 additional treatment cubicles. This expanded service will be further supported through development of a new acute assessment unit. Other key elements of the Flinders Medical Centre redevelopment will include a new cardiac care unit and a major engineering plant and critical engineering services upgrade.

The Lyell McEwen Hospital is undergoing a $336 million makeover, virtually doubling the number of beds and modernising the hospital. Stage A was completed in June 2005 at a cost of $92.4 million and achieved: the improvement of women's and children's health services; enabled increased levels of surgery and ambulatory care; and enhanced the diagnostic services through expanded imaging services. Stage 2 of the redevelopment currently under construction (with a budget of $43.48 million) includes the refurbishment of in-patient and ancillary facilities, the creation of a pharmacy and extended emergency care unit, and an adult and aged acute mental health facility.

Construction of a new radiotherapy services facility using linear accelerated equipment is taking place simultaneously. Stage C, in line with the SA Health Care Plan, will further redevelop the services at Lyell McEwen, with 120 new beds and support facilities, a fit-out of the three vacant operating theatres, and an expansion of research facilities and allied health services. In addition to clinical services, a multideck car park and helipad will be included in the redevelopment.

The $120 million redevelopment of the Queen Elizabeth Hospital is occurring in order to achieve the requirements of the SA Health Care Plan and to meet the needs of the local community. The first component of these works consists of in-patient accommodation, day oncology and dialysis facilities, new car park, child-care centre and new research building, as well as site infrastructure and sustainment works. These works are due for completion by the end of this year. Planning of the second stage is presently being finalised and these works will further support the QEH in meeting the health needs of its local community.

Ms CHAPMAN: Minister, I refer to page 7.23. I will be referring to Budget Paper 4, Volume 2, unless otherwise identified. It relates to employee expenses. Upon the settlement (hopefully one day) of this marathon nightmare doctors' dispute, will the minister release the Reid McKay report for which taxpayers have paid nearly $80,000?

The Hon. J.D. HILL: The doctors' dispute, as the member said, has dragged on longer than I think any of us would have wished. The government has now offered up to 74 per cent increase in salary for certain categories of doctors, including those who have not taken industrial action. The 74 per cent increase would take category 9 consultants, the most senior consultants, from $198,000 (if they do not have access to private practice) to 350 something thousand. We think that we have made a very generous offer. I am very pleased that the emergency doctors and the intensive care doctors have withdrawn their resignations and that those matters have now been resolved in relation to that particular group.

Unfortunately, another group of doctors has said that the offer we have made is not substantial enough for them. That matter is still before the Industrial Relations Commission. It is a very difficult set of issues to resolve. We are trying to keep everyone happy. I feel like a kid playing with one of those toys where you bang down a peg and another peg pops up. We really do need to have a better system. I think the tactic of threatening to resign, which has now been used multiple times, is a little like the boy who cried wolf: eventually, some of these resignations may be accepted, and I think that would not be in the best interests of the doctors or the system.

I think it is a tactic from which the doctors' union should walk away. Certainly, our view is that there should be a longer period before resignations can be accepted. The current arrangements create a vulnerability in our system, which threatens our health services and the care of patients in our hospitals. Nonetheless, we hope that this matter will be resolved. The Reid-McKay report was produced to assist us in the development of our bid, and what happens to that in the future, I guess, is for the future to determine.

Ms CHAPMAN: I have a supplementary question.

The CHAIR: I will not know whether or not it is supplementary until I have heard the question.

Ms CHAPMAN: With reference to accepting the resignations, is that a threat or a promise?

The Hon. J.D. HILL: I just indicate that, eventually, people will resign. Those resignations will not be withdrawn and they will be accepted.

Ms CHAPMAN: I refer to Budget Paper 4, Volume 2, page 7.34 with respect to country health. The minister made a statement in a previous answer about the proposed services for each of the 43 hospitals in certain categories, and I note those. The last 17, of course, are those that are to have their services significantly reduced and, clearly, they are on notice as of today.

Given that the minister has indicated that there is to be consultation about the services (and, in general, the Country Health Plan) until the end of July, and notwithstanding that we are passing the budget bill in two days, have the 2008 and 2009 budgets been prepared for each of the country hospitals and, if not, when will they be provided and, if so, when can the minister provide those budgets together with a copy of the 2007-08 budgets for each of those hospitals or health services?

The Hon. J.D. HILL: The advice I have is that the CE will be issuing the general health budget to the Director of Country Health SA, Mr Beltchev, today. Mr Beltchev will then work on the allocation amongst the individual hospital units over the next month. So, in about a month's time we should have that detailed information.

Ms CHAPMAN: As a supplementary question, is that going to be—

The CHAIR: Be careful, member for Bragg, because this is your fourth question with your last supplementary. If I do not consider this to be a supplementary question, it will be your last question before we go back to the government.

Ms CHAPMAN: Mr Chairman, did you consider my last question to be a supplementary question?

The CHAIR: I did.

Ms CHAPMAN: Thank you. I will ask this question, and if you do not think it to be a supplementary—

The CHAIR: We will move on then.

Ms CHAPMAN: You will let me know?

The CHAIR: We will just move on. It is the exception rather than the rule, Victoria.

Ms CHAPMAN: I remind the Chairman that members of the committee are to be addressed as per their electorate.

The CHAIR: The member for Bragg will not respond to the Chair.

Ms CHAPMAN: I will.

The CHAIR: Ask the question.

Ms CHAPMAN: I will recall parliament if you like.

The CHAIR: Go ahead.

Ms CHAPMAN: It is up to you.

The CHAIR: If the member for Bragg wants to debate with me, we can bring back parliament and she can debate me there.

Ms CHAPMAN: Good-oh! My question, minister, as a supplementary, is that if that information is distributed to the member hospitals as such from country health (which is to be released today) within a month, will they receive that before the consultation period closes at the end of this month?

The Hon. J.D. HILL: The point about the consultation process and the plan for country health, which the deputy leader, perhaps, does not understand, is that this is a 10-year strategy for changes in country health, not a 10-minute strategy. So, clearly, the budgets will need to be allocated before the end of that process. There will be, I expect, some relatively minor changes in

the next six months or so in some of the country health areas, but this is something which will evolve over time.

I know it is not in the political interests of the opposition to understand this, but what we are trying to do is to improve country health services so that there is a strategy in place which means that, wherever you are in the country, you have access to better health services. There are some very small health units which do not have a lot of capacity now—and we have seen this in the past—and which have been threatened when workforce changes occur. Sometimes it is impossible to replace individual doctors. We have seen a lot of hospitals which used to perform surgery and obstetrics but which no longer do so because of workforce changes in those communities.

If those changes happen dramatically—that is, overnight—what does that local community do to access health services? At the moment there is no strategy to provide them with any means to get access to those services; they have to do as best they can. What we want to do is to have a strategy in place so that we can plan for the changes which we know are inevitable and ensure that there are better services available closer to where people live.

The CHAIR: The member for Enfield has the call.

Ms CHAPMAN: On a point of order, Mr Chair: I seek that I be given a third question.

The CHAIR: No; it will be your fifth question if I give you another one. The member for Enfield has the call.

Ms CHAPMAN: Mr Chair, on a point of order.

The CHAIR: Order! Do not talk over me. Just sit back—

Ms CHAPMAN: Mr Chair, I am raising a point of order.

The CHAIR: Okay, what is it; what standing order?

Ms CHAPMAN: I am raising a point of order—

The CHAIR: Standing order?

Ms CHAPMAN: —that you indicated that my second question was a supplementary question a moment ago.

The CHAIR: Yes; that is right.

Ms CHAPMAN: So I am not quite sure how this would be my fifth question.

The CHAIR: No; if you ask another one now, it will be your fifth. You have had three questions and a supplementary, and another one would be five. So, no; the member for Enfield has the call.

Mr RAU: I refer to Budget Paper 4, Volume 2, sub-program 3.1: Portfolio Statement, page 7.9. What are the intended benefits of the amalgamation of existing public pathology services into one statewide service, SA Pathology?

The Hon. J.D. HILL: As of today, the new SA Pathology Service has been created. That brings together the services currently provided by the Institute of Medical and Veterinary Science (IMVS) SouthPath and the Women's and Children's Hospital Division of Laboratory Medicine. SA Pathology commenced today and will be incorporated into the Central Northern Adelaide Health Service. The names IMVS and Institute of Medical and Veterinary Science will remain in use for trading purposes. All staff, physical assets, property and liabilities of the three pathology entities will transfer in their entirety into the Central Northern Adelaide Health Service.

That new service, SA Pathology, is headed by an Executive Director who reports to the Department of Health through the Chief Executive Officer of the Central Northern Adelaide Health Service. We are very pleased that Associate Professor Ruth Salom (who comes from Victoria) has been appointed to the role of Executive Director, and is now working full-time in this role.

The SA Pathology project is very much on track. A project team was formed with membership from across the three services. A project director was also brought into the Department of Health from the pathology services to lead the project. Service level agreements have been developed between each of the health regions and SA Pathology, and the service level agreements have been developed based on the services which are currently provided and will be cost neutral.

The organisational structure of SA Pathology has also been finalised, and that will facilitate the delivery of a statewide pathology service. That has been widely accepted, I understand, by the staff of all three services. It has been agreed that directorate managers and clinical directors, in consultation with their staff and management groups, will be determining what particular services will be provided to ensure different services occur across the whole of SA Health.

Directorate management groups of each of the main disciplines of SA Pathology have been created and will ensure the involvement of operational staff in addressing key operational issues such as service coordination, integration, service and clinical protocols, and a range of other services, professional and clinical matters. A thorough due diligence process has been completed as well, and several staff information sessions, followed by staff surveys and so on, have been undertaken.

The need for consolidation of the three existing pathology services has been driven by increasing demand in South Australia for diagnostic services, the shortage of both medical and scientific staff in our state, the demand for new specialised and high-cost diagnostic technology and the need to maximise the use of financial resources.

Therefore, the benefits of bringing pathology services under a single provider include addressing staff shortages and ensuring adequate staff (both medical and scientific) are available across the state by providing an organisational structure that facilitates staff career opportunities which is enhanced by the creation of a statewide service, increasing retention and recruitment opportunities with improved succession planning and by providing access to salary sacrifice to some 1,200 staff at IMVS, and that is a major benefit to them.

An SA pathology teaching and training group is also being established, and that group will also be responsible for establishing the first-time training across all SA pathology. This will respond to increasing demand and address current and future workforce issues, particularly around teaching and training opportunities. The benefits of bringing pathology services under a single provider will also assist in meeting the demand for new specialised and high-cost diagnostic technology and the need to maximise the use of financial resources. There is much more that I could say, but I am very pleased that we have been able to bring this together, and I look forward to working with Professor Salom on its implementation.

Mr RAU: I refer to Budget Paper 4, page 7.3, which states that there are three metropolitan regions with the Repatriation General Hospital as a separately incorporated entity. Can the minister please tell the committee what the plans are for the Repatriation General Hospital, and how the government will ensure that the special health needs pertaining to veterans are met?

The Hon. J.D. HILL: The board of the Repatriation General Hospital met on 25 June this year and formally agreed to its dissolution and the transfer of the Repatriation General Hospital to the Southern Adelaide Health Service as of today. As I stated in parliament, the Repatriation General Hospital would remain separately incorporated until such time as the board chose to become part of the Southern Adelaide Health Service. It has now done so.

Before the board could make such a decision, it had to have the support of the Consultative Council of Ex-Service Organisations and the RSL. The Consultative Council, of course, is an independent body representing a wide range of veterans organisations. That council met with the Premier on 18 June together with me and the Minister for Veterans Affairs, and both the council and the RSL stated their support for the dissolution of the Repatriation General Hospital and for it to become part of the Southern Adelaide Health Service.

It also stated that it believed that this change would lead to the provision of better health services to veterans throughout South Australia, and a proclamation to this effect has now been issued by his Excellency, the Governor, in Executive Council.

There are no plans to change the Repatriation General Hospital other than that which I have just described, and we will ensure that we contribute to improved services for veterans and their families as part of the general Health Care Plan that we have already announced. As part of the assurances given to veterans that their special health needs would continue to be met, I will establish a Veterans' Health Advisory Council under the Health Care Act 2008.

The body, with the majority of members nominated by the RSL, will provide the Minister for Health with advice on health needs and priorities of veterans, advice on the delivery of health services to veterans and advocate on behalf of veterans and veterans' families to the minister. That council is expected to be established some time this month.

Mr RAU: I refer to the Portfolio Statement, page 7.12. Can the minister advise the committee how the Australian government GP super clinics initiative will fit in with the network of GP Plus health care centres that this government is starting to develop across the state?

The Hon. J.D. HILL: The establishment of GP super clinics is an Australian government program targeting 31 sites across Australia, with a total commitment of $220 million. In South Australia, there are three proposed sites for GP super clinics: one at Modbury ($12.5 million has been committed); one at Noarlunga ($12.5 million committed); and Playford North ($7.5 million).

The state government has agreed in principle to match the funding for both the Modbury and Noarlunga sites while the Australian government will fund the Playford North site in its own right completely. These GP super clinics are intended to 'provide infrastructure for general practitioners and other health professionals to work together in the one place, providing a greater range of quality services in local communities'. This is a similar aim to South Australia's GP Plus health care centres and is also consistent with the GP Plus Health Care Strategy of August 2008.

Planning for both the GP super clinics and GP Plus health care centres will be based upon the health needs of the community. Planning for both will also include consideration of the impact on existing practices, and any developments will not create competition with existing local GPs.

Depending on the needs identified in the community, it is expected a range of health services will be available for both the GP super clinics and GP Plus health care centres, including general practice, allied health, mental health, drug and alcohol, dental, nurse practitioner, counselling, diagnostic and some hospital outpatient services. South Australia will be playing a major role in the development of the GP super clinics, and these will be implemented as part of, and complementary to, the GP Plus health care strategy.

Representatives from SA Health, the Central Northern Adelaide and Southern Adelaide Health Services, Adelaide North East and Southern Adelaide Division of General Practices are currently working together on the roll-out of the GP super clinics at Modbury and Noarlunga as part of the overall strategy. Work on the Playford North GP super clinic, which is also to be a satellite of the Elizabeth GP Plus Health Care Centre, will follow at a later date.

The GP Plus Health Care Centre Woodville is an excellent example of government and non-government organisations, in this case SHine SA, joining together to improve primary health care services in areas of need. The building of that centre was completed in April 2007, with SHine SA providing services to the public from that month, and with other agencies commencing services by the end of July 2007. Services provided from the new facility include sexual health medical clinics, counselling, information and pregnancy counselling and related drop-in services, drug and alcohol and child and adolescent mental health counselling, psychological counselling, lifestyle counselling and medical deputising services. The total budget for the project was $5 million.

Provision of a $27 million GP Plus Health Care Centre at Marion has recently been announced as part of a major project, including the State Aquatic Centre, the GP Plus Health Care Centre and other development opportunities as identified by the preferred developer. The GP Plus Health Care Centre will create the opportunity to develop new models of care that respond to the government's health reform agenda, and that centre will provide comprehensive, accessible primary health care services, based on a client and family-centred approach, and will cover the same range of services which I have mentioned in relation to the others.

The GP Plus Health Care Centre at Elizabeth is also under way, and that centre will also provide a broad range of primary health care services, focused on prevention and disease management. The proposal to establish a $12.5 million purpose-built GP Plus Health Care Centre in Port Pirie to provide integrated primary health and allied health services is under way. These services will include Aboriginal health, health promotion, chronic disease prevention, community development, early intervention, mental health services, aged care services, palliative care services, women's health services, child development services, youth and family health and allied health services.

Ms CHAPMAN: I refer to page 7.34; still on country health. With the budget for country health having a gross extra funding for this forthcoming year of only $4.2 million—in fact, a net amount increase of $2.74 million—and the minister's announcement today that a number of hospitals will actually lose services, and a list of 17 particularly, the minister would be aware that notwithstanding the government's claim that better health services will be provided for country people, it is claimed that, in fact, there will be 2,835,000 more kilometres for country people to travel, 311,000 more litres of fuel and not enough beds in the draft plan that is currently out there. It

is claimed, in the modelling, that that is actually going to add to the burden, both in cost and in health, to country people.

The Country Health SA: Annual Report 2006-07 states that, over three reports, it has spent $57,900 in preparation of those reports. Doubtless, there have been other reports during the last financial year (ending yesterday) in preparation for the modelling and some explanation as to justify the government's position, claiming better health, better access, etc. Will the minister table the reports prepared by Country Health SA, or his general department, that he says justify the better health outcome for country people, and will he do it this week so that there is some opportunity for country people, before the end of their consultation at the end of this month, to have a look at it?

The Hon. J.D. HILL: That is an extraordinary question from the deputy leader. It starts with an analysis of a statement made by an outside group (politically allied to the Liberal Party of South Australia), it then passes through the budget without much of a reference and then demands the tabling of reports. Let me go through all of those issues.

The Rural Doctors Association, I think, has to make a decision whether it is part of the solution or part of the problem. The exaggerated claims that they have been making—and this most recent set of claims about transport is another example—have been scaring people in the country. They need to decide whether they are going to be part of the solution of developing a better set of health services for people in the country or whether they are running a political campaign on behalf of their friends in the Liberal Party. It seems to me that is the option that they have chosen to date.

Can I say about their analysis of the amount of transport required: they are totally wrong. They have based their analysis on a lot of assumptions which are absolutely untrue, and there is not one skerrick of reasonableness in the claims that they have made. They have criticised me for not providing sufficient information, yet I have written to them and I have offered to go through all of the information and have officers in my department go through that information. They have rejected that offer. They purport to be an objective organisation, yet their putting that particular document out today is absolutely wrong.

In fact, the results will be the reverse of what they are suggesting. There will be less travel for people in the country. Already I am advised that in 2007-08, as a result of some of the changes we have made by increasing services in some of the bigger hospitals, there have been 1,500 fewer case-weighted separations of country people in metropolitan hospitals. In other words, that is 1,500 fewer case-weighted separations—that is the way these things are managed—occurred in the city than otherwise would have, and those people (however many individuals there are involved) will have had services provided to them in the country. So, the evidence is that the approach we are taking is actually working. More work is happening in country South Australia and, under our proposals, more still would occur.

There will be less need for people to travel to the city. Their proposition that people will need to catch ambulances from various locations because somehow or other there will be fewer emergency services, I once again absolutely categorically deny. It is not our intention—and it never was our intention—to reduce the level of emergency services. In country South Australia, people will still be able to attend local hospitals if they have an emergency situation.

Of course, whether or not there are doctors there depends very much on the individual doctors. We have seen many examples over recent years of country communities that have not been able to recruit doctors and, for a couple of years, there have been no doctors although nurses have been available. Those arrangements will still be in place. That will be backed up by a better managed and better integrated SA Retrieval Service which will bring together the resources of Flinders Medical Centre, the Royal Adelaide Hospital, the Flying Doctor Service and the Ambulance Service to support people in country South Australia who have emergencies which are such that they need to be taken to Adelaide. That is precisely what happens now.

We want to build up a different approach to country passenger transport. We have trialled a new approach on Yorke Peninsula with the passenger assisted transport service which has a bus service which collects people from their towns and drives them into Adelaide at a very minimal cost (a contribution of $10) so that people do not have to drive. They are taken to the hospital in Adelaide where they need to go and we would like to see that service rolled out across country South Australia. It is a great saving for people—they do not have to drive, they do not have to pay the petrol costs, so it is a reduction in the burden that is on them.

More people can access it than have been accessing the existing PATS service and, as members would know, under the existing PATS service you get no compensation for the first

100 kilometres of petrol costs. So, under this service, you pay the $10 and you get picked up—not from your front door but from a place in your town—driven to the hospital and then returned home. It is a much better service and they are much better transport arrangements. As we put more services into country South Australia, we will be able to build up those kinds of transport services to link communities to country towns, rather than people having to come to the city.

I absolutely 100 per cent reject the analysis done by the RDA to date as totally fallacious. There will be far less country travel as a result of the plan that we are developing—once again, over 10 years, not over a short period of time.

Ms CHAPMAN: I refer to pages 7.34 and 7.37 and, for the minister's benefit, the latter relates to the SA Ambulance Service. The increase in funding from 2007-08 to 2008-09 is some $3.37 million. Given that the minister has said that he does not think there will be any extra huge demand, I suppose that means he will not put any extra real money into it. What is concerning is a footnote on this page which suggests that someone is making an assessment that services previously defined as urgent are now going to be defined as non-urgent. That is at footnote (a) where it states:

> ...changes to call assessment procedures for cases linking with the Royal Flying Doctor Service have resulted in the reclassification of a number of cases from urgent to non-urgent.

My question is: who are the people assessing cases previously defined as urgent and redefining them as non-urgent, which is the cheaper option? What qualifications do they have?

The Hon. J.D. HILL: The Royal Flying Doctor Service is a third party, which we fund. As to who has made the decisions in relation to classifications, I will have to take it on notice. This is not something that has been done to reduce the level of service. It is about better providing services to people who need them.

In relation to ambulance services generally, the budget provides an additional $24.8 million over the next four years to assist with service delivery model changes to help meet the anticipated extra demand for ambulance and health services. It also provides an additional $1.8 million for an automated vehicle-location system. That means that the call centre will know where ambulances are and can better direct them to the closest location. It also means extra ambulances.

In this budget, we also fund 96,000 extra callouts for paramedics over the next four years. As we know, as the demand for health services increases, we have to provide more services. We want to not only invest more money in services, but we also want to make sure that we use existing resources as wisely as we can. So, there is a reform component in that system as well.

Ms CHAPMAN: Still on ambulance services, you have at this stage identified that it is expected that the PAT Scheme will be used more. I notice that there is not much more for SA Ambulance in the budget. On the last day of parliament, minister, you were asked to explain how much of this extra $24 million is actually going to be spent in Country Health SA. You could not answer it then, but what is your answer now?

The Hon. J.D. HILL: Work on that is still being determined. As I said, the CE will be providing Country Health SA with its overall budget, and the allocations will be determined over the course of the next month. I hope that, in the next month or so, we can give you a breakdown of all those figures. In relation to the PAT Scheme, we are actually putting more money into PATS every year as growth and demand goes up. What we want to do is use those resources in a better way. The trial in Yorke Peninsula has demonstrated that that can be done. So, within an existing funding envelope, we want to provide better services to more people.

The current PATS arrangement is worked out by giving a petrol allowance for every kilometre over 100 kilometres travelled by a patient. So, they pay the first 100 kilometres themselves and then we give them a subsidy for every kilometre beyond that. It does not apply to people who need allied or dental health services, or some other services, as well. It is limited in scope and it only kicks in after the first 100 kilometres and it does rely on people driving. Of course, many people when they are ill do not want to drive.

The arrangement we are trying to put in place is to have a bus service which picks them up in their own community, charges $10 as a flat fee (or thereabouts), takes them to the door of the hospital and then returns them to their own community. It will cover a broader range of people. Within the same financial envelope we will be able to provide a much better service.

Whether we are in government or you are in government, there is only so much money we are able to put into health. At the moment, as I indicated at the very beginning, we are putting up

health funding again by about 8 or 9 per cent. We are doing it every year. Eventually by 2032 the entire state budget will be spent on health. So, as well as putting additional money in, we have to work out how to use the existing resources more wisely. The PATS scheme changes that I referred to is an example of that. In relation to the ambulance services, we will work that out over the next month or so as we develop the country health budget generally.

Ms CHAPMAN: I have a supplementary question, Mr Acting Chairman.

The ACTING CHAIR (Mr Rau): Please, let's not go down that track. Is it genuinely a supplementary question?

Ms CHAPMAN: It is genuinely a supplementary question. We are talking about the ambulance services, and with the minister obtaining these budgets that he is going to fly out over the next month, I just ask that the statewide retrieval service—

The ACTING CHAIR: If it is genuinely a supplementary question, go ahead.

Ms CHAPMAN: I ask the minister to also provide the current budget and the 2008-09 budget for the statewide retrieval service, which is the third arm of the provision of services to get people in and out of the country for their health services. That is at the Royal Adelaide and the Flinders Medical Centre.

The Hon. J.D. HILL: I will ask Dr Sherbon to talk about the statewide retrieval service, which I understand is in its early stages. I am happy to take that on notice and try to find whatever information we have, but I will get Dr Sherbon to comment on that.

Dr SHERBON: The statewide retrieval service is in stage 1 of the three stages of its formation. In this stage 1 process there will be greater coordination between the existing retrieval services, the coordination point within the department (Director of Statewide Retrieval), and its various partner organisations, such as the RFDS and the South Australian Ambulance Service.

There is no distinct entity at this point that is the statewide retrieval service; it is an aggregation of existing retrieval services, so it does not get a defined budget. As we move into stage 2, which will be a much more distinct corporate entity (in the second half of this year), we will be moving to a more distinct corporate entity, with centralised retrieval and operations. By the next financial year we will have a distinct budget for that entity as it is created over the next six months.

Ms BEDFORD: My question relates to Budget Paper 4, Volume 2, page 7.13. What benefits do significant biomedical equipment acquisitions bring to the delivery of health services?

The Hon. J.D. HILL: One of the factors driving costs, of course, in the health system is that there are more technologies available, more people who can access those technologies, and more doctors and others who can use those technologies. It means that people do live longer, and we have seen in South Australia one of the highest life expectancy rates in the world. At the last election the government committed an additional $20 million to buy additional biomedical equipment over four years.

From 2008-09 this funding increases by an additional $5 million per year, which is indexed as an ongoing item: $17 million has been allocated to this over three years. In 2007-08 some of the major equipment acquisitions included: an MRI at $2.4 million; a CT scanner at $1.3 million; an ultrasound scanner at $0.3 million; mobile image intensifiers at $0.5 million for the Flinders Medical Centre; and a gamma camera for the Royal Adelaide Hospital at $0.8 million. Other significant biomedical acquisitions in 2007-08 included: physiological monitoring systems for the Royal Adelaide Hospital and the Queen Elizabeth Hospital; a nuclear SPECT/CT imaging system for the Royal Adelaide Hospital; four ultrasound machines for the Queen Elizabeth Hospital; and radiology equipment for the Riverland Regional Health Service.

In 2008-09 the acquisitions from the additional funding will include: a 64 slide CT scanner for the Lyell McEwin Hospital; a cytology analyser for SA Pathology; and an electron microscope for the Women's and Children's Hospital. In addition to these funds the approved funding for the Marjorie Jackson-Nelson Hospital, the Queen Elizabeth Hospital, the Flinders Medical Centre and the Lyell McEwin Hospital will provide for major expenditure on new biomedical equipment for these sites.

In 2008-09 a linear accelerator is being commissioned at the Lyell McEwin Hospital. This expenditure assists in ensuring that the health system is equipped with the very latest in diagnostic and surgical equipment.

Ms BEDFORD: I refer to Budget Paper 4, Volume 2, page 7.9. Prior to the last federal election, the Australian Health Care Agreement was due to expire on 30 June this year. What does the future hold for the funding of health services in South Australia, and how will the relationship between the state government and the new Australian government improve health outcomes for South Australians?

The Hon. J.D. HILL: This is an important question. The current Australian Health Care Agreement, which provides the majority of the commonwealth's funding of public health services, was due to expire yesterday. As part of the recent meeting of the Council of Australian Governments (COAG), all Australian governments made an historic commitment to a comprehensive new reform agenda for Australia, with particular focus on a number of areas, including health. This reform agenda will be facilitated through reforms to the structure of the commonwealth-state funding arrangements currently being undertaken, which will enable the states to allocate commonwealth funding more effectively, leading to better use of public health resources.

From a health perspective, this will mean that the previously restrictive Australian health care agreement, which dictated the states would spend commonwealth funding on public hospital services only, will be broadened beyond acute care. States will be free to move funding within the Health portfolio to priority areas as clinical practices change preventative health and primary health care initiatives. In developing the new broader health care agreement, all Australian governments agreed that there would be a review of the indexation arrangements and that funding in the future should move to a proper long-term share of commonwealth funding for the public hospital system.

This new health care agreement is due to be signed in December 2008 and commence on 1 July next year. To help these time frames, the commonwealth agreed to roll over the current agreement into 2008-09, and it has put an extra $1 billion into the system. This decision, which provides SA with approximately an additional $79.5 million of funding over two years, can be seen as a first step towards a reversal of the declining share of public hospital funding by the commonwealth, which we witnessed over recent years. It is interesting to note that, if the previous Australian government had been as committed to increasing the funding of SA public health/hospital services as is this government, it would have been required to provide an extra $677 million over a four-year period from 2003-04 to 2006-07.

The new platform for cooperative reforms and investments will deliver real benefits for this state for our families and communities into the future. With the new spirit of cooperation that exists and a commitment to genuine partnership in governments and funding arrangements, we will be able to get real reform. We have already had breakthrough agreements in areas unresolved between the states and territories for too long. It will move on from a blame game to, hopefully, cooperation between the various levels.

We would hope to see clarification of roles and responsibilities, a reduction in duplication and waste, and enhanced accountability to the community. As evidence of the cooperative nature which exists between the two governments, South Australia is to receive additional funding to support essential health services such as elective surgery and dental health, and it is also expected that South Australia will receive around $15.2 million in 2008-09 for these two initiatives alone.

Ms BEDFORD: My final question refers again to Budget Paper 4, Volume 2, page 7.9. How will the Health Care Act 2008 improve governance arrangements for South Australia's public health system?

The Hon. J.D. HILL: The Health Care Act 2008, which generally comes into force today, introduces a range of governance reforms aimed at creating an integrated health system for South Australia, with improved statewide coordination and integration of public health services. The act will address the fragmentation and complex governance arrangements in the current health system, reforming them to create a system with streamlined governance and greater accountability.

Following the implementation of the act, the CE of SA Health will have direct responsibility and accountability for managing our health system. The regional boards will be dissolved, and regional chief executive officers will report directly to the chief executive of the Department of Health. The South Australian Ambulance Service will be transferred to the Department of Health also, with its own chief executive officer reporting directly to the Department of Health's chief executive. Then, of course, the chief executive is responsible to me, and I am responsible to the parliament; therefore, clearer accountability lines have been put in place.

In country areas from 1 July, Country Health SA will become an incorporated hospital, and all incorporated hospitals in country areas existing before that date will become sites of the Country

Health SA Incorporated Hospital. Streamlining the governance structure of Country Health, the boards of the incorporated hospitals will be dissolved and the CE of Country Health will report to the CE of the Department of Health.

We have also set up Health Advisory Councils for those local communities to make sure that their voice is heard. The Country Health SA Board Health Advisory Council has also been created, and it will play an important role in overseeing the Country Health Advisory Councils and providing advice to me across a whole range of country issues.

Health Advisory Councils will also be created to represent a range of other communities, including the SA Ambulance Service, particularly the volunteers in relation to the SA Ambulance Service, and the Vets. HACs will ensure that the needs of particular communities from time to time can be communicated to me and to others.

We are also developing the Health Performance Council, which will come into effect today. It will provide independent advice to me, to the CE and to the parliament about the effectiveness of the health system and community engagement. In addition, the Health Performance Council will be required to provide four-yearly reports through me to the parliament, which will give us a good state of health in our state on a four-yearly basis.

Ms CHAPMAN: I refer to page 7.34: Country Health. In relation to consultation on the Health Care Plan, you indicated, minister, that there is an opportunity for feedback and, in fact, feedback forms have been made available for the community to tell you what they think about this proposal. As was highlighted at a meeting in Peterborough the other night, there is no address on the bottom of the form to send it to. When one of the attendees asked what the address was, the officer from your department did not know and suggested that they look on the website. My question is in relation to general consultation. Has any regional impact statement been done on the plan itself and, if so, by whom? Will you make it available?

The Hon. J.D. HILL: The Deputy Leader of the Opposition of course starts with a trivial matter and tries to suggest that somehow or other it is indicative—

Ms Chapman interjecting:

The CHAIR: Order! When the member asks questions with debate contained within them, the minister will respond in a like manner. If the member wishes to make a grievance, the house offers plenty of opportunity for her to do so. Rather than having this crossfire going on between the member and the minister, the committee would be better served if she allowed the minister to answer the question she has asked.

The Hon. J.D. HILL: I was making the point that it is unfortunate if an address was left off the form. These things happen from time to time, and it is always regrettable. However, I would have thought that the public of South Australia know how to contact the health minister. I was asked about this in a radio interview a week or so ago, and I made an apology at the time and said that people could send the form to me at Parliament House.

I can assure the Deputy Leader of the Opposition that plenty of people have worked out how to contact me as Minister for Health, so I do not think that it has in any way reduced the capacity of individuals to communicate or make contact with me. Obviously, we will take all those views on board.

As I say, we are still consulting on this, so it is impossible to say at this stage what the impact will be anywhere because it is out for consultation. The document has been published and, as you would know, one of the issues (and this is always the case when you go through consultation) is that if you go out broadly to the community and say, 'We are going to consult you over something,' they ask, 'What is it you plan?' So, you tell them roughly what it is you plan and then they say, 'You haven't consulted us.' You can never win with these things.

We have now said that we have come up with our plan, that this is it in broad terms and that it contains a whole range of options and things we want to talk to the community about. We have now come up with more specific information to try to provide clarity, certainty and confidence in the community, but we will not have a totally clear idea until after the consultation process and we have considered all the things people have had to say—because we do listen to what they have to say. At that point, we will be able to determine precisely what the impact will be particularly in the community.

Once again, this is a 10-year strategy and not something that will be dealt with in a very short period of time. Things will evolve. The point I make now and have made many times is that

this is precisely what has been happening in country South Australia: over time, services in country towns have diminished in various ways. Smaller country communities have been losing doctors, birthing and obstetrics. For example, in the South-East, in Bordertown, over the past 10 years that community has lost two specialist general surgical services, local GP surgical and anaesthetist services, obstetrics, and two longstanding general practitioners. That is just in one country hospital. That is not as a result of any—

Ms Chapman interjecting:

The Hon. J.D. HILL: The smart comments do not assist. They are just a demonstration of your own personality. They do not help in any way whatsoever.

Ms Chapman interjecting:

The CHAIR: Order!

The Hon. J.D. HILL: The point I am making is: without any planning, without any thinking, and without any kind of effort, these quite significant services have disappeared from Bordertown, largely driven by workforce issues. At Kingston, for example, in the past 10 years, obstetrics and minor surgery have gone. At the Penola—

Ms CHAPMAN: I have a point of order, Mr Chairman. My question was specifically: has the government done a regional impact statement on this plan?

The CHAIR: Order! Thank you. Before I rule on your point of order, you can hardly expect a minister to sit there and listen to your interjections and your jibes and expect him not to respond to those. If you wish to just ask a question and sit back and listen to the answer, I will rule in your favour but, when you continually interject, interrupt the minister and try to debate the minister across the table, what do you expect him to do? He is responding to attacks from you. The minister was trying to answer your question and you began to interject. I do not uphold your point of order.

The Hon. J.D. HILL: To bring it to a conclusion, the question was: are there regional impact statements? I was demonstrating that changes have been occurring in country health over time as a result of workforce changes that have been unplanned. They have had big impacts on local communities. For example, as I indicated, obstetrics has gone from Kingston hospital. Who has planned that and what arrangements were put in place to deal with those situations? In the past, we have had individual hospital boards that have dealt with the services in their particular region. What we want to do is put in place a general system so we can anticipate these changes and make allowances in a positive way so that there are extra services provided in perhaps fewer centres, but at least those services are provided.

The regional impacts of all the changes that I have just described (and I could go through every hospital and tell you what is happening) have never been assessed, and no allowances have been made. It has just been allowed to drift on. We are planning to have a process in place so we can manage change in a sensible way and, at the end of this consultation process, we will give greater clarity to the community about what is intended and the rate at which the changes may occur. As I have indicated, in the vast majority of what we are calling GP Plus emergency hospitals, there will be no change, or very little change at all.

Ms CHAPMAN: My next question is: having not done a regional impact statement on the Health Care Plan, when will you be doing one, because it is government policy to do that on any change of services in the regions; and will you make it available?

The Hon. J.D. HILL: I have just said to the deputy leader that we are going through the process of developing in detail how this strategy will pan out over a period of time. There is an implication that I am obliged to do some particular kind of report in relation to this. This is something that will evolve over a period of time. It has been worked out in collaboration, I would hope, with the community. I have given clarity about how this will work in relation to individual hospitals. I have set up a task force, and I am sure it will give me advice about the implications of the proposed changes on the communities.

The point is that change is happening, anyway, without any consideration of the consequences on any of those communities. We want to develop a strategy which takes into account potential changes and maximises the services that we can continue to deliver. The Country Health Care Plan document which I presented a month or so ago gives a very good account, I think, of the impact on country South Australia of the arrangements that we currently have in place and the health outcomes for people in country South Australia, which are less good than for people in the city, and our goal will be to ensure that, over time, we can improve on that.

Ms CHAPMAN: I will ask my final question on country health and the plan. The plan is out for consultation. We will pass the budget for it in two days in this parliament, so the funding will be allocated. The plan will issue today to the head of Country Health SA, and over the next month he will distribute budgets to each of the health/hospital units; and the minister has identified today with some more specificity the services they will provide in the future.

At this stage there has been no environmental impact statement, other than as the minister indicates. There has been a general impact on the regions—I think that is obvious—some of which has not been documented. Government policy is that a regional impact statement must be done in relation to these plans. I ask again: minister, are you going to do one or are you going to get permission from the Premier not to do one?

The Hon. J.D. HILL: The deputy leader thinks she has found some sort of an Achilles heel in our approach here. I say again: this is a 10-year strategy.

Ms CHAPMAN: Do you want to debate it?

The Hon. J.D. HILL: You can debate it with me at any time, deputy leader. This is a 10-year strategy. We will be building up services in a range of communities and there will be positive impacts on those communities. In relation to the communities which are already losing services, obviously there are negative impacts on them directly because those services are going as a result of doctors' retiring or resigning, or for whatever reason not delivering the services they used to. For those people there is no back up. When the doctor who delivers those services (which might include birthing and surgical services) goes there is nothing in place for those people now. They have to make do with whatever arrangements to which they currently can get access.

Under our strategy they will have a place within 90 minutes for 96 per cent of them which will have better health care services and better hospital services than they currently have. I am happy to have a regional impact statement in the sense of being able to demonstrate where improvements are and what employment arrangements will be effected over the course of this plan. Largely, they will be positive. The deputy leader will be very disappointed when she sees the plan.

Ms SIMMONS: I refer to Budget Paper 4, Volume 2, sub-program 1.1, Portfolio Statement, page 7.15. The 2008-09 budget papers talk about funding for the blood, organ and tissue unit. Could the minister advise the committee of South Australia's organ donation performances?

The Hon. J.D. HILL: This is an issue of great interest to me as health minister. Recently, I had an opportunity to look very closely at this matter in another jurisdiction when I went to Spain last year. The Spanish government, of course, has probably the best organ donation system of anywhere in the world. The person who runs that program is coming to Adelaide later this month to attend a conference–and I will get into the detail of that.

During the 2007 calendar year, there were 27 organ donors in South Australia. Obviously, we are grateful to those donors for the gift of life they have given to so many transplant recipients. South Australia's donation rate of 17 donors per million population continues to be almost double that of the Australian rate of nine donors, but it is still below international standards. In order to help address that issue, we are having a National Organ Donation Summit on 8 and 9 July this year, and key speakers will be invited from two global leaders in organ donation—Spain and the United States. These countries have rates of 34 and 25 donors per million respectively.

This summit is supported by the Australian government and endorsed by my fellow health ministers across Australia. I expect the event to make a significant contribution towards helping us understand how we can improve rates both in South Australia and across the nation. Discussions will be centred on the issues of national governance, consent and family refusal, whether legislative changes are required and whether we can amend the clinical requirements for organ donation to occur after death.

While in Adelaide, Professor Matesanz, who is the director of the Spanish organ donation agency, will be reviewing our local hospital arrangements and providing advice and possible system improvements.

Strategies are already being adopted in South Australia to optimise organ donation rates by ensuring a coordinated statewide uptake of any proposed improvements and ensuring the engagement of all hospitals in this state. One such strategy is the appointment of a statewide medical adviser on organ donation, which will happen later this year.

South Australia has also become one of the few states in Australia to offer state funding to private hospitals to assist with the costs associated with organ donation. I know that South Australians are incredibly generous people, and many have indicated a wish to be organ donors upon their death. I want to make this as easy for them as possible, whether or not the death occurs in the public or the private hospital system.

I invite parliamentary colleagues to attend the free interactive public lecture following the summit to hear our international summit speakers discuss developments in organ donation and hear reports and summit outcomes. That lecture will take place on Wednesday 9 July at the Hyatt Regency, Adelaide, on North Terrace at 5.30pm.

Ms SIMMONS: I refer to Budget Paper 4, Volume 2, page 7.9. One of the 2007-08 health highlights is reducing waiting times for people requiring restorative dental care to 18 months at June 2008. What will be the impact in South Australia of the Australian government's decision to reintroduce the commonwealth dental health program from July 2008—from today?

The Hon. J.D. HILL: The waiting time for restorative dental care reached a peak of 49 months in mid-2002. Since that time, we have provided an additional $56 million for public dental services, which has resulted in waiting times being reduced to 18 months by June 2008. So, 49 months to 18 months is a pretty significant turnaround. The number of people on the restorative dentistry waiting list has also been reduced from 82,000 in mid-2002 to 33,000 in April this year. That is a 60 per cent reduction and represents the lowest number of people waiting for dental health care since the loss of the commonwealth dental health program in 1996.

The reintroduction of the Commonwealth Dental Health Program from July this year (today) will provide an additional $7 million approximately for public dental services each year and will result in a major improvement in access to public dental care. Waiting lists for public dental care will rapidly reduce from approximately 19 months in June this year to, we expect, about 11 months by June next year and are expected to fall further in subsequent years. As the program is further extended, adult concession card holders will be able to enrol for regular check-ups and preventative dental care—and that is the situation we would like to get to; we are not just dealing with emergency work.

In addition, the Commonwealth Dental Health Program will enable adult concession card holders with oral health conditions that affect their medical conditions, or whose oral health is affected by poor general health, to receive enhanced access to public dental services. This component of the Commonwealth Dental Health Program replaces the previous federal government's Medicare dental program for people with chronic medical conditions.

In addition, from July this year the Australian government is introducing the Teen Dental Plan, which is funded at $490.7 million over five years. Under this program, Medicare will issue an annual $150 voucher to children aged from 12 to 17 to cover the cost of a preventative dental check-up every year. This program was initially limited to private dentists, but the Australian government has recently decided that teenagers will also be able to redeem the dental plan voucher in the school dental service, which is a good thing. To be eligible for the plan, the teenager must be eligible for Abstudy, the youth allowance or be from a family that is eligible for Family Tax Benefit A (and this, indeed, covers most children). No co-payment will be charged for children in this group.

Ms SIMMONS: I refer to Budget Paper 4, Volume 2, page 7.5. The 2008-09 budget papers identify SA Health as the lead agency to achieve the South Australian Strategic Plan target (T2.2) in relation to the proportion of South Australians at a healthy weight. Can the minister please explain what EPODE is and how it will assist South Australians to eat a healthy diet for good health and obesity prevention?

The Hon. J.D. HILL: On the last day of March this year, I was delighted to announce the government's proposal to import a healthy living program, which was pioneered in France, to fight childhood obesity. The EPODE program (Ensemble, prevenons l'obesite des enfants—or Together, let's prevent obesity in children) is helping French children maintain a healthy weight and get fit, and will be introduced across the state to help South Australian children.

Up to 20 sites across the state will be chosen over the next four years, with almost $2 million allocated over the next 12 months to establish the first five sites. Up to 200 schools across the state will be recruited over the next four years to spearhead the program across the 20 sites, offering intensive support for healthy eating and physical activity for children. That is on top of a $14 million investment in fighting childhood obesity that we announced last year.

EPODE is a successful program run across more than 160 communities in France, with proven results in helping combat obesity in kids. The program has now been adopted in Belgium and Spain, and is now expanding to Greece and Canada, with interest from many other locations as well. Results from the initial trial of 10 towns show that not only had the children acquired a better knowledge of nutrition but they had also significantly modified their eating habits. For example, the number of families who ate chips once a week fell from 56 per cent to less than 40 per cent. Obesity in children did not increase during 1992 to 2000, while in other regions it doubled.

The initiative will involve the whole community, with leadership from local government, active participation of health services, businesses, shops, workplaces and community organisations. The EPODE approach works closely and intensively with communities—we know this is what makes a difference. Schools are an important focus and up to 200 schools will be involved in 20 different geographic locations. Intensive support for healthy eating and physical activity is provided to students, teachers and parents. Working through both schools and communities at the same time offers the best chance for success in childhood obesity, so we need to expand gradually and maximise our efforts in areas of need.

It should be noted that EPODE is not the only program for schools. Other programs are being run right across the state, including the Premier's Be Active Challenge, the Right Bite healthy school canteens and training of DECS workers to better support healthy eating and physical activity. According to SA data, one in five four year olds is overweight or obese. South Australian adults are 21.3 per cent obese compared to 9.8 per cent in 1992, with almost a quarter million people in our state regarded as being obese. As a community, the cost is enormous. It has been estimated around $21 billion a year for obesity in Australia, or around $1.6 billion for South Australia this year. We are already addressing the issue, but we need to do more, and this program will be an important part of that.

Mr PISONI: I refer to the same budget line. On the EPODE program, minister, you spoke at the NOBLE conference on 5 November last year and stated that there were methodological issues with the EPODE program. I also draw to your attention the editorial in the *European Journal of Obesity* written by Manfred Müller who is an authority on nutrition and childhood obesity and who makes the following comments reflecting the concerns that you raised in your speech. He states:

> However, the results of the program have not become available to the international scientific community. Thus we are not aware of peer-reviewed scientific publications in English pertaining to the processes or the results of EPODE or the prior intervention programs in Fleurbaix and Laventie; a PubMed research revealed no results for the term EPODE.

Also Sandrine Raffin, who is a co-designer of the EPODE program, addressed a meeting of the German Platform of Nutrition and Physical Activity in the summer of 2007 in Berlin. In her talk she stated that, with exception of Fleurbaix, obesity prevention rates had not decreased as a result of intervention in other French communities. What were the methodological issues with the EPODE program that you spoke about at the NOBLE conference?

The Hon. J.D. HILL: I cannot recall exactly what I said at that conference. In relation to EPODE, they have done a whole lot of evaluation. I think that they are working across 100-plus sites with thousands of kids, parents and teachers—so tens of thousands of people, effectively. They have done an evaluation which demonstrates the outcomes to which I have just referred.

They attempted to have that published, I think, in *Lancet*. The editors of *Lancet* did not publish the results because there was no control group. Essentially, if you are working in a community with 5,000 or 10,000 people, what do you use as a control group other than the sort of broader stats that you have across the nation? Those kinds of methodological or scientific issues at that standard make it difficult for someone doing an evaluation and research on this program. However, I understand that EPODE is doing other bits of work in order to demonstrate its effectiveness.

The point is that we know that we have a problem. We have looked around the world at programs that are having a positive impact, and the only two of which I am aware (and there may be others) is the EPODE-style program, which is essentially working with communities to try to get a change in behaviour. We have seen these kinds of programs in Australia change the social norms. We have seen these programs effective in Australia over time, for example, in relation to smoking. I think it is absolutely clear that, over the past 34 years, the social norm in relation to smoking has changed. What was an acceptable activity pretty well anywhere—in the house, the workplace, restaurants, wherever—has now become a socially unacceptable activity.

We have seen the decline in smoking from 60 per cent amongst males some years ago to less than 20 per cent now. We have seen the social norm change in relation to waste management. As I say often, when I was a child the social norm was to throw whatever rubbish you had in the car out the window because that would keep the car clean. We now, obviously, understand the consequences of when we throw that out the window and it lands on the pavement or in the bush. Programs such as Keep South Australia Beautiful, Put It In The Bin and Bin It—all those kinds of programs—have changed the social norms. Fewer people now behave in the way they may have found acceptable years ago.

We know that programs focused on changing social norms worked. The only other program of which I am aware and which has worked in terms of reducing childhood obesity is a program in Singapore. As I understand it, children there are weighed at school and those who are obese or overweight are made to go to a special room for their lunches, and they are separated from the rest of their peers. After school they are enrolled in a particular set of physical activities which are special to them. That kind of segregation and identification of weight issues in that context I just do not think would work in Australia. It may work in a more authoritarian society but I just do not believe it would work in Australia.

I think we must go along the path of changing the social norms and changing the social values. We have seen lots of examples of that working in the past. I am happy to provide whatever research material we have in relation to the effectiveness of EPODE, but essentially it is about working with communities to try to change their behaviours in relation to children's eating and bringing all the partners together, so it would be the local doctors, schools, councils and businesses—everyone would be focused on one outcome, which is to make kids healthier. I am very confident that that approach will work in our context.

Mr PISONI: I do have some of the results here. The program started in 1991. Of the children measured in 1991, the obesity rate for girls was 14.1 per cent and the rate for boys was 9 per cent, with an average between boys and girls of 11.4 per cent. When the measurements were taken in 2000 in those same communities we saw obesity rise to 13.3 per cent. What is interesting about the research on the EPODE program is that the same students were not measured. It was simply a point in time. The same students were not measured.

The best research I could come up with on the EPODE program was the cross-sectional survey which, in the scale of methodology from 1 to 8, comes in at about number 5—which is a survey or interview of a sample of the population of interest at one point in time. I have been told by those in the scientific community that that is a very low form of reference. As a matter of fact, it is only three up from the lowest point—anecdotal; which is something a bloke told you in a pub after a meeting.

I have some additional questions on the cost of the trips to France. This relates to the same line. Will the minister advise of the cost of overseas travel by staff of the Health Promotions Branch in the 2007-08 financial year? Will the minister advise of the cost for himself and his staff to travel to France to meet Dr Jean-Michel Borys?

The Hon. J.D. HILL: I will address the preliminary parts of your question. Jean-Michel Borys (the person who came here) made it plain when he gave a briefing that—and I think you were in attendance at one of the briefings when he went through the research data—in the early days of this program, it was not having an outstanding success. I think his reason for that was that they were focusing only on the school. It was when they broadened the program in the most recent years to include the community, local government and doctors (and all the rest of the power figures in the community that make up the village that you need to raise a child) and brought in all those other factors, the obesity rates improved quite dramatically.

That, I think, is the significant thing: it is working with all of the influences on a child to create an environment where a better understanding of nutrition is created; better focus on exercise—it is a whole lot of little things. It is a multifactorial response, including families eating together rather than sitting on the couch watching television; having limits on how much television people watch or how much internet time people have; focusing on exercise and doing things together as a family. All those little things are very hard to tabulate and then say, 'Well, this created that impact,' or, 'That created this impact.' I think the overall evaluation demonstrates that there is an improvement in levels of obesity and the number of children who are overweight in the communities in which this work is done.

Clearly, it is at a very early stage, and our intention is to adapt that approach to children in South Australia. We already run a whole range of programs, all of which have budget lines, which

do good things. However, of themselves, they probably do not have a breakthrough kind of capacity; whereas I think that working with schools, doctors and families using this integrated approach will.

We have seen the success of this approach across a whole range of areas, for example, sexual health, where literacy levels, understandings and behaviours have changed in the community as a result of the HIV AIDS scare of 15 to 20 years ago. Behaviours do change when people are confronted with the facts, where information is provided from a range of sources, people are supported and so on. In relation to travel, I am happy to provide the information required. I do not have it with me now.

Mr PISONI: What credibility checks were conducted into the work of Dr Jean-Michel Borys before introducing his program? In the context of that question I would like to raise some points that my research has uncovered. In the French EPODE program 50 per cent of the total money from private sponsors goes to the Proteines agency. Dr Borys is a director of the Proteines agency. It is a PR and advertising company that, in short, helps companies to put a healthy spin on their products.

This is all on the Proteines website, minister. Clients include EPODE; Danone—`the nutritional benefits of ultra-fresh dairy products are on the increase; in order to convince experts and consumers, Proteines develops strategies aimed at privileged ambassadors for these target groups'; and Ferraro—Kinder, which makes Nutella of course—treat...or trick? Proteines has been responsible for its advertising campaign that 'revisits the concept of pleasure and gives you the keys to sensible indulgence'.

There is Kellogg's: a guide to Kellogg's corporate healthy eating way; and, of course, McDonald's is a client of Proteines, the same company of which Dr Borys is a director. It boasts: `From allegedly being responsible for the increase in obesity to having the profile of a corporation committed to transparency and healthy lifestyles, McDonald's has clearly shifted its focus on health by optimising its product range and providing more information on nutrition.' Other clients include: Nestlé, Unilever, Coca-Cola and Bayer.

I draw the minister's attention to a brochure (of which Dr Borys was a co-author in 1999) entitled, 'The benefits of moderate beer consumption'. I put it to you, minister, that Dr Borys is a hired gun for the junk food and alcohol industry. Some of the claims that this brochure (co-written by Dr Borys) makes, according to my understanding of the Food Labelling Act in Australia, would be illegal. It states:

> Three glasses of beer a day should reduce the risk of heart attack by 25 per cent.

It also goes on to state that it is the alcohol that—

The CHAIR: Order! And your question is?

Mr PISONI: I will get to that in a moment.

The CHAIR: Get to it now.

Mr PISONI: There is a disclaimer, of course, at the back of this brochure after all these claims—

The CHAIR: Order! I have given you a directive, member for Unley. What is the question?

Mr PISONI: I know it is difficult to hear that the—

The CHAIR: No, it is difficult to hear your voice. What is the question?

Mr PISONI: I know it is difficult to accept that the minister has been conned on this EPODE program. What checks did you make, minister, about Dr Borys?

The Hon. J.D. HILL: I made one check that you obviously have not made. I went over there and had a look on the ground. I talked to doctors, I talked to parents, I talked to teachers, I talked to academics, and I met the people who are the beneficiaries of the program. I would suggest that, rather than doing internet research, you actually use some of your travel allowance and go and have a look yourself. I went and had a look on the ground and talked to the people who are the beneficiaries. I also met—

Mr Pisoni interjecting:

The Hon. J.D. HILL: I think it is outrageous, Mr Chairman, that the member for Unley who clearly has decided for whatever political advantage he thinks it brings him to attack our attempts to reduce obesity in the community, to malign a significant—

Mr Pisoni interjecting:

The CHAIR: Member for Unley, this is your last warning. I am happy to bring the house back; it does not bother me. You asked a quite detailed question and you gave a detailed explanation. The minister has been answering for about 30 seconds and you pop in like a child. How about sitting quietly and letting him answer?

Mr PISONI: Thank you, Mr Chair.

The CHAIR: You are welcome.

The Hon. J.D. HILL: The other person I was going to say I met with was the head of the International Obesity Taskforce who works with the World Health Organisation, and I went through the two programs—the Singapore program and the French program—with him. We went through the methodological problems that I described, and I think his view was that the French program was worth considering.

He drew my attention to the Singapore program and we, of course, both agreed that that would not work in an Australian context. Jean-Michel Borys is a medical doctor. I think he is a cardiologist from memory, so it would not be surprising if he were writing papers about issues to do with cardiology. He is, I think, a very sincere and focused person who has a very clear understanding about what he is attempting to achieve. His organisation, EPODE, is a not-for-profit, non-government organisation. It relies on sponsorship, and he has certainly not hidden that in any way. All of the communities understand that there is private sponsorship for the activities.

Ms Chapman interjecting:

The CHAIR: The member for Bragg is warned. Unfortunately, minister, the time has expired. Do you wish to continue answering or do you wish to come back to finish your answer?

The Hon. J.D. HILL: I would like to continue answering it if I may. I will not take much longer. The gentleman in question has very high ethical standards, I believe. He has made it very clear that the organisation which he runs has private sponsorship. There are very clear rules about how they are involved. There is no advertising whatsoever at a local level in terms of the programs that affect children. I think it is a reasonable approach that he is taking because it is not a government-sponsored organisation.

Our introduction of it in South Australia would be different, of course. We would be the first government to adopt this approach. The overall approach, which is to work with communities to get good positive outcomes, is, to me, the most sensible possible thing you can do in relation to changing social behaviours, and one of the social behaviours that we need to change is the dietary and exercise habits of our children.

Ms BEDFORD: I refer to Budget Paper 4, Volume 2, page 7.13. This page of the Portfolio Statement shows an allocation of $750,000 in 2008-09 for the Health and Medical Research Fund. What is the fund used for and what else is the government doing to strengthen health and medical research in this state?

The Hon. J.D. HILL: Before I answer the question, I will deal with a couple of things that were raised earlier. When I went through the list of hospitals earlier, I mentioned 14 hospitals that we would be looking at. I then read out 16 names, including Leigh Creek and Woomera, which are remote-service category hospitals and should not be included in that list; but they will be looked at as well.

In relation to employment figures, the deputy leader asked me about the number of nurses and medical officers, full-time and head count. I advise that, as at April this year—and, of course, these figures will be confirmed in September—there were 10,721 full-time equivalent nurses and 2,266 medical officers. On a head-count basis, there were 14,045 nurses and 2,604 medical officers. In relation to the International Obesity TaskForce, I spoke to Professor Philip James, who is the chair of that task force. I also understand that Professor Boyd Swinburn, who is the Professor of Population Health at Deakin University, is also involved in the evaluation of the French program.

In relation to health and medical research, the Health and Medical Research Fund is unique to South Australia. The fund provides a valuable opportunity to grow health and medical

research capacity. The fund brings with it opportunities to invest strategically in health and medical research in South Australia, to build capacity and to leverage funding received from other services.

This year, the Health and Medical Research Fund is contributing to the purchase of medical and research equipment in eight facilities. The new equipment will be used to aid study in areas such as stem cell research, osteoporosis and cancer treatments. The eight facilities that have received funding to date are: the Royal Adelaide Hospital, the Queen Elizabeth Hospital, the Lyell McEwin Hospital, IMVS, Country Health SA, the Women's and Children's Hospital, the Repatriation General Hospital, and the Flinders Medical Centre.

All of the equipment provided through the fund has been identified as addressing a vital and specific medical research need and is not readily available to researchers elsewhere within the state. The new equipment will increase the capacity of the state's research facilities and will support the conduct of high quality health and medical research throughout South Australia's hospitals and universities.

South Australia has a proud tradition of world-class health and medical research. South Australian researchers are of the highest calibre and their research is internationally renowned. In addition to the Health and Medical Research Fund, SA Health is currently supporting a number of initiatives and collaborations with the university and NGO sectors to support and further progress health and medical research in our state.

We have, of course, gone through the Shine and Young review. Professor John Shine and Mr Alan Young were commissioned to undertake a review of health and medical research in South Australia with the aim of making recommendations to provide strategic directions for health and medical research, build on the state's research effort and collaboration and increase the state's capacity to attract and effectively use research funds.

Following that review, it was recommended that an independent flagship health and medical research institute be established to bring together top researchers to work in related fields. This would provide a focus for health and medical research activity in South Australia, recruit and retain leading research teams, attract increasing levels of national and international funding and enhance collaborative activity. Shine and Young outlined three key recommendations to establish that institute, which included housing the health and medical research institute in a new flagship research facility and then build the Health and Medical Research Fund.

While the health and medical research institute would be independent from hospitals and universities, it would work in close collaboration and partnership with both sectors. That would be particularly evident through the 'nodes' of the institute, which would be fostered and developed at each of the universities and teaching hospitals to focus on research areas of particular strength.

Both minister Caica and I are supportive of the recommendations. Officers from my department and the Department of Further Education, Employment, Science and Technology are working to progress the recommendations. We are also working on the Centre for Intergenerational Health, which is a research collaboration promoted under Constellation SA. The aim of this centre is to provide a unique interdisciplinary capability for research into factors that are crucial for sustaining good health across the life span within and between generations, particularly in later life.

It is a collaborative initiative between SA Health and the Department of Further Education, Employment, Science and Technology and the three universities. Professor Shine and Mr Young, in their review of health and medical research, recognise the Centre for Intergenerational Health as a key niche area for SA and as an important starting point for building a collaborative research capacity. A Centre for Intergenerational Health program director has been appointed to develop a clear business plan for the centre, and will work on enhancing collaboration between the parties.

We are also building a $19 million research facility at the Queen Elizabeth Hospital, which is almost complete. We are also working on a data linkage unit, which will be a fantastic benefit for researchers in South Australia. A consortium has been formed to develop this data linkage system, and includes the three universities, the Health Department, the Department of Education and Children's Services, The Department for Families and Communities, Further Education, Employment, Science and Technology, the justice portfolio and Trauma Injury Recovery SA, and, potentially, the Northern Territory and the Cancer Council. Funding will total $2.3 million over four years. This, of course, will provide a fantastic database which will allow a whole lot of research. There is much more as well, including a joint project with the Cancer Council.

Ms BEDFORD: I again refer to Budget Paper 4, Volume 2, page 7.13. In the 2008-09 budget, $14.286 million has been allocated to the Marjorie Jackson-Nelson hospital on top of an

estimated result of just over $4 million in 2007-08. What health care benefits will South Australians see in the future from this investment, and why will it be different?

The Hon. J.D. HILL: The Marjorie Jackson-Nelson hospital will open to receive its first patients in 2016. It is, of course, the centrepiece of our reform agenda. It will be the most technologically advanced hospital in Australia—a custom-designed and built state-of-the-art facility. In addition, a critical component of planning the hospital is the development work around clinical services and the model of care that will operate in the new hospital.

This work is led by the Clinical Planning Team which will produce a clinical services document by the middle of this year. The document will incorporate a summary of the model of care, broad service descriptions, and high-level concept functional relationships. The work will feed into the project brief that will go out to expressions of interest in 2009.

Clinical consultation will be required through the public-private partnership process, and appropriate strategies will be developed to support the various stages. It will be overseen by the Clinical Steering Committee, which includes representatives from a range of organisations—the Central Northern Adelaide Health Service; the Divisions of General Practice, Medicine and Surgery; SA Pathology; general managers of the Royal Adelaide Hospital and the Queen Elizabeth Hospital, directors of nursing and allied health directors from those two hospitals; the Faculty of Health Sciences at the University of Adelaide; the School of Health Science at the University of South Australia; and the Department of Health through its Operations Division and Statewide Service Strategy Division of the Major Projects Office.

The current consultation process commenced in February this year to work through the draft model of care and to inform the work around the clinical functional brief. During this time, more than 150 clinicians, as well as a range of other people, have been involved and invited to participate at some level. The process has evolved somewhat as the work has progressed and has incorporated the following levels of consultation and communication:

- Focus groups, which have concentrated largely on specific stages of the patient journey. They include: access/diagnosis; operating theatres; procedures; inpatient model of care; ward design; exit/discharge; and ambulatory care.
- Consultation meetings with sub-specialty groups or 'service lines', which have incorporated individual consultation meetings with heads of units, clinical leaders, as well as groups of clinicians. These meetings have included discussions on the concept model of care, the patient journey as it applies to the specialty service, and issues specific to the specialty service.
- Consultation meetings with individuals and groups in the Department of Health and the Central Northern Adelaide Health Service to review the model of care development, links and consistencies with a range of related planning and reform activities; and
- Consultation meetings with the clinical networks to establish an iterative process ensuring links with the statewide network plans, and communication meetings incorporating presentations and updates for staff groups, senior management meetings and meetings with key groups, including the Consumer Advisory Council and staff associations.

A lot of work is being done to make sure that a whole lot of points of view are brought into this planning process. It is anticipated that acute care providers within the hospitals will link with a range of chronic disease pathways, primary, secondary and community services to provide comprehensive health care to the community.

The hospital will be designed and built with the comfort of these patients in mind and with guidance and input from clinical staff to ensure that it is practical and functional. It will have the patient-centred model of care, incorporating four key aspects—the healing environment, treating the patient as a whole, safe care, and the patient journey. The consultation process is focused on the patient's perspective to identify and avoid delays, duplication, and wasted and excessive processes.

Ms BEDFORD: I again refer to Budget Paper 4, Volume 2, page 7.12: new funding for the redevelopment at the Berri and Whyalla hospitals. How does this fit in with the reform of Country Health Care in country South Australia?

The Hon. J.D. HILL: As the member would know, we are planning to increase the capacity in country health South Australia, in particular build capacity in four general hospitals at Berri, Whyalla, Mount Gambier and Port Lincoln. This is a 10-year strategy and, of course, we want

to make sure that a broader range of services is available in the country. Country general hospitals will be the main centres of their surrounding areas and will deliver acute services across an identified catchment, meeting their majority of acute in-hospital treatment needs of the residents in the local community and the surrounding districts.

These centres will be developed to retain as much secondary level acute activity as possible so that only people requiring very highly specialised or complex care will be required to travel to Adelaide. The country general hospitals will offer services, including inpatient and day rehab, gerontology, urology, an enhanced range of orthopaedic services, specialised palliative care, in-hospital services, renal dialysis, paediatric specialists, early intervention services in mental health, chemotherapy, intermediate mental health care, acute care beds, short stay options, and a range of other services in the community for people experiencing mental health problems.

I have already gone through the figures. We are spending $41 million at Berri and $15 million at Whyalla, and the works will commence in Whyalla this year and be completed in 2010-11. The Berri works will commence in 2009-10 and are due for completion in 2011-12. The planned redevelopment at Whyalla includes: the provision of an integrated theatre suite, including day of surgery admission facilities and day surgery unit; upgraded high dependency unit; additional in-patient beds to enhance palliative care and mental health services; expanded rehabilitation services; and the provision of facilities to support day oncology services.

In the Riverland, at the Berri hospital, it includes: provision of an expanded accident and emergency service; additional operating theatres; establishment of a renal dialysis unit; additional in-patient beds to enhance obstetric care; palliative care; mental health services; expanded rehabilitation services; and the provision of facilities to support day oncology services.

Ms CHAPMAN: I refer to Budget Paper 4, Volume 2, page 7.1, and these questions will be about the government's Marjorie Jackson-Nelson hospital proposal. Also, page 37 in Budget Paper 5 refers to this project. It was described in the 2007-08 budget last year as a $1.677 billion project, and I note that the minister repeated that amount today. I also note at page 37 in the footnote it explains the fact that the total cost of the project is now N/A (not available) by stating:

> The 2007-08 Capital Investment Statement included an estimated total project cost of $1,677 million. The government has decided to procure the hospital through a public private partnership, and the total cost depends on future procurement processes and accounting treatments.

So now it is an unknown, according to these budget papers. When the minister told us today that $25 million of this project is going to be wasted if there is a change of office in March 2010, I can only assume that he is taking what has been spent—which I understand is, up to yesterday, about $4 million, the $14 million plus that is proposed in this year's budget and something for the 2009-10 budget, which adds up to that $25 million. My question is: what has been the total cost of the project so far against the health budget, including the advertising campaign, the preparation of tender documents, the consultancy reports, etc.?

The Hon. J.D. HILL: We will get the detail for the member, but I will comment on her initial observations, seeing she was so kind to make them. Perhaps I should have clarified for the member what a PPP process involves. Through a PPP process of procurement the government does not spend the capital upfront and, in fact, the costs associated with delivering this project for the government upfront are those that we will expend in the development and evaluation of the detailed tender process documents, and the advice that we have from experts to give us ideas about how we should proceed—all of those kinds of things. The estimation of that is about $25 million by 2010.

The cost, of course, for the overall project is still, we anticipate, just slightly below $1.7 billion, but that of course will be provided by the private sector. The amounts to pay for that will not be seen in our budget papers until the building is completed, and that is around 2016, so I guess four years before then you would start to see in the budget papers and the forward estimates the projected costs of that way of procuring it.

That is one of the great advantages of a PPP. Under the standard means of procuring a hospital the government would have to obtain, either by borrowing or from other sources, the capital that is required and start spending that money as the building proceeds—and we are seeing that, of course, in relation to the Lyell McEwin and the Flinders Medical Centre and the like. But, through a PPP process, of course, we do not pay anything until the hospital is built, other than the costs associated with our own work in relation to the planning of the tender process, and the evaluation of it.

I am advised that the expenditure in 2007-08 was $4.017 million and the advertising expenditure in 2007-08 was $679,000. That is generally for the health care plan, so that would cover the Marjorie Jackson-Nelson hospital and other things such as the Country Health Care Plan public presentation.

Ms CHAPMAN: In relation to the PPP for the Marjorie Jackson-Nelson hospital, has the government secured monoline insurance, as required for PPP projects, now that you have changed to this new format?

The Hon. J.D. HILL: I will ask Dr Sherbon to respond to that.

Dr SHERBON: The Department of Treasury and Finance is chairing an executive steering committee overseeing the PPP. There will be opportunities for consortia that procure finance to deliver the PPP to reinsure their finance through the bond reinsurance market, to which you refer. The advice that I have received recently from DTF is that, given that this is a government project delivered by a major sovereign government with a AAA credit rating, they see bond reinsurance risk as a low risk to the project at this point in time.

They are obviously watching the bond reinsurance market and other insurance markets. Should those markets deteriorate further and the price of finance increase, naturally, when we come to procurement we will be comparing any bids with a public sector comparator. That comparator may well prevail if the cost of finance is too high for the consortia. However, at this stage, the DTF view when I last asked (which was a month ago) was that it was a low risk.

Ms CHAPMAN: As the proposed hospital will result in a change of use of the land from railyards to a hospital, and section 23 of the Adelaide Park Lands Act requires a report on the future use and status of the land to be laid before both houses of parliament and to be furnished to the Adelaide City Council, my question is: has this report been prepared and, if not, when is it likely to be prepared and provided, as required by law, and tabled in this parliament?

The Hon. J.D. HILL: Any amendment to the change of land use for parklands under the care and control of the government will be undertaken in accordance with the statutory provisions of the Adelaide Park Lands Act. The land is currently owned in fee simple by the Minister for Transport and operated by TransAdelaide, which we know. This land will be transferred to me as Minister for Health.

A rezoning exercise will take the form of a ministerial development plan amendment pursuant to section 26 of the Development Act (I released documentation for that some months ago, and that process is proceeding). The government master plan acts as a vehicle to consider a range of relevant West Adelaide precinct interface issues. I would assume that any reporting that is required to parliament would occur after those processes are completed, but I will happily take advice on that to better inform my answer.

Mr RAU: I refer to Budget Paper 4, Volume 2, Portfolio Statement page 7.10. Can the minister please update the committee on the progress and impact of the statewide information line for maternity services, the Pregnancy SA Info Line and the recently established health call centre, HealthDirect Australia?

The Hon. J.D. HILL: Both of those projects are going very well. A new statewide telephone service for women seeking their first antenatal appointment in a public maternity hospital unit was launched on 3 December 2007 (I am pleased to say, my birthday). This new initiative was proposed by the South Australia Maternal and Neonatal Clinical Network to facilitate a coordinated approach to antenatal bookings. The Pregnancy SA Info Line is a single point of telephone contact for the public and health professionals and is already providing valuable support, with up to 250 referrals for antenatal appointments every week.

We are experiencing our highest fertility rate in a decade: 2006 data from the Pregnancy Outcome Unit published in November 2007 reports that the total fertility rate was 1.82 births per woman. This compares to a rate of 1.73 births per woman in 2002. The increasing number of antenatal appointments and subsequent births required a new approach. Pregnant women have historically had the choice of visiting a GP or a public antenatal clinic for the management of their pregnancy. The info line does not change that arrangement. Importantly, GPs can still refer pregnant women to a public hospital for the management of a clinical condition without having to contact the info line.

Public hospitals will continue to support and promote the General Practitioner Obstetric Shared Care program, and a media campaign about the info line commenced on Sunday 10 February this year. All GPs were sent a letter in November last year giving them information

about it and an invitation was sent to them to attend an information session that was conducted by the SA Maternal and Neonatal Clinical Network.

The health call centre, HealthDirect Australia, is a free line call. It was launched in South Australia in January this year to provide better access for South Australians wishing to manage their own health and wellbeing. It has taken about 46,000 calls from people seeking health and medical advice or assistance from a registered nurse over the phone. It provides South Australians with access to high quality health advice and information 24 hours a day, 365 days a year.

Calls are answered, on average, within 18 seconds and last eight minutes, and callers always speak directly to a registered nurse. About 25,000 callers to date have phoned, expecting to have to take immediate emergency action, such as calling an ambulance, visiting an emergency department and getting to a GP straight away. However, after speaking with a nurse, about 10,000 of these callers were reassured that they did not have to take such urgent action regarding their health.

The service has already taken about 30,000 phone calls that would otherwise be made to hospital emergency departments seeking health advice from a nurse, and this has allowed busy emergency department staff to better concentrate on face-to-face calls. So, it has reduced by 10,000 the number of people who might otherwise have gone to an emergency service or called an ambulance, and reduced by 30,000 the number of phone calls that would otherwise have gone to an emergency department. Some 1,300 calls have been made by people from Aboriginal and Torres Strait Islander backgrounds, and we expect the service to receive about 180,000 calls annually from South Australians, with about 50,000 of these coming from rural and remote areas. So, it is a great new service.

Mr HANNA: I refer to page 7.9. One of the targets for the coming year is the development of the GP Plus Health Care Centre at Marion. Given the recent announcement that the swimming pool will finally go ahead, can the minister give details of what the GP Plus centre will look like, the extent of interaction with the pool to be built adjacent and also the list of services to be provided?

The Hon. J.D. HILL: As to how it will look, I cannot answer that yet: I do not believe it has been designed. My understanding is that an office building will be part of the development, and the GP Plus centre will exist in a number of the floors of that building. How big the building will be and those kinds of issues I cannot answer, but it will be a user-friendly building, which will be adjacent to the aquatic centre.

We think that developing the centre in this way is a good opportunity to develop those links between fitness and health. The GP Plus Health Care Centre will create an opportunity to develop new models of care that respond to the government's health reform agenda. The centre will provide comprehensive accessible primary health care services that are based on a client and family-centred approach. The services will cover youth health services, community health clinics and dental services as well as a medical and specialist clinic with a focus on chronic disease management, health promotion, disease prevention and post-acute outpatient services. I know from the development of the GP Plus Health Care Centre at Aldinga (which is in my electorate) that these services will develop over time.

In terms of the Aldinga one (and I am sure the process will be the same at Marion), an extensive process of discussion and consultation will take place with the local community and also local service providers—particularly GPs but also other service providers—about what is currently there, what the gaps are and how the service can assist the existing primary health care providers deliver services. For example, in Aldinga (which is a different model but the same sort of approach will take place), GPs identified after-hours services for GPs as one of the things they found difficult to deliver, so we now have after-hours GP services.

In Marion, of course, that would be a different outcome, I assume, because it is a 24 hour GP clinic. The GPs would want to send their patients to classes which might assist them manage their diabetes or lung disease—all those kinds of things. There must be support groups for those kinds of people, so we will develop those kinds of services as well. It will be an evolving set of services that will very much relate to the particular needs of the community. It will be a very large centre. I do not have the details in front of me, but I am more than happy, as it is in his electorate, to provide the honourable member with a more detailed face-to-face briefing with officers if he would like to go through that process—perhaps not now but at some future stage.

Mr HANNA: The only other aspect I would like to ask about now is: what is the time frame for consultation processes and the actual opening of the GP Plus centre?

The Hon. J.D. HILL: It is anticipated that construction will happen this financial year (2008-09), with completion in early 2010.

Mr HANNA: That date rings a bell for me.

The Hon. J.D. HILL: Yes, strange about that, but it will happen. Make sure you are there. I will certainly make sure the honourable member is there for that important event. A development process will apply, of course, to the building, but in terms of the service arrangements that process has already begun, as I understand it. Certainly, there has been close cooperation with the Divisions of General Practice in the southern area (I know that from having talked to them) and through the GP Plus network. I am happy to provide a detailed briefing to the honourable member about what the thinking is at this stage in terms of what should be there.

Ms CHAPMAN: I will return to the Marj but, with respect to the GP Plus centres, last year a significant project was announced in the budget (and the Treasurer referred to it in his speech), that is, that there be a new GP Plus centre at Port Pirie, and it was highlighted in the regional statement. Of course, it is completely absent in this year's budget having not been started last year. When will Port Pirie get its GP Plus project? Will it start in 2010? I would like some idea about when that will get going, because it is completely omitted.

The Hon. J.D. HILL: I am happy to provide that information. The proposal which we announced last year as part of the Health Care Plan and which is a 10-year plan for the development of infrastructure in South Australia and the change of services identified Port Pire as a town which required extra capital works. We identified $12.5 million to provide a new centre for the provision of integrated primary health and allied health services in Port Pirie. These services include Aboriginal health, health promotion, chronic disease prevention, community development, early intervention, mental health services, aged-care services, palliative care services, women's health services, child development services, youth and family health and allied health services.

The current community and allied health services building (previously the nurses' accommodation) is and was considered to be inadequate due to the building's structure, poor disability access and safety issues. The new GP Plus Port Pirie health care facility will result in:

- a high quality and better coordinated service;
- primary health care services delivered more efficiently and effectively;
- increased capability to attract and retain health professionals in the Mid North region;
- facility and service models that have a flexible capacity to respond to and meet the changing health and wellbeing needs of the population; and
- culturally appropriate services for Aboriginal people, which enhances the mainstreaming of Aboriginal health.

Planning for the building will commence in mid 2009, with construction forecast to commence in mid 2010 and completion in mid 2012.

Ms CHAPMAN: I return to the Marjorie Jackson-Nelson hospital, and I refer to page 7.13. The minister indicated that he is proceeding with a ministerial PAR pursuant to the Development Act, and I note that. Previously, I had raised the question of the minister's obligations under the Park Lands Act. Even in the published material on the Marjorie Jackson-Nelson hospital at page 27 this is acknowledged as a process that must be undertaken. Is the minister even going to prepare this report and, if so, when?

The Hon. J.D. HILL: I think I answered that question last time; I am happy to go through it again. The government is going through a PAR process. I think I said in answer to my last question that I assumed that the development of any report that is required under the legislation will occur after that process has been completed, but I would seek advice as to whether or not I am correct in that assessment. The health department, through its CE, has already had discussions with both the council and the Parklands Authority. I have met with the mayor and discussed this in general terms. I understand that other departmental officers also met with the council.

We are working closely with the bodies we need to work with and we are developing the proposals in, I think, a pretty good integrated way with the other ambitions that the Parklands Authority and the council would have for their areas. They raised a number of questions. The Hon. Ralph Clarke, I understand, is a member of the Parklands Authority and he was particularly keen to make sure that the new hospital had a focus on art. I was able to assure him personally that that would be the case. We would ensure that good design was a feature of the development. As to the

statutory requirements, we will comply with them. I will get further advice about it, but I would have thought that would most likely be after we had gone through the final planning process.

The CHAIR: I remind the committee that Ralph Clarke has not earned the title 'honourable'.

The Hon. J.D. HILL: I do beg your pardon. I am sorry.

An honourable member interjecting:

Ms CHAPMAN: I think it is something to do with court proceedings. The Adelaide Park Lands Act provides that if land within the Adelaide Parklands, occupied by the crown or a state authority, is no longer required for any of its existing uses, the minister must ensure that a report concerning the state government's position on the future use and status of the land is prepared within the prescribed period. It then goes on to require, as I have indicated, that the report be laid before the houses of parliament and given to the Adelaide City Council, which has certain entitlements, and it provides for reference to the parliament's Environment, Resources and Development Committee.

I am a bit concerned to hear the minister say that he is going to get advice about what he needs to do with this, when we have already spent over $4 million on this project (and another $14 million to be approved in this year's budget) without having obtained that advice or attended to the preparation of this report or tabled it in the parliament. If all of this is aborted under the requirements of this act or needs to be debated by any government amendment proposed to this act, then we surely need to deal with that before any other money is spent.

The Hon. J.D. HILL: The deputy leader likes to make assertions and say what one should or should not do, but I prefer to act on the basis of advice rather than use the ad hoc approach that she obviously prefers. I will get advice and we will prepare any statutory reports that are required. The advice I have is that it is required after the PAR process. I assure the member (and anybody else who happens to be listening who thinks that somehow or other she has discovered some secret flaw in the proposition that would stop this project proceeding) that there is nothing in the Parklands legislation which would stop us building a hospital on that site. This land is owned by the government. It is not land, as in the case of the Victoria Park development, which is owned by the council. This is our land; we own it—it is owned by the Minister for Transport.

We are creating a DPA (development and planning amendment) which is out for a process of discussion. It will create a hospital zone on that site and then we will be complying with the planning arrangements to build a hospital. There is nothing in the legislation which will stop that. There is a provision in the act which requires us to lay before the parliament certain documents and to consult with the Parklands Authority and the council—and we will do that. I repeat, for the third time, that we will do that in the appropriate way. As I suggested in my answer to the previous two questions, the most likely time I believe that would occur is after the planning amendment has been completed. I am now advised that that is, in fact, the case.

Ms CHAPMAN: What is the time frame that you anticipate for the completion of the ministerial plan?

The Hon. J.D. HILL: Overall, it was about a nine to 12-month process. It is within the control of the planning agency and the Minister for Planning has the carriage of it. The advice I have is that it should be within a 12-month time frame and I think we have had three or four months possibly now. I beg your pardon: the clock has not started ticking yet. The advice I have been given is that it will be within 12 months.

Ms CHAPMAN: Is it the government's plan that it will proceed to prepare the report required under the Park Lands Act after the ministerial plan has been determined?

The Hon. J.D. HILL: That is the advice I have just provided, yes.

Ms CHAPMAN: You indicate that nothing is going to stop the government from proceeding with this. However, as you would be aware, there are processes by which this matter can come back before the Environment, Resources and Development Committee. Pursuant to section 23(6), the Environment, Resources and Development Committee may, on referral under subsection (5) (which is either by the Adelaide City Council or if a dispute arises between you and the Adelaide City Council), inquire into the matter as it thinks fit; make any determination or recommendation that it thinks appropriate with a view to resolving the matter; or make any report to parliament that it thinks appropriate in the circumstances of the particular case.

Clearly, it is a project which, under these processes, could end up back here in the parliament, not only in terms of the report that you provide, but with recommendations from the ERD Committee. That is a lawful process. Why are you not getting on with the preparation of this report so that it can be examined and, if there is a necessity to follow any of these matters through with the ERD Committee, so that it can be attended to before any more money is spent?

The Hon. J.D. HILL: The assumption that I think the deputy leader is making is that any of these processes could stop the project proceeding—that is not the case. The plan amendment process will create a zone on the site which will allow us to build a hospital there. We own the land; we will proceed. We will comply with all the other requirements of legislation but they will not, in any way, stop us from doing what we want. I know that the opposition does not like this plan. It wants to build a stadium on the site—that is fine—but we will build a hospital. There is nothing in the legislative process that anybody can point to which will stop us doing that.

Ms CHAPMAN: At page 7.13, also on BP 5, at page 37 (still referring to the Marjorie Jackson-Nelson hospital), the proposal advertises that the hospital will have 800 beds. This will be 700 multi-day beds and 100 same-day beds. Will the minister confirm whether the 100 same-day beds will be available for extension overnight and for multiple days, if required?

The Hon. J.D. HILL: The advice I have is that that would only occur in extraordinary circumstances, like a major disaster—an outbreak of bird flu or something like that. We are building the hospital taking into account what we believe are the future health care needs of the state. We are creating extra capacity at the new hospital; we are creating extra capacity at the Lyell McEwin; creating extra capacity at Flinders; and, of course, with the Country Health Care Plan we expect to see more patients using country health services rather than city health services.

In addition to that, we are giving a much greater emphasis to what we are calling our GP Plus Health Care strategy, that is, focusing on prevention and primary health care so that fewer people need to go into hospital. Of course, there is a great investment in ambulatory care out of health care services generally, and all of those elements are part of the one plan. The number of beds that are proposed for the Marjorie Jackson-Nelson hospital is the number that we believe we will need in the time frame this hospital is being created in, but bear in mind that on that site there is capacity for expansion if required. The number of beds we are creating there is what our experts tell us we will need when that hospital opens.

Ms CHAPMAN: On the question of the 700 beds, at present the Royal Adelaide Hospital has 650 operational beds, as I understand it. That is, they are available for overnight stay. They have various allocations: some are in general and some are in surgical, etc. The material that has been published by the government about this new project indicates that it will go from 650 beds to 800 beds. Also, at the Royal Adelaide Hospital chairs are available for the recovery of day patients; people go in for day surgery and sit in a lounge chair and recover. In addition to these 100 same-day beds, will there be further day surgery recovery suites and, if so, how many?

The Hon. J.D. HILL: As to the number, I cannot say, but I assure the honourable member that we will not make patients stand up in their recovery; we will have chairs for them and all the things you would normally expect to find in a hospital. We are creating extra capacity in the hospital, and we are taking to 800 the total number of beds, some of which are for day surgery. As the honourable member would know, the number of items that can now be done by way of day surgery has grown astronomically. I remember talking to an ophthalmologist about the procedures they use now for cataract removal or glaucoma—one of those ailments. In days gone by a patient would spend two weeks in hospital with sandbags beside their head to keep their head still while they recovered. Now, of course it is done within an hour or so. There are great developments in procedures, so the need for day beds is growing. All the recovery arrangements will still be in place. I am not sure we know precisely how many chairs will be used for recovery, but I will certainly find out for the deputy leader.

Ms CHAPMAN: Among the 650 current beds at the Royal Adelaide Hospital, how many are designated as same-day beds?

The Hon. J.D. HILL: I will have to take that on notice. This is really not going to the budget: it is going to the existing hospital arrangements. I am happy to find out for the honourable member what the disposition of beds currently is at the hospital, how many recovery chairs there may be and what the plans are for the new hospital but, in terms of the detail of the recovery chairs and so on, we are going through an extensive process of consultation with the clinicians in relation to what is required. We are trying to build a hospital for the future, taking into account what we

believe the situation will be when it is completed, not as it is now, so a lot of future-proofing (to use a pretty bad term) is going on at the moment to think through the needs for the future.

Ms CHAPMAN: On the same subject, will the minister confirm who registered an expression of interest for the Marjorie Jackson-Nelson hospital project management and commercial, financial and security risk assessment advisory services, which were advertised to close on 28 March 2008; and when does tender close for these projects?

The Hon. J.D. HILL: I will ask Mr O'Connor, Finance Director, to answer that.

Mr O'CONNOR: The tender processes you referred to are three separate tender arrangements: one for the commercial and financial advisers, one for project management and the third one for security risk. The commercial and financial and the project management tenders have been awarded, but the risk management one is still under consideration. The commercial and financial advisory services will be provided by Ernst and Young, and the project management services will be provided by Arup.

The Hon. J.D. HILL: I think you can appreciate that we cannot say who did not win.

Ms CHAPMAN: I understand. With the risk management, did you receive any expression of interest?

The Hon. J.D. HILL: I think the question has to go through me.

The CHAIR: I should make clear that all questions are directed through the minister, for the protection of the advisers.

The Hon. J.D. HILL: I am advised that, yes, we have had a number, but I cannot tell you exactly how many.

Ms CHAPMAN: Is there any particular reason why there has been a delay in the acceptance of a tender for that?

The Hon. J.D. HILL: There has been a range of tenders, and they have been prioritised in a particular way. I would not think it was fair to say there had been a delay.

Ms CHAPMAN: When do you expect that process to be completed for the risk management advisory services?

The Hon. J.D. HILL: It is a matter of days or weeks; it is imminent.

Ms CHAPMAN: That being concluded, will that be made available?

The Hon. J.D. HILL: Yes; it is not a private process.

Ms CHAPMAN: I will take that on notice. In Budget Paper 3, page 2.43 and also Budget Paper 4, Volume 2, page 7.49 there is reference to a budget blow-out. What is the breakdown of the $70.3 million of what are called the 'additional resources' that are required in the five months from the 2007-08 mid-year budget review to the 2008-09 budget?

The Hon. J.D. HILL: Would you mind giving that reference again?

Ms CHAPMAN: Budget Paper 3, page 2.43, and, in more detail, Budget Paper 4, Volume 2, page 7.49. It is the explanatory material to the commentary on the financial accounts.

The Hon. J.D. HILL: I will ask Dr Sherbon to provide that answer.

Dr SHERBON: The figure was an adjustment made by the Treasurer on advice from the Department of Treasury and Finance. It reflected an increased demand in metropolitan public hospitals to the order of $54 million (we are checking that figure as we speak), and a recognition that non-wage cost pressures increased greater than what was first expected when the budget was laid down in June 2007. The non-wage cost pressures were $17 million, and the activity figure is $53 million.

The Hon. J.D. HILL: I think this reflects two things—that the inflation rate in health is greater than in the community generally, and that the demand pressures on our hospital services are growing at a phenomenal rate. I think there was something like 14.5 per cent, or thereabouts, growth in demand for emergency services over the last three years. It just keeps growing at a faster rate than we ever anticipated.

Ms CHAPMAN: Has the medical inflation factor been taken into account in the negotiations for the commonwealth-state agreement to which you referred earlier?

The Hon. J.D. HILL: There are three elements in terms of the Australian Health Care Agreement. One is the base funding; under the former government the proportion of funding coming to the states to run the hospitals declined from about 50 per cent to 40 per cent and our state component had to go up, so we would like to re-establish a proper base for funding. The second element is the indexation of the base; under the former arrangement the commonwealth inflated it 4.5 per cent—that covered all growth, I think, including inflation—and that was roughly half what the growth really was. So that is the second area of discussion with the commonwealth. The third area is the growth in demand. So, we are negotiating around three factors: the base; the medical inflation rate; and the growth in demand.

Ms CHAPMAN: While we are on the commonwealth agreement, I am happy to ask my questions on that area. You mentioned earlier that an extra, I think, $1 billion has been allocated, pending its final conclusion, to be effective 1 July 2009 rather than today. My question relates to an answer you recently gave the parliament regarding the increased demand that may arise out of the federal government's announcement on insurance.

My understanding of your answer was that you did not expect there to be any immediate impact on the state budget because you expected that, if anyone were to drop out, it would be the young, healthy people; but in the longer term, with those left in private health insurance perhaps facing higher premiums and therefore possibly more of them dropping out, that may be the implication. So you would be expecting the commonwealth government to pick up that extra cost that would be imposed on the state.

My question on that—particularly as it may enhance this third demand factor to which you have referred—is: have you been given any assurance by the federal minister, in the ministerial meetings, that that will be provided?

The Hon. J.D. HILL: Since the commonwealth government made its announcements—during what was, I think, part of its budget process—we have not yet had a ministerial council meeting. Another one is lined up within the next couple of weeks. However, South Australian officials have been working with officials of the commonwealth, and a number of these issues are being resolved through the COAG process as well. So, all those factors have been put on the table.

However, if we could get agreement from the commonwealth to share the growth on a fair basis then it really would not matter what policy decisions it made, because all those decisions would ultimately be picked up in the health care agreement. It is when the commonwealth artificially limits the growth factors to a level below real growth, taking into account inflation and demand for services, that enormous pressure is placed on the state budget. So, whether it is a Liberal or Labor government, the position I put is the same: we want a fair growth figure.

To be fair, the commonwealth has an unlimited budget when it comes to Medicare presentations; people go to GPs and it has to fund that regardless of how many people turn up. We have a similar situation when it comes to hospital attendances; we have to fund that regardless of how many turn up. What we are looking for is the same kind of sharing of that burden with us that the commonwealth now has on its own in relation to Medicare payments.

Ms CHAPMAN: Is there any budget allocation in either the current year or in forward estimates to measure that growth— particularly if the growth in demand is identified as a result of federal government policy—so that you may recover that entitlement (under whatever formula is finally struck) from the government? If so, what budget allocation has been made for that monitoring or process?

The Hon. J.D. HILL: There are three parts to my answer. First, there is growth funding in the budget, and I will get Dr Sherbon or Mr O'Connor to give you an outline of what that is. It takes into account previous growth in South Australia and what we think may occur in the future. Secondly—

Ms CHAPMAN: I do not mean to interrupt, but I think we are at cross-purposes. I have asked about growth as a result of the federal government initiative and whether there is any monitoring or funding for that.

The Hon. J.D. HILL: I think your summary of my answer to parliament was reasonably accurate: that we believe it is unlikely to have much impact on demand in the short term as a result of commonwealth changes, but who is to say what it might be in the long-run? We have not anticipated in any budgetary sense what that might be because, plainly, we just do not know. We will monitor it closely. We will certainly argue with the commonwealth that whatever growth occurs as a result of its policy changes should be picked up by the formula. But, as I say, if we had a fair

formula based on a 50-50 arrangement and a fair inflater in relation to the CPI in health, and also a fair growth factor taking into account the real growth in demand for hospital services, all those factors would cover that matter.

Ms CHAPMAN: I think you have made it fairly clear that you expect the base funding to be restored to a 50-50 arrangement. I think your statement to date—since the commencement of the new federal government—is that you would not have expected that in the first year but that, in the long term, you want that brought back to a 50-50 arrangement. Can I have an indication about what the government thinks is reasonable—from South Australia's point of view—as regards the inflation factor and the formula for demand?

The Hon. J.D. HILL: Can you repeat that?

Ms CHAPMAN: Of the three factors, you have made fairly public that you expect the base funding should be 50-50, as it used to be. You are obviously critical of the previous Liberal government for reducing that to 40 per cent. You made that comment again today. I understand what you are seeking on behalf of the state but, in relation to indexation and demand, what do you think are fair formulas to be applied for the purposes of the commonwealth agreement referred to?

The Hon. J.D. HILL: The officials are working through the details of that. In general terms, I would like to see an open-ended commitment to growth. So, if growth in South Australia is 5 per cent in terms of presentations, that should be reflected in the formula—so, an open ended formula rather than a fixed formula. The commonwealth, I guess, will not want to do that, so we will work through it together.

What we would like to see is a fixed figure that more accurately reflects real estimations of growth, but these things form a matrix. There are three factors there. As long as we get a fair deal—and it can be seen to be a fair deal—we will be happy, regardless of which elements are advanced and in which order. As I say, this is a matter for ongoing discussion between officials from the various states, the commonwealth, and by treasurers and premiers with the Prime Minister. I am advised that the security risk assessment adviser was awarded just last week to Sinclair Knight Merz.

Ms CHAPMAN: I will just go back to the commonwealth agreement. I think I understood you to say that you may not get all three things that you want but, if you were to get the base funding right, possibly some movement from the commonwealth, and one or two of the others, you would consider that to be a fair deal. Is that what you said?

The Hon. J.D. HILL: In general terms, the commonwealth is changing the way it is funding, so it will have fewer special-purpose funds, a broader approach to funding and a limited number of special-purpose funds, but it is also looking at reform arrangements. For example, one of the possibilities that has been floated is that the commonwealth would fund all of the non-patient admissions. So, all GP services would be covered by Medicare, and everybody who turns up to an emergency department might be covered by the commonwealth. That would be a totally different structure in the way of funding health. It might mean that we get less money, but the outcome would be better for our budget, because the commonwealth would then be paying for all non-admission services.

I think we need to take a reasonably flexible approach to this to work through a set of arrangements which create reform and which stop the buck-passing that goes on between the two levels of government. It will make the system work better. How well that will pan out is impossible to tell. I do not want to be constrained by a set of narrow parameters. What we are looking for is a good health outcome, which will mean that the commonwealth will better fund the health services to be closer to the original Medibank and Medicare arrangements, which were on a 50-50 basis.

In the past as I understand it, hospitals, as independent entities, would provide services and would charge patients, which acted as a disincentive for people to go to a hospital. So, part of the Medibank, and then Medicare, reforms were that patient services would be absolutely free and that the commonwealth would compensate the states for the provision of those services. That is what we are looking for. I do not really mind how it is done, as long as it is fair.

Ms CHAPMAN: I refer to Budget Paper 3, page 4.2. Is it still your expectation that this health care agreement to commence on 1 July 2009 will be signed by December this year?

The Hon. J.D. HILL: I am advised that the aim is for it to be signed by the premiers—not the health ministers—at the October COAG meeting.

Ms CHAPMAN: I refer to page 4.2, as follows:

COAG agreed that the new health care agreement would be signed in December 2008 with a commencement date—

And it goes on.

The Hon. J.D. HILL: The advice I have is that it is currently planned for a bit earlier—in October.

Ms CHAPMAN: I refer to Budget Paper 3, page 7.7, as follows:

The government is implementing policies to manage the increase in expenditure on goods and services. However, if these policies are unsuccessful, it may result in significant future costs.

Will the minister identify what policies are being used to manage increased expenditure on hospital goods and services?

Dr SHERBON: We are working on a procurement strategy to restrict the growth of non-wage costs, that is, goods and services and other non-wage items. That strategy is designed to procure more smartly than in the past by strengthening our bargaining power with suppliers and reducing costs. There is a risk in that there is a very significant growth in costs in the sector not so much from existing goods and services but for new products that come on the market, which are often in demand by clinicians. There is a risk, and we have highlighted it. We are attempting to reduce the growth in the cost of goods and services but, as highlighted in the budget papers by the Treasurer, we will have to deal with the risk should it arise. At this point in time, we have confidence that we can ameliorate growth in the cost of goods and services.

Ms CHAPMAN: Can the minister give an example of the new products mentioned, or what new services we will change to produce the management of any increase in expenditure?

The Hon. J.D. HILL: I know that one of the issues in country health, for example, is that, until the country health arrangements changed, every hospital in the country (40-odd) went through its own procurement process. Clearly, there are real advantages if you can procure across a bigger system. That is one example that I can think of.

Dr SHERBON: There are also some increments in goods and services and new drugs. Every week a new drug comes onto the market, inevitably more expensive—or, in rare cases, cheaper, but usually more expensive—than previous drugs. Naturally, clinicians request the latest available drug to treat the condition from which their patient is suffering. There are also new prostheses for orthopaedic implantation and cardiac implantation (a recent source of growth), in particular, and technological advancements in things such as radiotherapy and diagnostic imaging. We have just had a request for a range of new diagnostic products on the market as technology advances. They are the sorts of examples that creep into new products that are available.

Ms CHAPMAN: I would have thought that new drugs, as was pointed out, are more expensive. New prostheses, high demand for diagnostic imaging, etc., are all the expected increases in expenditure, but this commentary refers to keeping a lid on it. What are the policies other than perhaps either cutting the number of some of these services that you will approve or getting cheaper equipment? Can you give some examples of how you will keep the lid on these costs other than to instruct your hospitals, with 26,500 staff, all of whom you now employ between the two of you? As you said, minister, the buck stops with you. What will you do to achieve this?

The Hon. J.D. HILL: I will give one example that was put to me by a former member of this place, Michael Armitage (former health minister and now the chief executive of a private insurance group), who came to see me about issues dealing with prostheses. There is a whole range of prosthetic devices in the marketplace which can be used to perform, for example, a hip replacement. These products come onto the market, and doctors like to try different ones, and different doctors have different preferences, and so on. Research has established that certain devices have fewer failures than others. Mr Armitage advocates (certainly, when he came to see me) that we have a limited list of preferred products that can be used—those which have the best outcomes for the patients—so that you have fewer redo lists, for example, and so that you do not use expensive options when you can have a more affordable option which has a better or equivalent health outcome.

That always struck me as a very sensible thing to do. Through the development of our clinical networks, different groups of doctors are looking at the best ways of delivering services. I hope that one of the things that they would ultimately do is look at the equipment and the goods and services that they require to deliver their services so that cost and effectiveness can also be brought into play. Dr Sherbon will probably give more practical examples than those I have given.

Dr SHERBON: To continue with the minister's example of orthopaedic prostheses, under this organisation's previous system of governance there were many different purchasing and contractual points throughout the organisation. Now, under the streamlined governance structure, we can organise our bargaining power with suppliers a lot more effectively and bargain as a large purchaser, and drive down unit cost. We will be doing that with a range of products. Orthopaedics prostheses is probably a little more complicated than other products, such as sutures, needles, etc., because it involves lot of clinician preference. The strategy of procuring more smartly is a key plank of our measures to control cost escalation of goods and services.

Ms CHAPMAN: Obtaining the best price and limiting the product may all sound like sensible initiatives but, largely, they result in often excluding the clinician from consultation, because they are the ones who want the more expensive equipment or the new drug, or whatever. I ask this question because it is my understanding that, for example, recently there was the acquisition of an aircraft for retrieval services in country South Australia and a subsequent complaint that there had been no consultation about what sort of aircraft would be suitable for the retrieval of people.

The Hon. J.D. HILL: I make the general observation that one would not want to impose any prosthetic device on clinicians without having consulted with them, and I am sure, as I said, through the clinical networks we would want to do that. Equally, in the use of sutures and all the rest of it, we go through a process to ensure we can maximise the value while minimising the impact on clinical decision making. In relation to the aircraft, I will ask Dr Sherbon to respond.

Dr SHERBON: Continuing the orthopaedic prostheses argument, as the minister confirmed, we will consult clinicians. There is actually a wider range of choice of prostheses available in the public sector at no cost than there is in the private sector. The previous federal government instituted a restricted regime where, if orthopaedic surgeons chose a prosthesis outside of a list that minister Abbott established, the patient wore a much greater cost. That does not happen in the public sector. We are concentrating on reducing the unit cost of prostheses, not necessarily imposing unfair obligations on orthopaedic surgeons—although, as the minister says, we are working to get a coherent guideline for the use of prostheses from the medical clinical network.

In regard to the aircraft, SA Health does not purchase aircraft. It may well be the RFDS. We will have to check on that.

The Hon. J.D. HILL: We will get an answer on that.

Ms CHAPMAN: In relation to the networks, because they are the new groups that will be consulted, I think they have been operating for the past couple of years. What procurements or goods or services have they given the minister advice on so far in relation to what would ultimately provide some saving to this budget?

The Hon. J.D. HILL: I think we have eight clinical networks. I will have to get advice on whether there are particular goods and services that have been identified. I know there has been advice from the cardiology network, for example, on the application of equipment and where it should be placed—that is, very big items. The obstetrics network, for example, suggested the telephone help line as a device to provide better services to people in a better coordinated way. So they have been developing broad strategies. In regard to where we are in relation to particular items, I cannot answer that now but I am happy to get some advice for the member.

Ms CHAPMAN: I appreciate you will take that on notice, minister, but I am specifically looking for projects they have given you advice on which will help manage the increase in expenditure on goods and services rather than ideas such as the telephone line. Obviously that is a new initiative, and it may be a very good one, but you have referred to it today and it does not necessarily reflect as a cost initiative.

The Hon. J.D. HILL: I understand.

Ms CHAPMAN: I will go back to the IMVS, and you have answered some questions at page 7.26 about the new SA Pathology, which is effective today. Last year it was announced that there would be a $2 million-plus saving as a result of establishing SA Pathology and amalgamating the IMVS with other services. Has that saving been achieved?

The Hon. J.D. HILL: I am checking the detail of that. As I understand, it was programmed for the financial year we are just entering, not the one we have just left, so there are some administrative savings from doing that.

In relation to the savings target of $1.1 million—not $2 million, as the member said—from 2008-09, we are confident that that will be achieved.

Ms CHAPMAN: To achieve that, what positions will be no longer paid for?

The Hon. J.D. HILL: Essentially we now have three sets of management running three services. We will have one management structure in place and we will make administrative savings as a result of that.

Ms CHAPMAN: So this is at the executive level of the other two? There are currently three, and you say there will be—

The Hon. J.D. HILL: We are not absorbing the two smaller ones into a larger one—we are creating a new unit—so the administrative savings will be across all three of the existing services.

Ms CHAPMAN: I did not mean to suggest that it was all going two into one, because we have had that argument already. There will be now one chief executive and, presumably, a reduction in the need for second level executive positions. Is that really what we are seeing?

The Hon. J.D. HILL: That is right, yes.

Ms CHAPMAN: And that has already been achieved, as of today, presumably? It has started?

The Hon. J.D. HILL: This financial year. There are obviously some transitional arrangements that will need to take place and, if people have contracts or are permanent, other work will have to be found for them or arrangements put in place to make those arrangements, but we are confident that that will occur.

Ms CHAPMAN: In this year's budget I note there are another 230,000 pathology tests anticipated for the 2008-09 year. That is quite a significant increase relative to the amount that was done last year. This is all at page 7.26. What extra revenue will that generate from the commonwealth?

The Hon. J.D. HILL: There are two sources, of course. Our own growth is increasing demands but, of course, we are optimistic about the IMVS's capacity to compete with the private sector in the broader health system. We will have to take the second part of your question on notice. I do not have that detail.

Ms CHAPMAN: Is it proposed that any other staff will be taken on to do all these extra tests?

The Hon. J.D. HILL: No. The advice I have is that we expect, through the consolidation, to be able to achieve more throughput.

Ms CHAPMAN: Budget Paper 4, Volume 2, page 7.20 relates to public health. In February this year, and I think again in April, I asked the minister about the chromium contaminated water under the General Motors-Holden's Woodville site in the context of public warnings (or the absence thereof) to residents in that area. This came shortly after a public warning had been issued in relation to the consumption of bore water in the Beverley and Woodville South area. I have not yet received any responses to those questions as to what will be done about it. Is there any provision in this year's public health budget to clean up that water?

The Hon. J.D. HILL: Let me give the member the information that I have. Residents of Allenby Gardens, Beverley, Woodville South, the north-eastern portion of Findon and the south-eastern portion of Woodville West have been warned not to use groundwater from residential bores for drinking, cooking or other domestic purposes. All residents in the affected area have been advised in writing, and media releases were issued on 18 December 2007, 16 January 2008 and 19 March 2008.

These warnings were issued following the detection of trichloroethylene (TCE) from bores in the areas. Concentrations were well above drinking water guidelines. TCE is an industrial chemical widely used as a metal cleaner and degreaser, but long-term exposure may lead to cancer. The source of the contamination is unknown. Contamination of shallow groundwater by industrial chemicals such as TCE is a widespread problem in urban centres around the world.

Ms CHAPMAN: I think we are at cross-purposes here. I have not asked about the trichloroethylene problem; that was a previous matter. I am asking about the chromium in water under the General Motors-Holden's site, which is in the Woodville area. That is a different matter.

The Hon. J.D. HILL: My apologies. I will seek a report for the member on that topic.

Ms CHAPMAN: And, in particular, whether there is any funding in this budget to clean that up. I will move to my next question. Is there any funding in this budget—and I note that in the Premier and Cabinet portfolio, 'New works', there is a purchase of land for the safe storage and destruction of explosives—

The ACTING CHAIR: (Ms Simmons): Does the member have a budget paper page number?

Ms CHAPMAN: I am referring to 'Capital works', Budget Paper 5. It is not there; that is what I am asking.

The Hon. J.D. HILL: What is not there?

Ms CHAPMAN: I note that, in the Premier's portfolio of investment programs, he is to purchase land for the safe storage and destruction of explosives at a cost of $5 million. For the last three years I have been asking regularly in the parliament (as the minister would know) about what has happened with respect to the radioactive waste site that the government had announced. Is there any funding in this year's budget for the radioactive waste site to be established so that the radioactive waste stored in the basement of the Royal Adelaide Hospital can be transported, along with that from other sites in Adelaide?

The Hon. J.D. HILL: Of course, the responsibility for this is not within the Health portfolio: I understand it is within the Department of Transport, Energy and Infrastructure. I am happy to pass on the member's request for information to the minister responsible.

Ms CHAPMAN: If that site has not been built before the commencement of the Marjorie Jackson-Nelson hospital, is it proposed that there will be a radioactive waste storage unit in the new hospital?

The Hon. J.D. HILL: These are issues that we will have to explore and consider. My hope is that there would be a central state store that could house these collections. They are relatively small, as the member would know; they do not take up a lot of space. There would be the capacity, I think, in other centres in Adelaide if we had to transfer from one hospital to the other. This is too hypothetical for me to really give any elaborate answer. I am happy to pass on the request to both my officials and minister Conlon's officials to see if we can give the member something more succinct.

Ms CHAPMAN: The minister may wish to take my next question on notice. What was the cost of security guards in public hospitals during the 2007-08 year, and what is budgeted for in the 2008-09 year?

The Hon. J.D. HILL: We will see if we can get some particular information, but there is no budget line as such. The hospitals have budgets to work within, and if they need to hire security guards that is what they do. It is regrettable that these days we have to have security guards to basically protect patients and staff from some other patients, but that is the nature of the world in which we live.

Ms CHAPMAN: I appreciate that may take some time. I will now read the omnibus questions, as follows:

1. Will the minister provide a detailed breakdown of the baseline data that was provided to the Shared Services Reform Office by each department or agency reporting to the minister: including the current total cost of the provision of payroll, finance, human resources, procurement, records management and information technology services in each department or agency reporting to the minister, as well as the full-time equivalent staffing numbers involved?

2. Will the minister provide a detailed breakdown of expenditure on consultants and contractors in 2007-08 for all departments and agencies reporting to the minister, listing the name of the consultant and contractor, cost, work undertaken and method of appointment?

3. For each department or agency reporting to the minister how many surplus employees will there be at 30 June 2008, and for each surplus employee what is the title or classification of the employee and the total employment cost (TEC) of the employee?

4. In the financial year 2006-07 for all departments and agencies reporting to the minister what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2007-08?

5. For all departments and agencies reporting to the minister what is the estimated level of under expenditure for 2007-08, and has cabinet already approved any carryover expenditure into 2008-09? If so, how much?

6. (i) What was the total number of employees with a total employment cost of $100,000 or more per employee, and also as a sub-category the total number of employees with a total employment cost of $200,000 or more per employee, for all departments and agencies reporting to the minister as at 30 June 2008; and

(ii) Between 30 June 2007 and 30 June 2008, will the minister list job title and total employment cost of each position (with a total estimated cost of $100,000 or more):

(a) which has been abolished; and

(b) which has been created?

7. For the years 2006-07 and 2007-08 will the minister provide a breakdown of expenditure on all grants administered by all departments and agencies reporting to the minister, listing the name of the grant recipient, the amount of the grant and the purpose of the grant and whether the grant was subject to a grant agreement as required by Treasurer's Instruction No 15?

8. For all capital works projects listed in Budget Paper 5 that are the responsibility of the minister, will he list the total amounts spent to date on each project?

The Hon. J.D. HILL: I have received further advice around the Parklands legislation, which was the subject of a number of questions. I am advised that section 23 of the Adelaide Park Lands Act requires a report to be tabled in both houses of parliament and a copy furnished with the ACC describing the proposed change in use and the condition of the site. This must be done within 18 months of the decision to change use. I am advised that we plan to table this report before the end of this calendar year.

The ACTING CHAIR: There being no further questions for the Minister for Health, I declare the examination of the proposed payment for the Department of Health adjourned until tomorrow.

The Hon. J.D. HILL: Thank you, Madam Acting Chair. I take this opportunity to thank the officers from my department and from my own ministerial staff for the assistance given to me in the preparation for today's estimates. I thank members of the committee for their help, as well as you and other chairs here today.

DEPARTMENT OF PRIMARY INDUSTRIES AND RESOURCES, $153,487,000

ADMINISTERED ITEMS FOR THE DEPARTMENT OF PRIMARY INDUSTRIES AND RESOURCES, $5,054,000

Departmental Advisers:

Mr J. Hanlon, Executive Director, Community and Local Government Relations, Office for State/Local Government Relations.

Mr A. McKeegan, Finance Officer, Office for State/Local Government Relations.

Mr K. Pugh, Project Officer assisting the Office of the Southern Suburbs.

Membership:

Mr Pengilly substituted for Ms Chapman.

Mr Goldsworthy substituted for Ms Penfold.

The ACTING CHAIR: I declare the proposed payment open for examination. I refer members to the Portfolio Statement, Volume 2, pages 5.18 to 5.19. I call on the minister to make a statement, if he so wishes.

The Hon. J.D. HILL: Thank you, Madam Acting Chair. If I may, I will make a brief opening statement. The government continues to support the southern suburbs through various economic,

social and environmental initiatives that are achieving positive outcomes for the south. The Office for the Southern Suburbs plays a crucial role in bringing together the key players in the south, and they are the cities of Onkaparinga and Marion, the Southern Adelaide Economic Development Board, Flinders University, businesses and government agencies. The office brings a whole-of-government strategic focus to the region to maximise opportunities.

I take this opportunity to thank Penny Crocker, the Director of the office. She is unwell today, but I acknowledge her great efforts for the office. I would like to deal with a range of issues. The closure of Mitsubishi at Tonsley Park has been a matter of great interest and attention for the office. The announcement that Mitsubishi would close was made on 5 February. In response to that announcement, the commonwealth and the state have announced an $80 million package, which consists of money for a $35 million South Australian Innovation Investment Fund (jointly funded by the state and the commonwealth), a $10 million labour adjustment package and a $35 million fund from the repayment of the state government loan to Mitsubishi.

I have established a Southern Suburbs Coordination Group to provide me with advice on expenditure of the nominated funds under the assistance packages to coordinate state government service delivery in response to the closure and to monitor infrastructure issues around Tonsley Park. The southern suburbs office provides executive support to that coordination group. Part of the strategy on infrastructure includes discussions with Mitsubishi on future use of the site. The government, led by the Department of Trade and Economic Development, has established a Tonsley Park Task Force to manage its relationship with Mitsubishi and to explore options for the alternative use of the site.

In infrastructure and other areas the coordination group has also fostered closer working relationships between state agencies and the local councils on issues related to the planned closure and on economic development in the south generally. There has been, for example, a coordinated effort to explore relative infrastructure priorities in the south under a working group led by Mr Rod Hook, the Executive Director of Major Projects and Infrastructure and the Department of Transport, Energy and Infrastructure, and involving senior officials from the state and the southern councils. Another key element of the government's response has been in labour adjustment; and, as I say, a $10 million package has been put aside for that.

The Transition Advisory Service is also overseeing major skills and demand training and employment programs in a range of sectors, including mining where, for example, the company CavPower will formally offer 70 employment positions to workers by the end of August. The Australian and South Australian governments have also supported the appointment of a project officer to provide ongoing monitoring and support to workers over the next two years.

A regional land use framework has been identified as a priority and the office will work closely with Planning SA to progress that. This has been timely as the government recently announced planning reforms, including a 30-year plan for Adelaide. All of this is being done and the coordination group is engaged in that process. Representatives from councils are on that group, of course.

In relation to other economic development issues, the office has developed positive working relationships with key players, particularly the Southern Adelaide Economic Development Board, the Centre for Innovation (Southern Node) and Flinders university. This has resulted in the office providing minor sponsorship to the annual Innovation Forum, working with the Southern Adelaide Economic Development Board to implement various elements of the Southern Adelaide Economic Development Plan and providing funding and in-kind support towards the industry engagement element of the Medical Device Partnering Program.

In relation to employment at workplace outcomes, the office this year has participated in a number of initiatives to address some of these issues. It provided advice to the Southern Metropolitan Employment and Skills Formation Network which guides the implementation of the region's SA Works program. The cities of Marion and Onkaparinga also commissioned the Australian Institute of Social Research to prepare a regional workforce development strategy. The office director is a member of the project reference group and will provide funding and in-kind support towards the implementation of the strategy.

I would like to thank the office staff, once again, for their outstanding work this year. In 2008 we will continue to focus on facilitating collaborative regional approaches in the south.

Mr PENGILLY: I take this opportunity to express the hope that Penny Crocker recovers quickly. I am sorry that she is not here today; I know that she works under fairly trying circumstances.

The opposition finds it disappointing that the Office for the Southern Suburbs is pretty much a one-man band and that there is no physical presence in the southern suburbs. There is nowhere for people to go to raise issues regarding the southern suburbs unless they go to the office in the city. We would like to see the Office for the Southern Suburbs playing an extremely crucial role in the future of the southern suburbs. Let me make it clear to the committee that the feedback that I get from councils—councillors and elected members—down that way is that they are far from happy with the respect that they are getting and, indeed, in their view, little or nothing is happening down there.

The minister spoke about Mitsubishi: there are still hundreds of Mitsubishi workers who have not found useful employment. The minister and I, along with the member for Mitchell, attended a forum at the library at Marion some months ago. The fact is that the workers who used to work at Mitsubishi want to stay in the south; the vast majority of them do not want to leave the south because they enjoy living down there. To go to the north to work in similar industries (if jobs were available) was not really an option for them. I think that process has a long way to go and I follow, with interest, the future of the former Mitsubishi workers.

I think this is a critical issue, and I support the efforts made to get the former Mitsubishi site up and running in some useful form—there is no question about that. The desire of the Marion council is that the site remains as it is zoned currently and does not become residential. I think that is common knowledge.

The transport issue down south is critical. We have been fobbed off again. There is no real announcement apart from, 'Yes, we are going to have electrification.' There is no broad vision to extend transport down south as far as it could possibly go and look at some sort of direct linkage with the South Coast through areas of my electorate.

The issue of water desalination is also highly topical. Residents down south are not satisfied that they have been told everything that will happen with the desalination plant when it eventually comes on stream—they will probably be all out of water by then, the way this government is going.

In summing up, the fact is that we are seeing more and more Rann spin: no substance and lack of real action in the south, and people in the south are acutely conscious of that. They are not happy and, as I say, they would like to see far more coming out of this Rann Labor/Nationals coalition government, in terms of doing something for the south.

I refer to Budget Paper 4, Volume 2: Summary of Income Statement, Supplies and Services. Only basic information is provided in the document. Will the minister advise as to the breakdown of supplies and services provided, and to whom they are provided? Will the minister also advise why only $117,000 has been budgeted, in comparison to the estimated result of $152,000 for 2007-08? What services will not be provided by the office in the 2008-09 budget year?

The Hon. J.D. HILL: By way of general explanation, we run a very tight and cost-effective set of arrangements but, in relation to the office, it does have a location in the south, with Science Park at Bedford Park. The office has a sub-lease arrangement with the Centre for Innovation Southern Node. Penny Crocker also has a hot desk, as she describes it, at Roma Mitchell House, so she is present in the south. We decided it was better to spend the money there on direct services rather than on office accommodation.

I am advised that, in relation to the supplies and services, the 2007-08 estimated results include $40,000 carryover funding for the Science Park master planning project, so that would partly explain the estimated result. The 2006-07 figure reflects under-spending for Science Park which was carried over into 2007-08. So, there was money under-spent in 2006-07 which was carried over into 2007-08. That is a one-off kind of arrangement. There are four figures there: $117,000 is about the base amount; and we spent $152,000 last year, which included $40,000 from 2006-07. You will see that in 2006-07 that figure is missing, and the budget of 2007-08 is the same as this year, minus the CPI adjustment.

Mr PENGILLY: I refer to Budget Paper 4, Volume 2, page 5.18, regarding the summary income statement. The budgeted amount for employee benefits and costs is $257,000. This is only slightly more than the budget for 2007-08. How many full-time equivalents are employed by the Office for the Southern Suburbs? How much annual and long service leave has accrued? When reading the whole of the summary income statement I note that the actual figure for the 2006-07 net cost of providing services was $550,000; this year the net figure for the cost of providing

services is only $394,000. Why do services through the Office for the Southern Suburbs appear to have been cut so drastically?

The Hon. J.D. HILL: They have not been cut. There was a program lasting two or three years which was a graffiti management program and which provided some funds to both the Onkaparinga and Marion councils. It was $250,000 a year for three years. The state government, in partnership with the cities of Marion and Onkaparinga, has completed a three-year program to reduce graffiti; 2006-07 was the final year of a three-year program, and $250,000 was allocated per year from April 2007. In 2006-07 the City of Marion estimated a 50 per cent reduction in graffiti, and in 2006-07 Onkaparinga estimated a 60 per cent reduction in graffiti. The councils understood that this was to be three-year commitment, and they were going to incorporate the ongoing process within their normal budgets. So, this was a kind of boost to what they would have done, to get it off the ground. That has occurred; they are happy and we are happy, so there was no cut: it was just a three-year program.

In relation to staff, we employ one staff member directly. That is Penny Crocker, whose name has already been mentioned, and other services are supplied as required through the Office of Local Government. In the beginning period, when we set up the office we had two staff and others were brought in at various times, but we have decided that this is a more cost-effective way of doing it so that the services the office was providing to itself in administration, telephone answering, financial management and all the rest of it can much more easily and cost effectively be done through a bigger organisation. So, that is the way it works at the moment.

Mr PENGILLY: As a follow-up to that, you have partly answered it, but I would like to flesh it out. I refer to Budget Paper 4, Volume 2, page 5.18, regarding the summary income statement of employee benefits and costs. You have said there is only one employee. As only basic information is provided in this document and you have said there is only one, will the minister advise the number of employees, what the figure of $257,000 relates to and a breakdown of the figure into wages, holidays, superannuation and additional matters?

The Hon. J.D. HILL: I will have to provide that detail to you. I will take it on notice.

Mr PENGILLY: I refer to Budget Paper 4, Volume 2, page 5.18, regarding the summary income statement, grants and subsidies. Why was the Office for the Southern Suburbs allocated $20,000 again this year for grants and subsidies? In real terms this is less than last year's allocation, as it has not allowed for CPI. Will the minister explain who these grants and subsidies are given to?

The Hon. J.D. HILL: This is a small discretionary fund the office has to assist local projects, particularly the council initiated projects. We have spent a bit of money in the most recent round on medical devices projects. It is just a little bit of money so the office can assist various organisations to do things. They are usually small grants, but I can get some detailed information for the honourable member about how the money has been acquitted in the past year.

Mr PENGILLY: I refer to Budget Paper 4, Volume 2, page 5.18, Summary Income Statement: Supplies and Services. Can the minister advise if the office website is paid for from the budgeted amount of $117,000 under 'Supplies and Services'? If it is, why does the Office for the Southern Suburbs' website—www.oss.sa.gov.au—under the heading 'Publications, News and Media', still state 'This page is currently under construction. Please visit again March 2007'? We are now in July 2008. Minister, when will construction of these pages be completed so that residents of the southern suburbs can access and use this website?

The Hon. J.D. HILL: As I said, when we set up the office it was on the basis that it would be a stand-alone unit with its own administrative support and the rest of it. We have since decided that it is cost effective, and makes sense, to have it incorporated in a bigger organisation from which it can draw strength. So, the arrangements for the website and so on will be delivered through that bigger organisation. I was not aware that the website was still up, but we will make sure it is corrected.

Mr PENGILLY: I refer to the same budget paper. Quite frankly, I think it is an embarrassment that it still reads 'Visit again in March 2007' some 16 months later, so I am pleased to hear that you will address it.

The Hon. J.D. HILL: Be embarrassed, if you wish.

Mr PENGILLY: I do not have to be embarrassed; it is not my website. I refer to Budget Paper 4, Volume 2, page 5.8, 2008-09 Targets/2007-08 Highlights, in reference to page 5.18, Grants and Subsidies. On page 5.8 it lists as a highlight of 2007-08:

Developed and assisted in the implementation of regional strategies to address economic, social and environmental priorities for the cities of Marion and Onkaparinga.

Can the minister explain what was involved in providing this assistance, and at what cost, to the Office for the Southern Suburbs? I presume this was paid under grants and subsidies; if this is not correct, which budget line covers it? There is very little detail provided in the budget analysis for the office.

The Hon. J.D. HILL: I appreciate that the member is doing his best to try to draw blood out of this particular stone, but this is a very small office which has a very small budget. Unfortunately the director, who would be able to answer all these questions off the top of her head, is not here; however, she attempts to work closely with the two councils to ensure that there is a co-ordinated approach from government to assist them to develop initiatives.

For example, in 2007-08 the regional economic development plan 'Southern Adelaide: A new economic future' was developed, and the Office for the Southern Suburbs was involved in that. The cities of Onkaparinga and Marion commissioned the Australian Institute of Social Research to develop a regional workforce development strategy for each of the industry sectors identified in the regional economic development plan, and the Department of Further Education, Employment, Science and Technology contributed $60,000 to the project. I imagine that was co-ordinated by the Office for the Southern Suburbs. The office is a member of the project reference group, so it assisted in the development of that. It is an important document; for the first time in the south a co-ordinated approach has been created.

The Southern Metropolitan Employment and Skills Formation Network and the South Australia Works program for the region are hosted by the City of Onkaparinga on behalf of both councils. Once again, the Office for the Southern Suburbs is a network member. South Australia Works in the region received $662,500 from Department of Further Education, Employment, Science and Technology in 2007-08, with 502 participants. The Office for the Southern Suburbs has agreed to contribute $2,500 in 2008-09 towards the industry engagement component of the implementation plan for the regional employment strategy, and we are organising a stakeholder workshop to take place on 31 July this year.

The Office for the South will continue to work with the cities of Marion and Onkaparinga and the Southern Adelaide Economic Development Board to facilitate regional workforce planning initiatives, and will continue to be a member of the Southern Metropolitan Employment and Skills Formation Network as well. Those are the kinds of things the office does, and it does them very well with a very small budget.

Mr PENGILLY: I acknowledge that Penny is not well, and I appreciate the fact that she cannot be here; however, there are a number of questions for which we have not had answers, including a bit more detail on that one, because it was a fairly specific question. If possible, could you provide me with an answer to those questions?

The Hon. J.D. HILL: Any information you want. It is just that the level of detail is not with us, but I am sure we can find whatever detail you really want to know—and I can assure you that it is all done in an absolutely transparent way.

Mr PENGILLY: I refer to Budget Paper 4, Volume 2, page 5.8, 2008-09 Targets/2007-08 Highlights, with reference to page 5.18, Grants and Subsidies. Facilitation of the implementation of the Southern Wave Investment Attraction Strategy is listed as a highlight for 2007-08: can the minister explain the cost of such facilitation and advise what investment has been attracted? I presume this is funded under the 'Supplies and Services' budget. Is that correct?

The Hon. J.D. HILL: I will have to take that on notice. I think it is the medical devices initiative, and I can give you some information in relation to that. The Southern Adelaide Economic Development Plan and the Deloitte Investment Attraction Strategy for the southern Adelaide region have both identified medical devices as an emerging opportunity for economic development. Flinders University Medical Devices and Technologies developed a proposal for a medical device partnering program in 2007, and the Office for the Southern Suburbs has committed to providing in-kind support to program planning as well as $22,000 focusing on the industry engagement component of the program. Major funding for the three-year program has been secured from a range of sources, including $565,000 from the Premier's Science and Research Fund and $424,000 from the Office for the Ageing. So I guess it is a really good example of how we leverage the Office for the Southern Suburbs and then tap into other projects around the place.

The program is aimed at improving Flinders University's collaboration with other South Australian universities, government agencies, hospital partners and private sector companies to enhance the ability to commercialise new medical device products and services (and a week or so ago I hosted a very good dinner here in Parliament House with the vice chancellor of the university along with representatives from a number of private sector organisations involved in medical devices). In 2008-09 the office will continue to provide seed funding towards investment attraction initiatives, and funding support will align with the broad directions of the Southern Suburbs Co-ordination Group and the Southern Adelaide Economic Development Board.

Mr PENGILLY: I refer to Budget Paper 4, Volume 2, page 5.19, Program performance information, Performance Commentary. Can the minister please advise the amount of financial support provided to the medical devices program, and is this funding ongoing? Can the minister also advise what benefit this program is to the southern suburbs?

The Hon. J.D. HILL: I thought I just answered that. I will go through it again. The office has provided $22,000, the Premier's Science and Research Fund has provided $565,000, and the Office for the Ageing has put in $424,000, and we are continuing to support them. In addition, I organised a dinner here to bring the partners together.

Mr Pengilly interjecting:

The Hon. J.D. HILL: Well, that is answering your question, I think.

Mr Pengilly interjecting:

The CHAIR: Order! The minister will finish answering the question and then you can ask the next one. You can ask all the questions in the world.

The Hon. J.D. HILL: Well, I believe I have answered the question, Mr Chair.

Mr PENGILLY: Can the minister also advise what benefit this program has been to the southern suburbs? That is the final question.

The Hon. J.D. HILL: As I said, the Economic Development Strategy for the South, developed by the Southern Adelaide Economic Development Board chaired by Tom Phillips—who would be well known to most people as a strong economic advocate for the south—has identified a range of areas that the south should target.

One of the areas that it is suggested we should target is the development of medical devices and technologies. A lot of great innovative work is happening in South Australia. The university and the hospital being co-located on the one campus at Flinders provides the right kind of incubator environment—with Science Park nearby—to optimise economic activity in the south.

In addition, of course, we hope that the Tonsley Park closure and the funds that have been identified to promote economic development will be able to assist as well. I recently organised a dinner to bring all of those partners together to talk through the options and to try to develop a greater focus. We think that, if we can develop this kind of cluster in the south, it will create smart jobs for smart people, create economic development and generate new wealth, and that is the goal.

Mr PENGILLY: I refer to Budget Paper 4, Volume 2, page 5.19, Program performance information, Program Commentary: regional social and economic data project. Can the minister please explain what this project is, what it will cost and how long it will run?

The Hon. J.D. HILL: I will get some further information for the member from the office. I do not have the detail of that. We have a range of projects that I could talk about. I am not precisely sure what that one is.

Mr PENGILLY: I refer to Budget Paper 4, Volume 2, page 5.19, Performance Commentary: Southern Suburbs Coordination Group. Can the minister please advise the cost to provide executive support and in what form it was provided? Can the minister also advise the role of the Southern Suburbs Coordination Group? You mentioned it earlier; perhaps you can expand upon that.

The Hon. J.D. HILL: I am happy to expand upon that. When Mitsubishi announced the closure of Tonsley Park, I had a conversation with the Premier, and subsequently the Treasurer, about how we would best deal with this issue. When Mitsubishi closed its first plant, an ad hoc set of arrangements were put in place, and I think we have learned some things from that. The idea was to bring together all state government senior officials who would have an interest in the issues associated with the closure of the Mitsubishi Tonsley Park plant: the Land Management

Corporation, DTEI, the planning agency, DFEEST, the Department for Families and Communities, and maybe one or two others—and I think Treasury was there at some stage. All of those bodies would have an interest in the coordination of the activity around the expenditure of the money allocated ($80 million), the planning issues associated with the land and the potential development of the land.

We also invited representatives of the two councils (the CEs of Marion and Onkaparinga) who were present. The Vice-Chancellor of Flinders University attended, as did the head of the Southern Adelaide Economic Development Board, Tom Phillips. So, the idea was to bring all the key players around the table to coordinate the activities. We have worked our way through a whole range of issues. In fact, we are now seeing it as a southern suburbs coordination rather than just a negative response to the closure of Mitsubishi. We are focusing on the expenditure of resources to assist workers who have lost their jobs, and we are monitoring that program.

We are looking at the programs set up to provide infrastructure funding for businesses that may wish to expand or come to the southern suburbs. We are looking at the land issue of Tonsley Park, and I have had a couple of meetings with the managers of Mitsubishi and the CE of Mitsubishi in Australia about their intentions. We have also been a contact source for various companies who have approached the government interested in either the site or getting access to the money.

In addition to that, we are looking at infrastructure issues. Both the Onkaparinga and Marion councils have brought forward projects or priorities for infrastructure, and so has the state government. Rod Hook is leading an infrastructure working group to prioritise those projects so that we can have one view about infrastructure in the south.

In relation to the issue of the railway, I note the comments made by the member in his introductory remarks which suggested that no action is occurring other than a bit of electrification. The electrification of the Noarlunga line is worth over $200 million. That comes on top of $120 million, or thereabouts, for the resleepering and, in this year's budget, $34 million to buy land to create a transport and railway corridor to Aldinga. I would have thought that that was a fairly clear indication of the government's priorities in relation to this. From the Office of Local Government, $150,000 is being spent on coordinating the project.

Mr PENGILLY: I refer to Budget Paper 4, Volume 2, page 5.19: Program Performance Information, Performance Commentary. What kind of advice (and at what cost) was given for the Noarlunga transit-oriented development project?

The Hon. J.D. HILL: This is an exciting opportunity that has been identified in the south. This project has been investigating the potential for transit-oriented developments associated with the Noarlunga Regional Centre. The Land Management Corporation is the lead agency on this project. As the member would know, the government owns a range of vacant land holdings around the centre. Connor Homes was selected as consultants by the Land Management Corporation to provide infrastructure planning and guidelines to accelerate a transit-oriented development. Connor Homes provided a draft report to the working group at the end of April this year, which is now being considered. The Office for the Southern Suburbs contributed $5,000 to the Land Management Corporation's payment of the consultancy cost of $75,000.

The report's recommendations will be considered as part of the government's recent announcements to focus on a number of transit-oriented development priorities, including the Noarlunga Centre. I think the Noarlunga Centre offers a huge opportunity for development with the electrification of the line. There is sufficient land and great potential to develop very good mixed accommodation and commercial and retail services. There is access to a hospital, a TAFE college, schools, a big shopping centre, health services, and the like; therefore, I think this is a very good site, and we are obviously going through the process of working out how we can do it.

The time frame for the extension of the line beyond Noarlunga, of course, is yet to be confirmed, but the announcement in this budget to buy additional land, I think, sends a very clear message that that will happen in the future. The state is approaching the commonwealth government's infrastructure fund for support for the extension project, and I hope that we will get good cooperation from local members and councils in the south for our proposition.

The CHAIR: There being no further questions of the Minister for the Southern Suburbs, I declare the examination of proposed payments and administered items for the Department of Primary Industries and Resources adjourned to Committee A until tomorrow.

The Hon. J.D. HILL: Mr Chairman, thank you very much for chairing this session. I would like to thank the officers for their assistance and preparation. Once again, I apologise for Ms Penny Crocker, who is unwell. I will attempt to provide the member with some of the more detailed answers as quickly as possible. I thank members of the committee for their indulgence today.

[Sitting suspended from 13:27 to 14:30]

ATTORNEY-GENERAL'S DEPARTMENT, $95,378,000

ADMINISTERED ITEMS FOR THE ATTORNEY-GENERAL'S DEPARTMENT, $55,673,000

Membership:

Mr Pederick substituted for Mr Pengilly.

Dr McFetridge substituted for Mr Pisoni.

Witness:

The Hon. Carmel Zollo, Minister for Emergency Services, Minister for Correctional Services, Minister for Road Safety, Minister Assisting the Minister for Multicultural Affairs.

Departmental Advisers:

Mr R. Mathews, Director, Finance, SAFECOM.

Mr D. Place, Commissioner of Fire and Emergencies, SAFECOM.

Ms L. Lew, Acting Business Manager, Community Emergency Services Fund, SAFECOM.

Mr T. Pearce, Manager, Financial Services, SAFECOM.

Mr E. Ferguson, Chief Officer, Country Fire Service.

Mr J. Schirmer, Business Manager, Country Fire Service.

Mr G. Lupton, Chief Officer, Metropolitan Fire Service.

Mr A. Norman, Business Manager, Metropolitan Fire Service.

Mr S. Macleod, Chief Officer, State Emergency Service.

Mr M. Blute, Business Manager, State Emergency Service.

The CHAIR: The estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. The committee will determine an approximate time for the consideration of proposed payments to facilitate the changeover of departmental advisers. I understand that the minister and the lead speaker for the opposition have agreed on a timetable for today's proceedings. Changes to the committee membership will be notified as they occur. Members should ensure that the chair is provided with a completed request to be discharged form.

If the minister undertakes to supply information at a later date, it must be submitted to the committee secretary by no later than Friday 18 July. I propose to allow both the minister and the lead speaker for the opposition to make an opening statement of about 10 minutes each. There will be a flexible approach to giving the call for asking questions based on about three questions per member, alternating each side. Supplementary questions will be the exception rather than the rule. A member who is not part of the committee may, at the discretion of the chair, ask a question. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced. Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the House of Assembly *Notice Paper*.

There is no formal facility for the tabling of documents before the committee. However, documents can be supplied to the chair for distribution to the committee. Incorporation of material in *Hansard* is permitted on the same basis as it applies in the house, that is, that it is purely statistical and limited to one page in length. All questions will be directed to the minister through the chair, not to the minister's advisers. The minister may refer questions to an adviser or advisers for a

response. I advise the committee that, for the purposes of television coverage, the northern and southern galleries will be made available.

I declare the proposed payments open for examination and refer members to the Portfolio Statement, Budget Paper 4, Volume 1, pages 4.158 to 4.216. I call on the minister to make an opening statement if she wishes.

The Hon. CARMEL ZOLLO: As Minister for Emergency Services I am pleased to be able to present the initiatives that the government has announced in the 2008-09 budget for the emergency services sector and highlight some of our achievements over the past year. The 2008-09 budget includes the following initiatives. In response to recommendations of the Wangary Coronial Inquest and after considering the advice of the Country Fire Service about South Australia's drought, increasing bushfire risk and the challenges posed by climate change, $15.93 million over four years has been allocated for a large capacity helicopter and aerial firefighting support. This funding provides for the following components:

- a large capacity firefighter helicopter, such as an air crane, to be based in South Australia during the bushfire season;
- an upgrade of the fire retardant mixing infrastructure for aerial firefighting;
- additional staffing for the safe and effective management of air operations; and
- establishment of bulk water supplies at strategic air strips.

The large capacity helicopter will be in addition to the existing aerial firefighting fleet and will work in conjunction with the existing aircraft. South Australia's fleet of aircraft will provide superior coverage, with the fixed wing water bombers providing rapid initial attack, while the large capacity helicopter is very effective in high-risk urban bushland interface areas.

This commitment takes our annual budget expenditure for aerial firefighting to $6.795 million (contrasted to the $831,000 provided by the former Liberal government). While the government has recognised the importance of increasing aerial firefighting resources for South Australia, we should not forget the work of our tireless volunteers on the ground, because the aircraft work with and support the endeavours of the volunteer firefighters.

In addition to the support provided for aerial firefighting, $2.851 million over four years has been provided to meet other key recommendations of the Wangary Coronial Inquest. This initiative provides funding for support for incident management teams and an emergency management officer.

There will be an operations planning officer (CFS based) to coordinate incident management training and ensure all personnel are appropriately skilled and an emergency management officer (SES based) to liaise between agencies and local councils to provide a more coordinated approach to prevention activities and community warning systems for all hazards including bushfire, storm, flood, earthquake, hazardous materials and major structural fires.

Funding of $808,000 for 2009-10 will also be provided for the Bushfire Cooperative Research Council. This funding will allow South Australia to continue to benefit from the work of the CRC and is another initiative that the government is funding as part of its response to the Wangary coronial inquest. The current national Bushfire Cooperative Research Centre is scheduled to end in 2009-10, and the funding provided for this initiative demonstrates the government's commitment to the continuation of bushfire research and support for a new cooperative research centre. This will allow the valuable research work of the current national Bushfire CRC to continue.

The Metropolitan Fire Service has enjoyed unprecedented growth and support from the Rann Labor government, and this continues with funding of $8.550 million over four years for an additional 22 firefighters for the MFS. This additional funding to the MFS is another marker in this government's excellent record of funding the Metropolitan Fire Service. Since coming to government, the MFS operating budget has increased from $67.4 million in 2002 to over $98.6 million in 2008-09, representing an increase of $31.3 million. In addition, our commitment to ensuring that South Australians are well protected by modern facilities has resulted in the Rann Labor government's funding seven new fire stations for the MFS at Renmark, Elizabeth, Golden Grove, Beulah Park, Paradise, Port Lincoln and Seaford.

This budget also continues our support for volunteer marine rescue groups in South Australia. Some $160,000 will be provided to the Sea Rescue Squadron for a new vessel at O'Sullivans Beach. For many years the South Australian Sea Rescue Squadron has provided a

response to southern metropolitan waters and other areas as required using the O'Sullivans Beach based vessel Sea Rescue 2, which has now reached the end of its operational life.

In support of the valuable role that the South Australian Sea Rescue Squadron and other volunteer marine rescue associations play in meeting marine-related risk, the government has funded a replacement for this vessel. The replacement, although stationed at O'Sullivans Beach, will be capable of responding not only within its primary area but also to other areas of the state in support of search and rescue operations as required, from shallow inshore environments to extended operations on the open sea. This replacement aircraft will also supplement other vessels and facilities provided by the government for VMR associations.

I am also pleased to announce today that the government will fund from the 2007-08 volunteer marine rescue contingency budget an upgraded operational tow vehicle for the Victor Harbor Goolwa Sea Rescue Squadron and a vessel storage facility for the SA Sea Rescue Squadron flotilla at Wallaroo, and will contribute over $70,000 towards the replacement of a vessel operated by the Australian Volunteer Coast Guard at North Haven.

I am also able to announce that the South Australian Sea Rescue Squadron Copper Coast flotilla at Wallaroo will be the recipient of a replacement rescue vessel as part of the VMR vessel replacement program. This is a $160,000 investment in ensuring ongoing volunteer marine rescue services and supporting our VMR volunteers on the Copper Coast. Since 2003, the government has funded new boats at Adelaide Shores, Wirrina, Victor Harbor, Port Vincent, Tumby Bay, Port Pirie SES vessel, Port Lincoln SES vessel, Ceduna SES vessel, Kangaroo Island and Goolwa. We have also increased marine rescue capability, with the SES unit at Kingston taking on a volunteer marine rescue role. These funding initiatives represent this government's continued commitment to volunteer marine rescue in South Australia.

The past year has been an extremely busy one for our emergency services sector. Most recently, a review of the Fire and Emergency Services Act, as required under section 149 of the legislation, was undertaken by Mr John Murray. In addition, a ministerial review of bushfire management was conducted and recommendations from the Wangary coronial inquest were handed down by the Deputy Coroner. These three very important bodies of work will all come together this financial year: a bill to amend the Fire and Emergency Services Act 2005 will be developed to make the required legislative changes arising from the Wangary inquest, the review of the act and the bushfire management review. Non-legislative changes to both the structures and operations of the CFS are being prepared and should be in place by the 2008-09 fire danger season.

From an operational perspective, this year we again experienced an early start to the fire danger season and saw the devastating impact of fires such as Kangaroo Island. In recognition of the additional impact of bushfire suppression costs for major incidents, engagement of an air crane and extended use of aircraft, additional funding of $6.4 million was approved from the Community Emergency Services Fund. The fires at Kangaroo Island, Warooka and Belair not only were a stark reminder to the community of the devastation that can occur during bushfires but also highlighted the vital role that the State Emergency Service plays in major incidents in the state. Much of the logistics and base camp support for the Kangaroo Island fires was provided by the SES, which played a vital role in ensuring that the CFS volunteers were ready to fight the fires.

As always, we have endeavoured to continue to support and recognise our volunteers. On 17 June the Premier, Mike Rann, the Hon. Jennifer Rankine MP and I signed the SES and CFS volunteer charters. These charters, which symbolise the relationships between volunteers, their representative associations and the government, formally acknowledge the role our volunteers play in the emergency services sector and the need to involve volunteers in the decision-making process.

Finally, I would like to take this opportunity to thank the staff, retained personnel and, in particular, the volunteers of the emergency services for their dedication and endeavours. It is with this support that our state is able to provide one of the best emergency services in the country.

The CHAIR: Does the member for Kavel have an opening statement?

Mr GOLDSWORTHY: I have a brief opening statement. I would like to extend our sincere thanks to both the paid officers and the volunteers who make up our emergency services, who do their utmost to keep our communities as safe as possible in emergency situations. I note the minister's comments in relation to the significant policy reversal in terms of the air crane-style helicopter that is to be stationed in the state over the coming fire season. On behalf of the state Liberals, I was pleased almost two years ago to lead a fairly strong campaign to see that an air

crane-style aircraft/helicopter was based in the state during the fire season. The state Liberals certainly understand the need to have every available firefighting capability in South Australia during the fire-risk season. I note that, in its wisdom, the government has chosen to adopt Liberal Party policy.

It has also been suggested that, when it gets here, the name of the helicopter should be changed from either Elvis or Delilah to Goldie! I refer to Budget Paper 4, Volume 1, page 4.177 and to the supplies and services element in the 'Summary Income Statement'. In late 2007, serving members of the Metropolitan Fire Service in full uniform handed out leaflets supporting the ALP's industrial relations policy in a number of metropolitan locations. In Rundle Mall staff members were in an official fire service appliance, complete with—

The CHAIR: Order! This is a budget estimates committee.

Mr GOLDSWORTHY: Indeed it is, and my question refers to that budget line.

The CHAIR: Could the honourable member expand on how it refers to that budget line?

Mr GOLDSWORTHY: It is in relation to the supplies and services element. Mr Chair, if you allow me to explain in terms of asking the question, it may become clearer.

The CHAIR: Sure.

Mr GOLDSWORTHY: One of the fire services officers advised a member of the public that an agreement had been reached with the Rann government, SA Unions and the ACTU for fire officers to volunteer an hour of their time to do this. Did any part of the Rann government or the MFS agree to MFS staff time and vehicles being donated for a political campaign in this way?

The Hon. CARMEL ZOLLO: I think I was very gracious about the previous comment made by the honourable member in relation to the air crane. I point out that the previous government spent a paltry $800,000 when it left government in relation to supporting the state. This particular question does really stretch the imagination in terms of how it relates to this budget line. Clearly, we have a healthy democracy in the state with the UFU lobbying for its members, and I think that is all entirely in order. In relation to any MFS employees, whilst they were on duty, they are able to leave their station but they must be with their vehicle. I can certainly place that on the record. I think anything else to which the honourable member is alluding—certainly from the advice I have—would be pure nonsense.

Mr GOLDSWORTHY: Do MFS policy and procedures allow MFS vehicles and staff to be deployed in this way, as well as the use of emergency service uniforms, as an endorsement for a political party during an election campaign?

The CHAIR: Order! I rule that question out of order. The honourable member is entitled to ask these questions of the minister, I think, in a more general sense during question time. They are appropriate questions if he has these concerns. However, we are here to examine budget lines and estimates. I think we could get to some administered items in the budget rather than talking about who campaigned for whom.

The Hon. CARMEL ZOLLO: I was asked that question in question time in this place.

The CHAIR: We do not refer to 'this place' and 'our place'.

Mr GOLDSWORTHY: What was the answer then?

The Hon. CARMEL ZOLLO: Just what I said. Could I have some guidance from you, Mr Chairman. We understood that there would be a certain structure with the SAFECOM budget examined first, followed by the MFS, the CFS and then the SES. That was my understanding.

Mr GOLDSWORTHY: No advice has been given to me in relation to that.

The Hon. CARMEL ZOLLO: That is fine. We will just deal with it.

Mr GOLDSWORTHY: I refer to Budget Paper 3, page 2.17 and to 'justice expenditure and savings initiatives—aerial firefighting'. How much of the expenditure is commonwealth government funding?

The Hon. CARMEL ZOLLO: As part of the National Aerial Firefighting Centre (NAFC) arrangements, South Australia is a board member of the National Aerial Firefighting Centre. We have criteria to which we all work, but I invite Mr Euan Ferguson, Chief Officer of the Country Fire Service, to respond to this question.

Mr FERGUSON: For the 2008-9 fire season (and this takes into account the additional funding which has been provided for the high volume helicopter fire season), at this time we are planning for NAFC commonwealth funding of $1 million. A point that needs to be made is that the base level of commonwealth funding has not changed from last fire season to this fire season. However, the South Australian contribution has increased by the level required for the funding of the high volume helicopter. Two things are occurring at the moment. The first thing is that South Australia, through NAFC, has initiated the procurement of an additional high-volume helicopter.

That procurement process started in February and will be concluding in the next month to six weeks. It is only when that procurement process is finished that the actual cost of the provisioning of that high-volume helicopter will be clearly defined. We have been operating on indicative costs. At the time that the procurement process finishes, we will then be going back to the NAFC board and putting in an increased bid for commonwealth funding so that the commonwealth bid matches, as closely as possible, the CFS contribution for the high-volume helicopter.

The general rules that guide NAFC (for NAFC-procured aircraft) are that the commonwealth contribution can be up to but no more than 50 per cent of the standing charge, and no component of the operating charge. What we had last year was $1 million but we will be going in to negotiate a greater proportion of the total of $10.5 million for this year. However, that final figure of commonwealth contribution has not yet been determined.

Mr GOLDSWORTHY: Given the fact that there are no questions from the government—

The CHAIR: I have it down as this being your third question. I have ruled one out of order because it was completely off the radar. I am being generous.

Mr GOLDSWORTHY: Indeed, you are, Mr Chair. Given the response from the Chief Officer, do you have any idea what the breakdown of expenditure (in relation to aerial firefighting) might be between the capital costs, operational costs and staff costs?

The Hon. CARMEL ZOLLO: I can certainly give you the breakdown of what we have committed to in this budget. The funding in this budget was on top of the standing fleet that we had last year, but I can give you the breakdown of what we have approved in this budget.

Mr GOLDSWORTHY: Does that include a provision for the air-crane helicopter?

The Hon. CARMEL ZOLLO: In the budget for 2008-09 we are funding, on top of our standing fleet, a large-capacity firefighting helicopter, such as the air-crane we have discussed, to be based in South Australia; an upgrade of fire-retardant mixing infrastructure for aerial firefighting; additional staffing for the safe and effective management of the operations; establishment of bulk water supplies at strategic air strips; and a large-capacity helicopter which will be in addition to the existing aerial firefighting fleet.

For the 2007-08 bushfire season we also have a standing fleet and, again, it is my expectation that it would include: in the Mount Lofty Ranges, two fixed-wing bombers, two medium firefighting helicopters and a surveillance helicopter; in the South-East, two fixed-wing bombers, one fixed-wing surveillance; in the Lower Eyre Peninsula, two fixed-wing bombers, one fixed-wing surveillance; and, as a secondary response zone, one fixed-wing bomber, one fixed-wing surveillance; access to the Adelaide Bank rescue helicopter and access to additional fixed-wing bombers.

The large-capacity firefighting helicopter, as you would expect, would work in conjunction with the existing fleet that we anticipate for the next season. The fixed-wing bombers provide, as would be logical, rapid initial attack while the large-capacity helicopter is very effective in the higher-risk urban bushland interface areas. The two medium helicopters have a multi-purpose role and can be used for fire bombing, for ferrying crews up to 12 per aircraft, and ferrying equipment. I will invite Mr Euan Ferguson to add anything, if he wishes.

Mr FERGUSON: I do have some more detailed breakdown of costings for this financial year, which I will go through. In terms of our fire-bombing fleet, the first breakdown is the standing charge which is the cost of procuring the fleet and having it sitting on the ground without operating. This has a number of components. The first component is what we call state-based funding. This is the amount of money that the state has traditionally provided for the operation of the fleet. That is a figure of $1.9089 million for this financial year. In addition to that, there is a figure of $1.9968 million which goes to a 90-day contract for the high-volume helicopter. We are planning, at this stage, for a minimum of a $1 million contribution from NAFC. That brings it to a total for the standing charge of $4.9057 million.

In addition to that, there is a budget provided for the operation, which is the actual cost of operating the aircraft when they are flying. This has two components. The first is for the high-volume helicopter and that is a figure of $1.248 million. For the rest of the fleet (the medium helicopters and the fixed-wing aircraft) it is a figure of $0.666 million. That is a grand total for the operation of the aircraft fleet budget for this year of $6.8203 million. In addition to that, some funding is provided by the government in this year's funding which will allow for the upgrade of existing ground facilities. The financial component of that is $102,500.

There is also a component in this year's funding allocation which relates to the employment of a technical aviation specialist and an operations planning officer—again, aviation operations planning officer—and various costs associated with that. The total of that cost allocation for this financial year is $337,962.

Mr RAU: I refer to Budget Paper 4, Volume 1, page 4.159. The efforts and dedication of volunteers are often recognised; however, we also need to remember that employers play a significant role in enabling these people to contribute back to their communities. Will the minister advise what is being done for the volunteer sector and employer recognition across the emergency services sector?

The Hon. CARMEL ZOLLO: I thank the honourable member for his question. In 2007 I requested the SAFECOM Advisory Board to prepare a package on volunteer and employer recognition to promote the role of volunteering in emergency services and to recognise the contributions of employers. A volunteer recognition working party was established to provide strategies for the development of a business case and project plan for implementation. In December 2007 the business case for the Volunteer Employer Recognition and Support Program, also known as VERSP, was approved by the Commissioner of Fire and Emergencies. The VERSP has its basis in the four Rs:

- raising the profile of volunteers, part time firefighters, self-employed and their employers;
- recognising the input and value contributed by volunteers, part-time firefighters, self-employed and their employers;
- recruiting new volunteers and encouraging new employers to support emergency services volunteering; and
- retaining existing volunteers and part-time firefighters and developing and maintaining a relationship with their employers.

SAFECOM is continuing the development and implementation of the VERSP. Significant progress has been made with the project, and key highlights include:

- information for employers of emergency services volunteers;
- information for emergency services volunteers about legal protection and their entitlements and obligations;
- events and ceremonies that publicly recognise volunteers, retained firefighters and their employers; and
- a targeted a publicity campaign for raising the profile of volunteers, retained firefighters and their employers within the community.

A range of activities and media features were also conducted during the recent National Volunteers Week, including:

- employer recognition and thank you advertisements on television and in the print media;
- features of CFS and SES volunteers in newspapers across the state;
- a static display in the DECS foyer; and
- a volunteers breakfast held at the St Peters Town Hall, with presentations of certificates of recognition for employers. The Premier's Certificate of Appreciation for Volunteers and New South Wales medals for SES volunteers who assisted in the clean-up following severe storms in New South Wales in 2007.

The volunteers breakfast, which I hosted, really was an invaluable opportunity to meet the many volunteers and their employers. There have also been volunteer and employer 'meet and greet'

barbecues, including presentation of employer recognition certificates at SAFECOM regional board meetings.

Publications supporting volunteers and their employers have also been produced, including:

- 'Employing Emergency Service Volunteers';
- 'Volunteer Entitlements and Obligations'; and
- 'Legal Protection for Volunteers'.

Future directions for the VERSP include focus groups with employers of emergency service volunteers and the production of further resources, such as stickers and brochures.

In addition to the VERSP, the CFS and SES are in the process of developing service medals. The CFS has prepared a written specification for service medals for its volunteers. This specification has been forwarded to the SAFECOM procurement staff so that a tender process can be conducted. The CFS is waiting for that process to be finalised before it can decide what time frame will be required for the medals to be provided.

The SES has determined, in close consultation with the South Australian SES Volunteers Association and volunteers of the service, to strike and issue an SES Long Service Medal to recognise ten years of continuous and diligent service to that service. The medal will not recognise aggregate service across the agencies, as this is one of the functions of the national medal. This award will focus purely on SES service.

The medal will replace meritorious service certificates, issued at 10 and 20 years, with the certificate then to be issued at the fifth year of service. This process will recognise and reward continuous and diligent service within the SES in a more appropriate manner than at present, and the medal will be awarded on recommendation from the respective unit manager and approval of the Chief Officer.

The SES volunteers and staff who will be entitled to the issue of this medal will also still receive the national medal recognising 15 years of continuous and diligent service from a national perspective and will be awarded clasps or bars to each of these medals for each subsequent 10 years of service.

The SES Executive is in the final stage of developing the formal request for approvals to utilise the state emblem on the medal and has held preliminary discussions with the Chief of Protocol from the Department of Premier and Cabinet. This approval will pave the way for the striking and issue of the medals in August/September 2008. The SES Long Service Medal will not conflict in any way with the national medal or Emergency Services Medal or the South Australian Emergency Service Medal and commendations. The new medal will give better recognition of service and will complement existing awards.

At this point in time, 487 SES volunteers and staff are immediately eligible for the award of this medal and, in many cases, automatically for one, two or even more clasps to the medal. The SES plans to issue this entire entitlement in the first instance, with presentations made at the regional level, and subsequent awards will be made twice each year.

The institution of this award will see SES volunteers and staff in South Australia recognised in the same way as their counterparts in Queensland, New South Wales, Victoria and Tasmania. This is seen as a key component of volunteer reward and retention programs.

Mr RAU: I refer to Budget Paper 4, Volume 1, page 4.204. What steps are being taken to improve resilience of the South Australian community to severe weather hazard events and flood response?

The Hon. CARMEL ZOLLO: The SES is listed as the hazard leader for severe (known as extreme) weather in the State Emergency Management Plan 2007:

> The objective of the Hazard Leader organisation is to identify and gather together a group of Government, non-Government and if necessary private agency stakeholders and develop a State level plan for an identified hazard and any sub-hazards that may be applicable to the same topic.

A draft extreme weather hazard plan has been produced by the SES and is currently being reviewed both internally and externally. The plan has identified the following three extreme weather elements: severe thunderstorms, which can produce heavy rainfall, large hail, damaging or destructive wind gusts and tornadoes, or a combination of these; severe weather (land gales); and

heatwave. Negotiations are currently under way to identify the lead agency for the heatwave element of the extreme weather hazard plan. The plan has been written with consideration given to global warming and consequent climate change, as these are highly likely to adversely affect many, if not all, of the extreme weather elements mentioned.

The SES has also undertaken considerable work into the development of joint SES/local government flood response plans, and has worked closely with the Bureau of Meteorology to develop a total flood warning system. This process was guided by the 'Flood Warning Service Development Plan for South Australia: A report to the South Australian Flood Warning Consultative Committee', and the SES had considerable input into the development of this report. The flood warning system development will be influenced by the recommendations of the Wangary coronial inquest.

The SES has also played a key role in the Unley/Mitcham Flood Awareness and Preparedness project, and the Virginia Safety in Emergencies project. These roles have all contributed to the development of the flood response plan.

Mr RAU: I refer to Budget Paper 3, page 2.17. How is the CFS supporting research into bushfire behaviour?

The Hon. CARMEL ZOLLO: Again, I thank the honourable member for his question. During March 2008 the CFS provided support to research burns conducted in the Ngarkat Conservation Park in the state's South-East. The research burns were part of Project FuSE, a joint initiative between the Bushfire Cooperative Research Centre, CSIRO Forest Fire Sciences, the Department for Environment and Heritage, and the Country Fire Service. This project commenced in 2006, with actual burns conducted in 2006, 2007 and 2008. The 2008 burns were specifically conducted during the peak fire danger season to coincide with extreme fire conditions.

The aim of Project FuSE is to provide data to develop a better fire behaviour prediction system for predicting rates of spread and intensity of a range of burning conditions in mallee and heath vegetations. Improved fuel and fire behaviour models are required to develop prescribed burning guides to assist land management agencies to plan and safely conduct prescribed burning for effective hazard reduction and ecologically sensitive management in South Australian mallee and heath vegetation. Project FuSE was conducted within specific areas of the Ngarkat Conservation Park in the Upper South-East of the state. Areas with varying fuel loads and types were identified, ranging from seven years to 48 years of fuel accumulation. The specific objectives were: to characterise changes in the fuel complex since the last fire; model seasonal and diurnal fuel moisture dynamics of live and dead fuel components; determine the vertical wind profile in these fuel types; model fire environment conditions that will sustain fire spread and propagation thresholds; and model the rate of fire spread and flame characteristics.

The 2008 experimental burning program included additional experiments in newly established larger plots to evaluate the effectiveness of aerial suppression in assisting the control of wildfires in the mallee and heathlands and provide additional fire behaviour data for model development. The main aim of this additional research is to evaluate the effectiveness of different chemical suppressants, retardants, foams and gels delivered by aircraft under a narrow range of fire intensities.

As part of the 2008 component of the project, two additional Bushfire Cooperative Research Centre projects took advantage of the actual burns. These were the Firefighter Well-Being Project, to monitor physical exertion of fire fighters at bushfires, and the Smoke and Firefighter Safety Project, to monitor air quality for firefighters at bushfires. The 2008 component commenced at the beginning of March 2008 with the scientific team setting up instruments, etc., with actual daily burns commencing on 3 March 2008 and continuing for two weeks. The CFS provided fixed-wing bombing aircraft and ground crews to support the research activities. It was necessary to conduct research during the fire danger season as that was the only way to ensure research burns conditions matched those occurring during bushfire events. Conducting burns during the fire danger season carries an element of risk, which was carefully monitored, and the burning program was ceased early due to continued extreme fire weather conditions.

The information and data collected throughout the project will be analysed by the project team and researchers. Findings of the research will be published, and will therefore benefit bushfire agencies across Australia. As previously mentioned, and as part of the state budget, the government has increased its commitment to bushfire research, announcing $808,000 over three years from 2009-10 to support the successor to the Bushfire Cooperative Research Centre. I would

like to ask Mr Ferguson, who was part of the team, if he has anything he would like to add to that response.

Mr FERGUSON: That was a very comprehensive response; I think the only additional comment I would like to make is that part of that research project also evaluated data on the effectiveness of aerial firebombing on fires in mallee vegetation. That will add to the knowledge of both South Australian firefighters and the National Aerial Firefighting Centre and assist us in making judgments about the most appropriate aircraft for the particular risk in South Australia—and, indeed, elsewhere in Australia.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 1, pages 4.16 and 4.172, Fire and Emergency Services Commission: Employee Benefits and Statement Costs. Obviously, we have the Commissioner for Fire and Emergency Services, and the Office of the Commissioner has been established, but recently advertisements have been placed in the paper for three senior executive positions within this new office. Can the minister tell us: are these newly created positions or are they continuing positions? From where is the funding coming; is it coming from the Community and Emergency Services Fund? I would be very concerned if that fund was used to pay wages in that office.

The Hon. CARMEL ZOLLO: I want to officially place on record that the staff plan is approved by the SAFECOM Board. I will invite the Commissioner of Fire and Emergencies to complete the response.

Mr PLACE: To reiterate the minister's statements, the SAFECOM workforce plans of the three agencies are endorsed by the board annually before they are implemented. Of the three director roles that you are referring to, one is the result of a staff member leaving, so it is just a replacement of the existing Director of Strategic Services. The other two positions are new: one is Director of Corporate Services, which is the amalgamation of our director of finance and director of human resources positions. The freed-up director's position has allowed us to successfully go to the market to find a director of community resilience. So, we will be focused on community safety. The result is within budget. There is no increase. It is all from our existing budget. There is no increase in the number of directors: it is just a reshuffle of two positions to reflect the current strategies of our sector. The third one was simply a replacement.

Dr McFETRIDGE: So, none of the funding is coming out of emergency services agency funding. It is not coming out of the MFS, the CFS or the SES; they are funding themselves.

Mr PLACE: There is a SAFECOM component within the emergency services fund, and this change of staff has been managed within the existing budget.

Dr McFETRIDGE: I understand that there are now eight media positions as well. I hope that is not coming out of agency funding.

The Hon. CARMEL ZOLLO: Would you like me to expand on the public affairs function?

Dr McFETRIDGE: If you would, yes. As long as it is not counted as a question, I am more than happy for you to expand on that.

The Hon. CARMEL ZOLLO: I would hate for you to make comments which are not true and place them on the record. In 2006, it was decided that the existing Corporate Communications Public Affairs Services of the emergency services sector would be consolidated within SAFECOM. This was to ensure sustainability of service provision during protracted periods of operational activity, and to also cover personnel fatigue management.

A review was conducted of existing resourcing and workloads as well as proposed options for a new public affairs unit structure. At the time of the review, the MFS had one corporate communications officer allocated to a predominantly media liaison officer role, which was historically a station officer with an operational background. Historically, the SES and the CFS had employed personnel with broad public affairs experience and qualifications. At the time of the review, the SES had one corporate communications manager and the CFS had a manager of public affairs and two media liaison officers.

In September 2007, the SAFECOM Board approved the establishment of the SAFECOM Public Affairs Unit, consisting of a manager of public affairs, three senior public affairs officers, effectively one accounts manager for the MFS, the CFS and the SES, two media liaison officers and one project officer.

The SAFECOM Board directed that all public affairs costs be tracked for the remainder of the 2007-08 financial year and then apportioned across the four emergency services agencies. All

positions have now been recruited and it is anticipated that the project officer position, which is currently filled by a contractor, or will be finalised in approximately three months. The value of the restructure initiative, particularly in the context of fatigue management and sustainability of service delivery, was demonstrated during the December 2007 Kangaroo Island bushfires. Capacity existed for two personnel to be deployed to Kangaroo Island, one person to be rostered in the intelligence cell of the CFS State Coordination Centre, and also for media liaison to be effectively managed for the MFS and the SES over an extended period.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 1, page 4.161, expenses, consultants. A large number of staff have been leaving SAFECOM. Over the past couple of months, I think 10 people have left. If I were a senior officer in SAFECOM, it would certainly raise my concerns if so many staff were leaving. Minister, can you confirm that an external consultant was hired recently to improve communications within SAFECOM, and that he conducted a survey amongst the staff? However, when the survey findings were reported, the consultant was fired. Can we have a copy of the consultant's report?

The Hon. CARMEL ZOLLO: My advice is that that is incorrect. I will invite the Commissioner of Fire and Emergencies to respond to that.

The CHAIR: I advise the member for Morphett—a thoroughly decent human being—that, when he asks questions with so much comment and debate, he can hardly expect the minister to sit back and not respond. He makes assertions in his question assuming them to be fact, then he asks the minister to tell him that they are fact. You cannot have it both ways.

The Hon. CARMEL ZOLLO: I thank you for your protection, Mr Chair. Mr Place would like to respond to those assertions.

Mr PLACE: First, the consultant referred to in the Budget Statement was to develop the sector-based communications strategy around our new strategic direction. No-one was engaged to do an internal marketing strategy. What we did is use one of our public affairs staff to run an internal marketing proposal. It was not a consultant.

Dr McFETRIDGE: This consultant was employed to improve communications within SAFECOM, as I understand it—not marketing, just communications. I think that, because staff were leaving, there was an issue.

Mr PLACE: That is not correct.

The CHAIR: Order! You will not respond directly to any questions unless directed to by the minister.

The Hon. CARMEL ZOLLO: And I have already advised the honourable member that his advise was incorrect.

Mr PLACE: It was a staff member who conducted the survey which resulted in some different meeting structures within the sector. The results of that were announced to the staff this week at a general staff meeting.

Dr McFETRIDGE: Is that consultant's report available?

The Hon. CARMEL ZOLLO: My advice is that it is available.

Mr PEDERICK: I refer to Budget Paper 4, Volume 1, page 4.193, sub-program 1.2: Preparedness Services. Have the fire trucks, which were built in Queensland and New South Wales, been delivered on time, on budget, and up to appropriate standards? It has been reported to me that, in the case of two recently delivered fire trucks, it was recommended that their entire bodies be replaced and that they are beyond repair.

Mr FERGUSON: Of the 2007-08 build—and four different contractors were allocated parts of that build—a company called Mills-Tui was contracted to build 10 34P-type appliances—3,000 litre, four-wheel-drive, pumping-type appliances. After delivery and after they were put in service, significant structural issues developed in the appliances. These were design issues. The CFS has had appliances manufactured by Mills-Tui previously, with no significant problems.

For your information, these appliances were allocated to Ceduna, Jamestown, Yankalilla, Karoonda, Woomera, Meningie, Cape Jervis, Port Lincoln, Tea Tree Gully and Oakbank/Balhannah. The first appliance that displayed some structural problems was at Ceduna. The initial assessment from Mills-Tui was that the appliances could remain in service, that it was not significant. The sorts of problems which were initially identified included minor cracking at the

corner of some of the lockers; so it is that level of structural problem as distinct from cracked chassis and things like that.

The CFS then conducted an inspection of appliances at Mills-Tui's premises in Brisbane and found that they were acceptable. The remainder of the build was then accepted and delivered to its brigades. However, after putting the product in service, a number of the quality issues continued to merge with this build. We sought independent advice on the build, which indicated that the product was under-engineered. As part of the contracting out of the build of these appliances, the CFS does not go down to an engineering specification because we are not an engineering organisation

Historically, we have specified our appliances on a performance basis, and the companies who have a lot of experience in building these appliances have always built an appliance which meets our performance specification rather than an engineering specification. As an aside, we do not have engineers who could work to that engineering specification, so it would be a substantial increase in our cost of procedure to do so. We have engaged with Mills-Tui, and it has accepted liability for the problem. At this stage, SAFECOM, with which the CFS manages contractual liabilities, is now managing this matter.

I will update you on some further information which I received late last week. First, I reinforce that Mills-Tui is a quality endorsed company under AS9001, which covers design and construction. Part of that Australian standard requires that Mills-Tui is independently audited. There is already a vehicle through which the company's design and construction processes are audited. In fact, one of the requirements of the CFS build contracts is that they are quality endorsed under AS9001. However, we recognise that the situation has occurred, and Mills-Tui is undertaking a rectification of all the appliances based in Adelaide. We are continuing to negotiate the time frame; obviously, we see this as urgent.

It is probably relevant to say that we have reviewed our processes because this has occurred, and we do not want a repeat of it. Our staff, in conjunction with SAFECOM contact management staff, have designed a new vehicle inspection process for both the prototype stage and the vehicle inspection stage. That new process increases the number of officers who are involved in the vehicle inspection process (particularly the prototype) from two up to five.

Yesterday, I met with senior volunteers from across the state, and we discussed this issue. I have also invited a representative from the Country Fire Service Volunteers Association to be part of that process. The new inspection process has 528 inspection points, and I simply do not think that we could have a more detailed inspection process. The new procedure also means that, if we or the contractor want to vary the build during the construction process, any variations need to be documented in writing and approved by five parties before they are put into place. As a final comment, it needs to be reinforced that the quality issues are a result of the design not the actual construction process. It was a poor design in that it was under-engineered. I also need to reinforce that what has arisen has not been as a result of a budget shortfall or cost cutting. In fact, we place quality and the design of our vehicles, particularly the safe design, at a premium. Over the years the cost of our vehicles has generally increased because we have taken on board a lot of new safety features in particular.

This was an unfortunate under designing by Mills-Tui, but it has happened. Mills-Tui has accepted liability and is going about fixing those appliances. We are putting in place a revised acceptance inspection process to ensure that the possibility of this occurring again is minimised.

Mr PEDERICK: Are there any issues also with the Varley build in New South Wales, with time limits of delivery, etc.? Are they similar issues?

The CHAIR: Order!

Mr PEDERICK: I did ask it in the initial question, Mr Chair.

The CHAIR: I am not fussed. It is up to the minister who answers the question. You cannot ask the advisers a direct question. That has been a standing order of this house for a long time, and it is for the protection of everyone.

The Hon. CARMEL ZOLLO: I am pleased that Mr Ferguson has placed on record that these design issues that have arisen are not as a result of limitations to budget or cost cutting, and I will ask Mr Ferguson to continue if he wishes to respond.

Mr FERGUSON: There are a number of the contract builds which are running behind schedule. This was identified well before the end of the financial year. The CFS does have

flexibility in the management of its capital works budget in that, through SAFECOM, we initiated the procurement process for the purchase of the cab chassis for the 2008 line, that is, this new financial year. We initiated the procurement process for that very early, and that went through the State Procurement Board, so that we have approval for that procurement. We also have approval for the 2008-09 appliance build.

So, the fact that the build has slipped in timing somewhat has not caused a problem with our budget expenditure in that we have brought forward the purchase of cab chassis for the 2008-09 financial year. In fact, they arrived in Australia late last week. I do not have the exact date of the completion of all of the 2007-08 build, but I am assured that, by 1 November (which is the notional start of the fire danger season in South Australia), all of the 2007-08 build would have been completed and delivered, and also that the rectification work by Mills-Tui would have been completed well before that date.

Ms SIMMONS: I refer to Budget Paper 3, page 2.17 and Budget Paper 4, Volume 1, page 4.176. This is a very important question. Will the minister advise the committee what the government is doing to protect life, property and the environment in the eastern and north-eastern suburbs of Adelaide?

The Hon. CARMEL ZOLLO: Hear, hear! I thank the member for her important question. I know how passionate she is about her electorate of Morialta. The construction of an additional fire station at Paradise increases the resources of the MFS to protect life, property and the environment from the effects of fire and other dangers. The planning for this project commenced in 2004 as part of the MFS Strategic Asset Plan to ensure the maintenance of the standards of fire coverage for the Adelaide metropolitan area. The MFS considered that the risk profile of the eastern and north-eastern suburbs had changed over time and it should realign the location of the fire stations in this area.

Since 2005 the MFS has relocated the Ridgehaven fire station to a new facility at Golden Grove, and I officially opened the new Beulah Park fire station in April this year. On 12 May this year I also turned the sod for the new $3.9 million fire station at 77 Darley Road, Paradise. When commissioned in 2009, the additional station at Paradise will complete the realignment of the MFS fire stations in the east and north-east. These communities will continue to be well served by the highly trained professional personnel of the MFS. The Glynde fire station will remain operational until the commissioning of the Paradise fire station. This will ensure seamless coverage during the construction period.

As well as the new fire station at Paradise, the government has announced an additional crew at the Paradise fire station as another 2008-09 state budget initiative. The government will provide $8.55 million over four years for this initiative, which will fund a crew over four shifts, and equip them with protective clothing, uniforms, helmets and other equipment. The funding of additional crew resources enables the MFS to address the changing risk patterns by improving response times and supporting weight of resources in suburban Adelaide.

The ability of the MFS to maintain emergency response times and vital backup to on-scene crews at incidents requires supplementation due to the expanded coverage of the metropolitan area. The MFS has a combination of single and two appliance stations in the Adelaide metropolitan area. The two appliance stations are strategically located to provide a response in concentrated critical areas. With the redistribution of the risk to new stations, the government has provided the funding to maintain current response times. The additional crew will initially support deployment to the newly commissioned Beulah Park station during construction of the Paradise station. On completion of the new Paradise fire station the additional resources will enable crewing of this strategically important fire station. I know the member for Morialta often drives past 77 Darley Road—

Ms Simmons: Every other day.

The Hon. CARMEL ZOLLO: —and does a check up, and often sends SMS messages. I assure her that construction is progressing well.

Ms SIMMONS: I refer to Budget Paper 4, Volume 1, page 4.13. Given the increase in diversity within the Australian community and a greater representation of people from culturally and linguistically diverse backgrounds within the South Australian population, what is being done by the government to increase diversity in the emergency services sector?

The Hon. CARMEL ZOLLO: As Minister for Emergency Services and Minister Assisting the Minister for Multicultural Affairs, diversity is something that is very important to me. The

emergency services sector, like other important service providers, faces a challenge to ensure that it is as inclusive and diverse as the remainder of the community. Our emergency services agencies, in particular, like all Public Service agencies, have a duty to promote diversity and to be representative of the communities they serve.

This year, the South Australian Fire and Emergency Services Commission, along with other agencies and emergency services, has spear-headed a program for promoting diversity in our sector. In relation to surf lifesaving, recently I was pleased to announce that the state government was contributing $40,000 towards Surf Life Saving South Australia's cultural diversity program On the Same Wave.

Last year, 11 people drowned on our beaches, with reports indicating that three of those drownings involved people from culturally and linguistically diverse backgrounds. The government's contribution to the On the Same Wave program will enable a diversity manager to be engaged and the program to be implemented in the community. The funds will allow the program to go from the development and concept stage to implementation, delivering beach and surf safety programs to the community. The program will provide surf safety written material in 18 languages, targeting those communities that have been identified as requiring beach and surf safety education. The program also aims to attract a greater proportion of people from diverse cultural backgrounds to become volunteers in Surf Life Saving SA and to participate in this community service.

Over the past few years our Metropolitan Fire Service has taken great steps forward to achieve a more diverse pool of employees. Recognising the need to have a more diverse workforce, the MFS has conducted a pre-application program, which focuses on three under-represented groups in the MFS workforce: women, Aboriginal and Torres Strait Islanders and also people from culturally and linguistically diverse backgrounds.

The candidates for the pre-application program are chosen on the recommendation of DFEEST and from experience in previous recruit courses. In a workforce of almost 800 full-time firefighters, there were only four full-time female firefighters until last year (2007), when a further five females became firefighters, signalling a significant positive achievement for the MFS.

The MFS is like any other government department and needs to be more reflective of the broader public sector and the wider community. Recruitment requirements are the same for all people seeking employment as a full-time firefighter. This program does not alter any of the prerequisites or selection processes for any individual or group of people. The scheme is about assisting those people to gain that level for recruitment consideration.

In 2007-08, the Country Fire Service Volunteers Association, using funding from its annual grant from government, undertook an equity and diversity project. The project produced a recruitment advertisement for television promoting diversity in the CFS. This advertisement, to be played on regional television as a community service announcement, features members of the CFS from diverse backgrounds and encourages volunteering and membership of the CFS to people with various skills, experiences and backgrounds.

In addition, the CFS Volunteers Association, using funds provided by the government, will send six female CFS volunteers to attend the annual Australasian Fire and Emergency Services Authorities Council Conference. In 2008-09, the CFS Volunteers Association will fund seven young people from around the state to attend the annual Australasian Fire and Emergency Services Authorities Council Conference, providing a significant personal development opportunity for young CFS volunteers.

The Metropolitan Fire Service has also been a leader in working with newly arrived migrants and diverse communities. The MFS and the SES were involved in a community event at the Oasis Child Care Centre in May, working with refugees and people from CALD communities to introduce them to the roles of our emergency services. Many refugees have not had positive experiences in the past with uniformed services, so this outreach work helps to build trust and respect between new arrivals to Australia and our emergency services.

As a result of this tremendous work, the department for immigration has approached the MFS to be involved in the induction program for African migrants entering South Australia. As part of this program, the MFS will run sessions for newly arrived migrants on home fire safety, emergency response and how the MFS can be of assistance to them. Being part of the induction is especially important, and newly arrived migrants will be exposed to the good work that is done by our emergency services agencies when they first arrive. I must congratulate the fire safety, community education section of the MFS for its leadership in this area.

I should also mention CFS youth. Promoting and attracting young people to our emergency services is also an important part of ensuring a diverse sector. The CFS will hold a youth summit on 30 and 31 August for 18 to 25 year old members of the CFS. The summit will complete one of the recommendations from the CFS volunteers summit held in 2006 and will give the CFS a chance to hear from and to develop the future leaders of the CFS. The CFS will be selecting young volunteers from around the state to attend the summit to discuss the future of the CFS, leadership skills, qualities and career paths within the CFS. The major outcome of the summit will be the development of a CFS youth advisory council.

Young members who do not attend the summit will still have the opportunity to serve on the council. Members of the interim youth council to be appointed at the summit and the new youth council will then prepare terms of reference to formally establish itself and then recruit, through invitation to the rest of the CFS members in the age range, the remainder of the council. This new youth council is in addition to the excellent work already undertaken by the CFS and the SES in their cadet programs. The SES cadet program will teach young members of the services about leadership, teamwork and life skills as well as technical competence.

Overall, great leaps forward have been made by all our emergency services groups to ensure that our sector is diverse and reflective of community needs and is an attractive option for both staff and volunteers from all backgrounds in our community.

Ms SIMMONS: I refer to Budget Paper 4, Volume 1, page 4.189. As the minister knows, I have five CFS stations in my electorate so I am very interested in this area. What is the Country Fire Service doing in response to the Wangary coronial inquest recommendations regarding incident management?

The Hon. CARMEL ZOLLO: Again, I thank the honourable member for her question, because I know that she is a regular visitor to Country Fire Service brigades in her area. The CFS developed a command and leadership framework in 2006 with the purpose of strengthening its leadership capability at all levels within the organisation. With the release of the findings and the recommendations of the Wangary coronial inquest, an analysis of the operations of the Kangaroo Island fire complex confirmed that a sustained and comprehensive approach to command leadership and incident management was required.

A Command and Leadership Task Group has been established to provide a single focus for the development and delivery of the command and leadership framework. This also includes the development and delivery of better incident management systems in the CFS to paid staff and volunteers and, where appropriate, those from other government agencies who are involved in incident management teams. As part of the 2008-09 state budget, the government has announced $2.85 million over four years to fund further measures to meet the government's response to the Wangary coronial inquest; and, as previously advised, this includes funding for an additional staff member and CFS to coordinate the task group and provide for additional training for incident management personnel.

The task group has been supplemented from existing staff within the CFS. The main responsibilities of the task group are:

- developing the skills and competency of our people who are identified for level 2 and level 3 incident management teams and ensuring that CFS doctrine is properly documented, is consistent with the best in class and that technology and other systems are adopted to support its incident management teams;
- to ensure that there is a framework for accreditation and recognition of current competency and that training pathways and mentoring systems are developed;
- delivering training to meet targets set for command, leadership, incident management and risk assessment;
- developing CFS's technical and infrastructure capability, particularly in relation to information technology mapping and the use of remote sensing;
- ensuring that systems are in place to enable CFS to learn and implement the lessons from previous incidents and experiences. The CFS is recognised for its ability to improve from incident analysis and lessons learned throughout the organisation. The Centre for Lessons Learned is the mechanism to achieve this; and
- providing evidence and an assessment of our command leadership and incident management capability gap and to make recommendations about future actions.

Mr GOLDSWORTHY: I refer to Budget Paper 3, page 2.17 in relation to aerial firefighting. Given that the commonwealth's four year funding commitment to aerial firefighting expires in 2010-11, is the 2011-12 budget allocation based on an assumption that the commonwealth will continue its increased funding commitment or that the state will assume full responsibility?

The Hon. CARMEL ZOLLO: As previously mentioned, the South Australian government is a member of the NAFC board. All states are members of the board. Certainly, it is based on the assumption that that funding will continue. We have no reason to suggest otherwise.

Mr GOLDSWORTHY: Continuing with that budget line concerning aerial firefighting, the minister previously asserted that she has acted on advice concerning the need for an air crane to be secured here in South Australia. Will the minister confirm that the advice recommended against the full-time stationing of the air crane prior to the coroner's report being handed down and then supported the proposal after the report?

The Hon. CARMEL ZOLLO: This government has always responded to the advice of the Country Fire Service, and, in particular, the advice of Chief Euan Ferguson. I think it is obvious to all that the past two bushfire seasons have been extreme. Following the season prior to the last season, the CFS reviewed its requirements and sought additional funding, which was provided at that time. Since that time our weather has been extreme and, regrettably, it is looking like it will be the same this season. Again, this government has always responded to the advice given to it by the Country Fire Service in terms of its operational needs.

The air crane, of course, prior to our tendering for one, has been available to us, as indeed have other aircraft. The honourable member might remember that, at one stage, we had two air crane here during the Kangaroo Island fires. Certainly, one was stationed here from December during the Kangaroo Island bushfires right through until the end of April. From memory it left here to go overseas. As previously advised, I think that, under this government, the state has been well served in relation to its aerial firefighting capacity; indeed, it is the best served it has ever been.

Mr GOLDSWORTHY: With respect to the fires on Kangaroo Island—

The ACTING CHAIR (Ms SIMMONS): Does the honourable member have a budget reference?

Mr GOLDSWORTHY: Yes. I refer to Budget Paper 4, Volume 1, page 4.195, sub-program 1.3 and 'response services'. What was the total cost of the Kangaroo Island bushfire operations to the government?

The Hon. CARMEL ZOLLO: The state budget includes $4.3 million in 2007-08, plus an additional $2.1 million from the Community Emergency Services Fund contingency for additional bushfire costs experienced by the CFS. The 2007-08 bushfire season was characterised, as I previously mentioned, by particularly dry conditions creating a high bushfire risk. The high bushfire risk faced by South Australia was realised, as we all know, during the Kangaroo Island bushfire, which saw the largest logistical response to a bushfire in CFS history. Of course, a stark reminder of the annual bushfire threat was provided to residents also in the Mount Lofty Ranges, with three significant impact fires at Belair, Williamstown and Willunga. I place that on record to put the incidents into context.

The total expected cost, I am advised, is $5.6 million. The high cost of the incident was due to the size of the fires, which burnt an area of 90,000 hectares in difficult terrain and variable weather conditions that required significant firefighting resources. Fire suppression activities were required over a sustained period, with the fires commencing on 6 December 2007 and being declared controlled on 19 December 2007. At their peak, over 700 volunteers and staff from South Australia, Victoria, New South Wales, Western Australia and Queensland were working on the fires and they all required accommodation and catering. Also, 13 aircraft were used in aerial firefighting and observation operations.

The location of the incident on an island required considerable logistical organisation to transfer personnel and resources to and from the island on ferries and aircraft. I also place on record that there was a coordinated national effort to support South Australia, and the following interstate agencies provided assistance: the Victorian Country Fire Authority; the Victorian Department for Sustainability and Environment; the New South Wales Rural Fire Service; the Queensland Fire and Rescue Service; and the Western Australian Department for Environment and Conservation. As mentioned before, the logistical challenges faced by moving large numbers of resources and personnel to and from Kangaroo Island were dealt with through a coordinated effort led by the CFS state logistics team.

The CFS also coordinated the support for the Kangaroo Island complex of fires which included the Salvation Army providing 2,000 meals per day. The MFS positioned a pumper and crew at locations to provide fire and rescue coverage whilst locals were committed to firefight. The MFS provided the crews at Penneshaw, Kingscote and Parndana, and the crew at Parndana also provided support at the staging area. The Bureau of Meteorology had a forecaster at Parndana. The SES, of course, managed the base camp as well as supporting the staging area. I want to place on record that the SES did a tremendous job.

The SA Ambulance Service provided additional ambulances and personnel staged at Parndana, whilst St John provided eye washes and first aid support. Forestry SA provided two tankers and a bulk water carrier along with associated crews. DEH provided significant numbers of tankers and crews, and functional service through the State Emergency Centre provided support—for example, logistics, sourcing fuel for aircraft and transporting it to the island—and engineering provided support by establishing facilities at base camp. All in all, it was a tremendous effort by everybody involved, and I place my thanks on record.

Dr McFETRIDGE: My question relates to Budget Paper 4, Volume 1, page 4.161: Community Emergency Services Fund. Will the minister assure the committee that there will be no reduction in the funding for emergency services as a result of government savings strategies?

The Hon. CARMEL ZOLLO: First of all, can I place on record there certainly have been no cuts to our emergency services. I will invite Mr David Place, the Fire and Emergency Services Commissioner, to respond further.

Mr PLACE: The fund is created and endorsed through the Economic and Finance Committee, which is a committee of parliament. The required revenue for emergency services is set and then expenditure is matched against that required revenue. There are detailed formulas—including concessions and remissions for people like pensioners and country people—that make up some of that fund. Of the approximately $218 million for the 2008-09 budget, about 50 per cent of that comes from consolidated revenue because of the remissions and concessions given to people. That is conducted purely through Revenue SA under Treasury and Finance. We are not really party to that part of it. We are responsible for the expenditure side of it. Since its inception I think there has been an increase in the emergency service budget but the levy rate has remained fixed, as I understand it. Sometimes, because it is linked to properties and vehicles, increases in sales of homes or increases in new vehicles often result in extra cash being available.

Dr McFETRIDGE: So there has been no reduction in funding for emergency services?

The Hon. CARMEL ZOLLO: I will invite Mr David Place to continue.

Mr PLACE: There have been no new savings strategies imposed on the emergency services.

The Hon. CARMEL ZOLLO: The emergency services have been quarantined.

Dr McFETRIDGE: Thank you.

Mr GOLDSWORTHY: I refer to Budget Paper 4, Volume 1, page 4.162: SAFECOM's Strategic Role. What progress has there been in developing the sector wide resource allocation tool? I understand the government calls it SARAM.

The Hon. CARMEL ZOLLO: I will commence, but then I will invite Mr David Place to continue. The government formed SAFECOM to reduce service duplication and improve resource efficiencies while also improving community safety. Section 8(e) of the Fire and Emergency Services Act 2005 requires the SAFECOM board to provide for the effective allocation of resources within the emergency services sector, and the SAFECOM board requires a methodology to explore and set standards for emergency services delivery to enable it to discharge this duty.

Objective 8 of the SAFECOM strategic plan requires it to develop sector-wide service delivery and resource standards that consider community risk, equity, and social justice issues across prevention, preparedness, response and recovery—referred to as PPRR. As I said, I will invite Mr Place to continue in a moment, but SAFECOM's risk modelling will provide government with, essentially, a tool to plan and align emergency services resourcing with trends in service demands. It is not a resourcing plan: it is a tool for analysing potential risks, trends, and service delivery to provide a broad level of advice to government. The tool facilitates community involvement and provides services on a sustainable and equitable basis, which does not necessarily equate to equal services—and as an example of that I give the APY lands project and the community response teams. Again, Mr Place will add to that.

The aim of government is a safer and more resilient community, and opportunities exist for enhanced efficiencies across the sector. As we have heard, a Director of Community Resilience has been created to support community development so that communities are more engaged in their own safety. I should add that this is a multifaceted and complex issue which does not lend itself to a formula-based resource allocation system. Our aim is always to work with communities to gain their involvement and ensure that any decision made is supported by appropriate research based on community risk assessments.

Clearly, it is the responsible thing to do to constantly look at response times, population growth, industrial, commercial and residential growth and decline, to look at the ABS statistics, at data from Planning SA, and at any other data available from councils. So, at the moment there is no hard data; and we are still in the process of collating data and developing a tool. Certainly, government has not made any decisions or considered any options. I invite Mr Place to continue with that response and, in particular, give the example of the APY lands and the work in which both the SES and the CFS are involved.

Mr PLACE: In essence, what we are doing is a risk-based modelling tool to look at preventative and response resources around South Australia. So, we are looking at each community in terms of its emergency services risk profile—which may be things such as bushfire, house structure fire, road crash rescue, flood, storm, etc. We will then be able to rate those various communities on that sort of risk and analyse the most appropriate strategies for dealing with that risk profile, whether that be response resources such as more fire appliances or more community education.

As the minister pointed out, perhaps the classic example is the APY lands where, seasonally, there are between 2,000 and 4,000 people and the emergency services presence is extremely limited. We would respond from either Marla or Mintabie—often, many hours away from where the incident occurs. So, as we have identified that risk we are currently looking at working with the indigenous communities and the support people who also live and work there to introduce community response teams for things like road crash and structure fire. We are also negotiating with places like Ernabella, where we are looking at working with the CFS to introduce a CFS fire appliance within that community. They are examples of how we need to look at each of the resource risks we face and dedicate strategies accordingly.

Mr GOLDSWORTHY: On the same budget line, what is the progress on the Top 12 report process, the review of risk, and the CFS, MFS and SES services areas in the context of risk? What areas are covered by this work and what process has been followed so far?

The Hon. CARMEL ZOLLO: I thank the honourable member for his question and invite Mr Place to respond.

Mr PLACE: The Top 12 was the name given when we looked at some of the research data. I guess there was some significant data of under-resourcing (and I have mentioned the APY lands as a typical example of that) and areas where there may be potential over-servicing as well. The board then commissioned a joint working party comprising members of the CFS, the MFS and the SES for the relevant regions where these communities exist—the reason being, I think, that in the backroom office you can find some data but until you actually go out and talk to the local people and understand the issues for that particular community you can never be sure what way you will go with the strategy. So, right now we have a committee that is meeting. As I said, the committee is allocated to the various regional elements where those communities are located, and the board is awaiting a report from that committee regarding how we might proceed in those areas.

The Hon. CARMEL ZOLLO: I would like to add that it was, I understand, part of our presentations to the SAFECOM board, the Volunteers Association and the union. Scenarios were painted to show how the tool would actually work. As I said before, there is hard data this time which has generated outcomes. It was used to generate scenarios during presentations to actually show how the tool would be developed and used and what sort of information—such as response times and urban growth—would be factored in. Again, no decisions have been made and certainly no hard data has been validated.

Dr McFETRIDGE: Minister, I want to go back to my previous question. I was a bit distracted when you were answering the first question about SAFECOM and staff leaving. Can you assure me that there has not been a mass exodus of staff from SAFECOM? I have heard that up to 10 people had left in the last couple of—

The ACTING CHAIR: Is there a budget line?

Dr McFETRIDGE: There is. I refer to page 4.161: Summary income statement, employee costs. If staff are leaving, why are they leaving and does it have anything to do with the shared services?

The Hon. CARMEL ZOLLO: I thought we had already responded to that but, again, I invite Mr David Place to elaborate further if the honourable member did not hear what he had to say.

Mr PLACE: I will speak in some detail in a minute. Some people have left and we have recruited new people as well. In the past few months, 10 people would appear to be about the right number. I am not exactly sure of the exact number, but that would appear to be about right. A couple of people have left to start a family and a couple of people have been promoted to other parts of government. I think that is a very positive thing, because we really try to promote and develop our people. If they are then able to get a higher level job in another part of government, that is great. We also have some attrition.

Importantly, we have also been restructuring the office as a result of the commissioner position and the office of the commissioner. We also have quite a few people who have indicated that they are going to retire this year. So, in terms of the reorganisation of my office, that is now practically complete, although, I guess in this day and age, change is a constant. We are continually responding our resources—and I must reiterate that we are doing it within budget; we are not getting any more money for this—to the needs of the sector and to support agencies and government to achieve the outcomes that we are expected to achieve in our sector.

Dr McFETRIDGE: I refer to the same budget reference, page 4.161, employee costs. How many people actually work in SAFECOM?

The Hon. CARMEL ZOLLO: My advice is that we have 116 FTEs.

Dr McFETRIDGE: Is the shared services model having any impact on the way the commission is to be run?

The Hon. CARMEL ZOLLO: My advice is that, as part of the government's shared services reform, ICT, HR and finance and procurement services have completed surveys of services currently provided. Sign-off has occurred for the payroll function, which is due to transfer on 4 August 2008. Accounts payable and accounts receivable services are due to transfer in October 2008. As part of the tranche 2, it is likely that more staff will be transferred to the Shared Services SA office. Three priority services have been identified for transition in 2008-09. As mentioned, they are payroll, accounts payable and accounts receivable. Perhaps I did not mention them all before. The emergency services sector aims to manage the impact of shared services and any associated savings from within its existing resources.

Mr PEDERICK: I refer to Budget Paper 4, Volume 1, page 4.194, Sub-program: 1.2, Preparedness Services. In regard to the delivery of fire trucks in the 2007-08 and 2008-09 build, is there room in the budget for any and all faults that may arise in these trucks as they are delivered to be rectified, or will there be a budget blow-out?

The Hon. CARMEL ZOLLO: Did you say MFS?

Mr PEDERICK: No; in the CFS. I did not stipulate.

The Hon. CARMEL ZOLLO: I thought that Mr Euan Ferguson had comprehensively responded to that question, but perhaps again the honourable member did not hear what he had to say, so, I invite him to continue.

Mr FERGUSON: The answer is yes.

Mr PEDERICK: That there will be a blow-out?

Mr FERGUSON: No. I understood the question to be: is any rectification work within the budget? The answer is yes.

Mr GOLDSWORTHY: I refer to Budget Paper 4, Volume 1, pages 4.193 to 4.195, Sub-programs 1.1 to 1.4. I note that most performance indicators from the previous budget have been replaced and significantly weakened overall. In terms of preparedness services in particular, why has the indicator referring to the percentage of households with a bushfire action plan been removed?

The Hon. CARMEL ZOLLO: I assume that you are referring to the CFS in relation to the bushfire action plan, something that, clearly, this government is encouraging and something for

which it has also provided funding. We will try to find out exactly what you are referring to. As part of our last campaign, a survey was undertaken to determine which households were prepared. Arising out of that, a further campaign was delivered. Again, we are conferring to see whether we can find what the honourable member is referring to.

The CHAIR: Minister, would you prefer to come back to the member with a response?

The Hon. CARMEL ZOLLO: We have a few people conferring at this stage, and we may get there. In the meantime, I place on the record that we anticipate that the 2008-09 campaign will commence earlier than last year and run well into next year, to the end of the spring season. This will enable reinforcement of the significance of being bushfire ready and provide the community with the opportunity to give more thought to the importance of having a bushfire action plan.

The extended length of the campaign also provides the opportunity for different levels of focus and media exposure at different points of the campaign—for example, concentrated periods of messages and then keeping the messages in people's mind through targeted drip-feeding. As with all public education campaigns, there is often not one silver bullet, and we always realise that we must keep reinforcing the messages to our constituencies. I will ask Mr Ferguson, the Chief Officer of the Country Fire Service, to respond further.

Mr FERGUSON: Every year we review our reporting processes, and there has been a change: we have dropped out that measure. My recollection is that the measure of the number of households who have a bushfire action plan was seen as being too specific and extremely difficult to measure. However, as part of our summer campaign, we undertake an analysis that is more broadly based than just asking the question, 'Do you have a bushfire action plan?'

For example, we ask whether the resident is aware that they live in a high bushfire risk area. We ask whether they have taken specific steps to develop a plan, whether they have documented that plan, whether they have talked that plan through with their community, whether they have accessed the CFS website and whether they have made contact with the CFS in any way, shape or form. Those questions are part of a survey that is undertaken in the analysis of our summer bushfire campaign.

In relation to the earlier part of my response, in developing some performance measures, I think we determined that the simple question, 'Do you have a bushfire action plan?' was not actually a really good guide to how well we were doing. In fact, there is a whole bunch of questions, and they are all dealt with in the analysis of the bushfire action plan. We have included a number of new performance indicators, and they are obviously in the budget papers this year.

The Hon. CARMEL ZOLLO: I place on the record that the CFS provides communities in South Australia with a range of bushfire education awareness initiatives that aim to assist individuals and communities better to prevent, prepare for and respond to bushfire.

Bushfire education and awareness initiatives target the most at risk communities across South Australia and are delivered by trained CFS education officers and CFS volunteers. CFS community safety activities reached over 8,000 people during the 2007-08 bushfire danger season, and 36 new Community Fire Safe Groups were formed, which brought the total number of groups to 283 or 4,000 individual households.

The CFS Community Fire Safe Program assisted community groups to undertake a range of bushfire prevention and preparedness strategies, such as working bees and developing early warning networks and community bushfire action plans. As part of the 2007-08 Bushfire Ready campaign, the CFS conducted a further 165 public information and awareness events, including 60 Bushfire Ready street corner and public information meetings, eight Bushfire Ready property planning workshops, 11 displays at field days or public events and 24 public meetings during operational incidents. Of course, funding was provided for all these activities.

Mr PEDERICK: I refer to Budget Paper 4, Volume 1, page 4.194, sub-program 1.2: Preparedness Services. Has there been an itemised costing of the 2007-08 and 2008-09 billed CFS truck rectifications and has the delay in delivery of these trucks caused specific unbudgeted costings, as well?

The Hon. CARMEL ZOLLO: My advice is no. Mills-Tui has accepted liability. I thought we had done it twice now, but there you are. Of course, there is no budgeted amount or budget line because Mills-Tui is paying for it.

Mr PEDERICK: Has the delay caused some specific unbudgeted costings? This could relate to older trucks being kept in service and perhaps maintenance costings not being budgeted

for. That is sort of the line I am taking with this, because a lot of these trucks are months out and they have been a long time from being delivered on time.

The Hon. CARMEL ZOLLO: I invite the Chief Officer of the Country Fire Service to respond to that question.

Mr FERGUSON: The direct cost has been in the transfer of the affected vehicles back to Adelaide for inspection and repair. That includes the cost of both staff and volunteer time and, obviously, the cost of fuel. We are still discussing with Mills-Tui whether the cost of its reparation will cover that.

In relation to other vehicles standing in, in any annual replacement program there will also be a disposal program. The disposal program sometimes follows up to 12 months in terms of recovering the vehicles. We always have a pool of vehicles which can be pressed back into service. In fact, in the last fire season we put an additional complement of vehicles on Kangaroo Island, so the vehicles are over there; we do not have to move them over. Those vehicles are still operational. Many of these appliances have gone out to multiple appliance brigades, so taking away one vehicle for a relatively short time has not been an impost on them. It has been a short-term impost.

Mr GOLDSWORTHY: I refer to page 4.194: Preparedness Services. How many planned CFS training courses were cancelled in 2007-08, and will you give the committee a breakdown region by region?

The Hon. CARMEL ZOLLO: I will place on record the information that I have here. In relation to region 1, by way of background, the CFS training department, in consultation with regional training officers and their respective volunteer committees, publishes a training calendar of all proposed courses 12 months in advance. The CFS training department coordinates in excess of 2,000 core sessions per annum resulting in approximately 30,000 training accreditations; however, on rare occasions courses are cancelled.

While every effort is made to ensure that volunteers are provided with scheduled training events at the advertised venue and date, operational activities always take precedence over training activities. For example, during the Kangaroo Island fires in December 2007, training officers from the state training centre were deployed as air crew to Kangaroo Island thereby forcing the cancellation of a region 1 breathing apparatus operators course. Breathing apparatus operating courses are managed at a state level so that all personnel are scheduled onto available courses in time to ensure that their accreditation is maintained throughout their career.

I am advised that sometimes courses are not always filled, and they can also be changed around. We will have to do a fair bit of research to come back with a definitive answer, for all the obvious reasons, particularly operational reasons. It is sometimes not possible to schedule or continue with courses when they are scheduled but, when courses are cancelled, those members already nominated are placed on the next most convenient course session.

Mr GOLDSWORTHY: I take it that the minister will get back to the opposition with more detailed information.

The Hon. CARMEL ZOLLO: I undertake to do that. Clearly, I do not have a possible course by course cancellation in front of me. I have mentioned region 1, and it is probably a good overview of the reasons that any course would be cancelled, in particular, operations taking precedence over everything else.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 1, page 4.176: Works in progress, new works. If any surplus land owned by the MFS is sold, does that money go back into general revenue? I understand that a significant parcel of land at Regency Park near the engineering workshop is being sold.

The Hon. CARMEL ZOLLO: I will invite the Emergency Services Commissioner to answer, then I will also invite Mr Grant Lupton to come forward.

Mr PLACE: In relation to Treasurer's Instructions about the sale of surplus land, we perform to a particular instruction (I cannot remember the number). I think that 50 per cent goes back to the agency and 50 per cent stays in general revenue. There is a technical answer to that question. I will pass on the question about Regency Park.

The Hon. CARMEL ZOLLO: I am not aware of any land at Regency Park, but Mr Lupton is happy to speak to it in general terms.

Mr LUPTON From time to time, various MFS properties come up for sale such as, recently, the excess to needs properties in Renmark and Ridgehaven, and shortly a property in Glynde will become available.

They are put on the market and sold, and then the proceeds are split on a 50-50 basis: 50 per cent is returned to general revenue and the other 50 per cent is factored into the MFS forward capital plan to allow for future purchase. I am not aware of a specific piece of property in Regency Park, but we can come back on that question if we can obtain some more information. I am not aware of the MFS holding any land in that area for sale at the moment.

The CHAIR: The time set aside for examination of this line having concluded and there being no further questions, I declare the examination of the proposed payments for the Attorney-General's Department and administered items for the Attorney-General's Department adjourned to Committee A tomorrow.

The Hon. CARMEL ZOLLO: Thank you, chair; and thank you to all the members of the committee and, of course, all the staff who have supported me today, in particular the chief officers.

DEPARTMENT FOR CORRECTIONAL SERVICES, $172,455,000

Departmental Advisers:

Mr P. Severin, Chief Executive, Department for Correctional Services.

Ms S. Lees, Director, Finance and Asset Services, Department for Correctional Services.

Ms A. Norman, Executive Services Officer, Department for Correctional Services.

The CHAIR: I declare the proposed payments open for examination and refer members to the Portfolio Statement, Volume 1, pages 4.146 to 4.157. I call on the minister to make a brief opening statement if she wishes.

The Hon. CARMEL ZOLLO: The past year once again has been one of successes and challenges for the Department for Correctional Services, and I am very proud to say that staff have, as always, risen to the occasion and managed the challenges posed to them in an exemplary manner. I take this opportunity to thank them.

Increased community safety has been a focal point this year, finalising the implementation of an improved offender risk assessment tool across custodial and community corrections locations. This tool, adopted from Queensland corrections, will better inform staff of the risks and rehabilitative needs of offenders which, in turn, will lead to more positive outcomes for the community as a whole. A new training and offender development facility has been commissioned at Mobilong Prison that provides offenders with access to a range of quality programs and enables them to develop the necessary skills to reduce their reoffending.

As a result of our focus on law and order, prison numbers continue to increase. Last year's budget saw funding for an additional 125 beds through the prison system, with a total of $24.5 million being committed over four years. With this budget the government will, over the next four years, provide resources in the amount of $35.9 million to accommodate the predicted growth in numbers of approximately 209 prisoners by 2010-11. Clearly, these numbers indicate that the government's reform of the criminal justice system is sending more offenders to gaol, and for longer.

Along with the already announced prison infrastructure, the 2008-09 budget delivers a comprehensive response to the state's need to provide additional prison capacity. In 2008-09 the government is also funding additional staff and community corrections and will increase community safety. Over the past 18 months the number of offenders on probation orders has risen by about 15 per cent. The strengthening of our community supervision capacity is a key initiative that will continue to be developed in the future. Some $2.7 million has been approved over the next four years to manage the additional activities.

Community corrections infrastructure upgrades also continue as a result of previous budget allocations, with work currently under way at the Port Pirie and Noarlunga offices. This work is targeted for completion in the year ahead. During the year, the department continued upgrades of prison kitchens and air treatment systems to improve facilities and has commenced upgrades of prison security systems. The new men's and women's prisons near Mobilong and the new pre-

release facility continue to progress as a public private partnership project and is on schedule for completion in the 2011-12 financial year.

Earlier this year the Treasurer announced that the capacity of three consortia to finance, design, build and maintain these facilities had been carefully evaluated, and all three have been approved to move forward to prepare proposals for the state to evaluate. The tender documents will be issued in July 2008, and evaluations are proposed to occur through the period January to March 2009, with a recommendation for a preferred bidder being determined by cabinet in April 2009. Until these facilities become operational, existing facilities will continue to be modified and new relocatable infrastructure introduced. This is a smart way to manage demand pressures and plan for the future.

This has been a challenging and positive year for the Department for Correctional Services. Law and order reforms, such as the Child Sex Offenders Registration Act 2006, the anti-bikies laws and a raft of others are ensuring that more serious offenders are behind bars. This government makes no apology for its commitment to community safety and getting criminals off the streets. We believe that the community is entitled to be safe, and this requires the appropriate administration of our justice system.

Mr GOLDSWORTHY: I refer to Budget Paper 4, Volume 1, page 4.148, 'Rehabilitation and Reparation. Performance Indicators: Offence Focused Programs'. What was the estimated cost of the expansion of the sexual behaviour clinic recommended by Commissioner Mullighan in recommendation 13 of his inquiry into children in state care?

The Hon. CARMEL ZOLLO: That is still to be considered by cabinet.

Mr GOLDSWORTHY: So, the minister's answer to that question is that she is still considering it?

The Hon. CARMEL ZOLLO: Yes, that is correct.

Mr GOLDSWORTHY: Continuing with the same budget line, does the minister agree with the Deputy Premier's statements about general prisoner rehabilitation, given that the minister was at the press conference when the Deputy Premier made his comments about racking, stacking and packing prisoners?

The Hon. CARMEL ZOLLO: We all have different ways of expressing ourselves. As I said at that press conference, we do not have a three to a cell policy in this state. We continue to run our programs in a safe, secure and humane way and, as I said in my opening statement, we make no apologies for ensuring that criminals are removed from our streets.

Mr GOLDSWORTHY: I again refer to Budget Paper 4, Volume 1, page 4.148. Can the minister explain why the number of offenders commencing offence focused programs has fallen by 11 per cent (the 2007-08 estimated results versus the 2006-07 actuals), and the number of offenders completing these programs has fallen by 12 per cent at a time when there has been an increase in the number of offenders in custody?

The Hon. CARMEL ZOLLO: I can advise the member that the number of prisoners who commenced and completed the programs offered by the department during that year was fewer than we estimated. Offence focused programs are an important part of the rehabilitation activities of the Department for Correctional Services. The programs offered by the department are generally shorter and have traditionally been delivered to all prisoner and offender categories, regardless of whether they are deemed to be at high or low risk of reoffending.

During 2007-08, the department identified the need to better target violent and serious repeat offenders to support increased community safety. As part of that process, the department adopted a medium intensity alcohol and other drugs program, which is considered to be more appropriate for offenders assessed as being at higher risk of reoffending.

The program is significantly longer and more intense than the pre-existing offence-focused programs during 2007-08. Offenders on community-based orders were introduced to the program, which resulted in fewer offenders being involved with a longer and more intense program. In addition, the increased prisoner-on-remand population has required departmental staff to respond to a greater number of priority matters, for example, prisoners deemed at risk of self harm and adjustment to prison issues. Essentially, we have those results because we see fewer offenders being involved with a longer and more intense program.

Mr GOLDSWORTHY: With respect to offence-focused programs and referring to that same budget paper page, I note that the completion rate for these programs planned for 2008-09 is

lower than the rate actually achieved in 2007-08. I know that the minister gave an explanation that went some way to explaining that, but will the minister explain why the government is setting itself a lower target and indicate whether it is a good use of taxpayers' money to increase the number of prisoners enrolled in programs if the percentage of prisoners completing these programs is decreasing?

The Hon. CARMEL ZOLLO: I thought I had just explained that. Basically, it is because we are running longer programs and targeting high-risk offenders.

Mr GOLDSWORTHY: That was only part of the explanation, minister.

The Hon. CARMEL ZOLLO: That is the explanation. We are running longer programs and targeting those high-risk offenders, and that is why we have those outcomes.

Mr GOLDSWORTHY: With reference to the same page, will the minister explain what changes in institutional arrangements referred to in footnote (c) are impacting on the availability of duty assignments?

The Hon. CARMEL ZOLLO: By way of background, the development of a good work ethic is regarded as being significant to a prisoner's rehabilitation. The department is committed to promoting the benefits of a constructive day through the provision of duty assignments. These activities may include, but are generally not limited to, daily tasks within the prison laundries and kitchens, and also cleaning functions within the units on the prison grounds. Duty assignments essentially aim at maximising out-of-cell opportunities and promote pro-social behaviours and skills. The target set by the department in 2006-07 was that 80 per cent of eligible prisoners would be given duty assignments in the following financial year.

The estimated result is expected to be around 65 per cent. Developments which have impacted on the percentages achieved include the fact that the prison numbers have increased whilst the number of available work duties has remained the same. As a result of the increased number, the Department for Correctional Services is not able to predict the number of remand prisoners who are required to work. As I have said, we make no excuses for taking criminals off the street in the state, and I would hope the honourable member would agree with me.

Mr GOLDSWORTHY: It is not necessarily about not making excuses for taking them off the streets, it is actually about how you treat them.

The Hon. CARMEL ZOLLO: If the government does not enforce its law and order policies, we will see more people going to gaol.

Mr GOLDSWORTHY: I refer to Budget Paper 4, Volume 1, page 4.150: Custodial Services. With reference to 'Performance Indicators' and 'Daily average prisoner population', the government underestimated the growth in the daily average prison population over the past financial year by 105, that is, 64 per cent. The government planned for a growth of 64, and the growth was actually 169 prisoners; that is the 2007-08 target versus estimated result. What process is the government using to project daily average prisoner population, and why did it fail over the past year?

The Hon. CARMEL ZOLLO: Mr Peter Severin, the Chief Executive Officer, will respond to this question.

Mr SEVERIN: The methodology that was used to forecast prisoner growth was based on an extrapolated line of the experienced growth over the past period and, in that regard, certainly that had to be adjusted upwards as a result of the unprecedented growth that was experienced. It is very difficult to accurately predict growth in light of a whole range of factors that influence prisoner growth, not the least of which are policing activities and the introduction of new laws and judicial practice, and therefore the department has worked quite consistently on refining the methodology for accurately forecasting growth and has again undertaken this exercise for this financial year. The basis for our growth estimate is now being revised as a result of the experience growth; correspondingly, of course, the forecast growth estimate has been funded with an additional $35 million over the next four years to accommodate the forecast prisoner number growth estimates.

Mr GOLDSWORTHY: The Chief Executive explained the reason for the increase in the average prisoner population, but what are the projected daily average prisoner population figures over the next four years? Is work being done on that?

The Hon. CARMEL ZOLLO: My advice is that of course work is being done. I do not have those figures here in front of me, so we will have to take that on notice.

Mr PEDERICK: I refer to Budget Paper 5, page 22 under 'Correctional services: works in progress' and the item 'New prisons and secure facilities.' What is the projected capacity of South Australians prisons (including the new prisons) when the new prisons open?

The Hon. CARMEL ZOLLO: South Australia's new correctional infrastructure project is the largest of its kind in the state's history. We know that the public-private partnership (PPP) involves the Department for Correctional Services, the Department for Families and Communities and SA Health. The successful private sector partner or partners will design, finance, build and maintain the facilities, and core services for each agency will be delivered by the public sector.

The five new facilities will include a 760-cell men's prison, which is expandable to 940 cells at Mobilong to replace Yatala Labour Prison, and a 150-cell women's prison, expandable to 200 cells at Mobilong to replace the Adelaide Women's Prison. Cabinet has approved that the men's and women's prisons will be constructed within a single secure perimeter and share common facilities—for example, a single gatehouse—whilst keeping men and women strictly separate from each other.

An 80-bed pre-release centre at Cavan, expandable to a hundred beds, will replace the existing pre-release facility adjacent to Yatala Labour Prison. Also, whilst not technically in my area, a 90-bed secure youth training centre at Cavan will replace existing facilities at Magill and Cavan and a 40-bed forensic mental health centre at Mobilong will replace James Nash House at Oakden.

It is expected that all facilities will become fully operational in the 2011-12 financial year. Expression of interests were called for in December 2007 with three strong consortia submitting comprehensive proposals, as previously mentioned in my opening statement. In May, the Treasurer announced that the three consortia had been carefully evaluated on their capabilities to finance, design, build and maintain these facilities, and all three have been approved to move forward to prepare proposals for the state to evaluate. Costs associated with standard and expanded cell options will be sought from the consortia for cabinet's consideration. My advice is that a request for proposals will be issued this month, with the period proposed to close in December 2008. Evaluations are proposed to occur through the period January to March 2009, with a recommendation for a preferred bidder to be forwarded to cabinet in April 2009.

Contract negotiations are proposed to be undertaken with the preferred bidder through the period May to July 2009, with contract close scheduled for August 2009. All future dates are indicative and, of course, may be subject to minor change due to many circumstances beyond the control of this department. I understand that the chief executive, Mr Peter Severin, is happy to add some further information to that.

Mr SEVERIN: In relation to the total capacity of the system once the new prisons become operational, on current configurations, given that we are currently introducing additional double-up capacity as well as some temporary and demountable accommodation, there will be about 2,500 beds available. However, it is very much dependent upon actual prisoner numbers as to how many of the existing double-ups will no longer be required once the new prisons become operational. It would obviously be our preferred option to reduce the level of the double-up accommodation system as much as is practicable when the new prisons come on line.

Mr PEDERICK: Would it be right to assume that it will not be essential to double-up or triple-up once the new prisons are built, or will it need to be introduced at some stage in the new prisons?

The Hon. CARMEL ZOLLO: As I have previously placed on the record, we do not have a policy of tripling-up in our prisons. There are some sections, and I have placed this on the record before—I think it was the old forensic health facility in Yatala—which do have the capacity to take more than two prisoners, and we have some dormitories as well, which are preferred by Aboriginal prisoners in some of our gaols, but other than that we certainly do not have a policy of three in a cell. So, again, I place that on the record.

If the honourable member were to go to the website in relation to the PPP project he would see that one of the options that we would consider would be in terms of doubling up a certain percentage of cells. That is public knowledge; I remember talking about that probably seven or eight months ago. I think we are looking at a 20 per cent possibility of doubling up, of taking up that option should we need to.

Mr Goldsworthy interjecting:

The Hon. CARMEL ZOLLO: I understand the comment was that he was a changed man.

Mr PEDERICK: I refer to the same budget line. Will the minister provide a breakdown of how the $4.198 million allocated for 2008-09 is to be spent?

The Hon. CARMEL ZOLLO: My advice is that the budget for 2008-09 of $4.198 million for the project is as follows: for the project team allocation, $885,000; and for the consultants allocation, $3.313 million.

Mr GOLDSWORTHY: I refer to Budget Paper 5, page 22: Correctional Services, works in progress, new prisons and secure facilities. This question, in some part, relates to the member for Hammond's questions. The chief executive may have answered some parts of this, but what is the actual projected capacity of all of South Australia's prisons when the new prisons open, including the new prisons?

The Hon. CARMEL ZOLLO: Again, I invite the Chief Executive, Peter Severin, to further respond to that question.

Mr SEVERIN: We have to distinguish between the original design and built capacity and the actual capacity, which is the operational capacity. The operational capacity would always include double-ups and temporary accommodation. So, we are aiming to have a total operational capacity in the system in the order of 2,500 beds. We are hoping that we will not need all of those beds at that point in time, but our forecast at the moment indicates that that is the number we should plan for. In roundabout terms, that is the capacity we are aiming for. If, at that point, we can reduce our existing double-up arrangements because the prisoner numbers do not require us to take up the full capacity, that is our preferred option.

Mr GOLDSWORTHY: Minister, following on from the Chief Executive's answer that the number of beds is estimated to be 2,500, is that the projected number of prisoners at the point in time when the new prisons open?

The Hon. CARMEL ZOLLO: I understand that we took that question on notice earlier, and we have undertaken to bring back a response.

Mr PEDERICK: I refer to Budget Paper 4, Volume 1, page 4.13: Workforce Summary. Minister, how many full-time equivalent staff is it estimated will be needed to staff and manage the new prisons?

The Hon. CARMEL ZOLLO: I will ask the Chief Executive, Peter Severin, to respond to that question. However, I place on record that this government is working with the Public Service Association in relation to the smooth transition of staff from the Northfield site to the new site at Mobilong in future years, and we will continue to do that as time progresses.

Mr SEVERIN: I need to refer to the procurement method for the new infrastructure, which is a public-private partnership. In that regard, we have some estimates in relation to a reference project we obviously put together to establish the cost incurred in procuring such a facility if the government did it in the traditional way, and that includes an assumption on the operational arrangements in this reference model. By no means will that be the actual facility that will be delivered. The advantage of a PPP is that we encourage the proponents to come back with effective and efficient design solutions, which we are obviously hoping will allow us to introduce more effective and, hopefully, more efficient work practices.

In addition, a range of services will be put to the market for tendering to see whether value for money can be offered if those services are indeed going to be provided by the private sector. That includes five bundles of services, most notably medical services, catering, laundry, industries, social work, psychological services and Aboriginal liaison services, etc.

In very roundabout terms (and these are not figures that will really be relevant in the context of the overall staffing of the prison), we are looking at about 350 to 400 staff, and that very much depends on the arrangement that will be finally presented, and we are talking about public servant-type staff. We now have an estimate on what the private sector might present as part of their bids. These are benchmark figures; they are not figures that can be verified until such time as we have a finished design and we have planned for our staffing. Obviously, we then have to negotiate the working arrangements with the industrial union.

Mr PEDERICK: How many of the current staff are expected to leave the department, rather than move their place of employment to Murray Bridge?

The Hon. CARMEL ZOLLO: With all due respect, Chair, that is something of a hypothetical question at this stage.

The CHAIR: I was going to say that, but I thought you may want to talk about staffing.

The Hon. CARMEL ZOLLO: Yes. As I said, we will work with the PSA and the current staff to ensure that there is a smooth transition. We have already put in place some good consultative mechanisms to ensure that it does happen in a smooth way. We have appointed a human resources specialist to assist us with that task. At this time it is far too early for anybody to be making any predictions or even suggesting that it will happen.

Mr PEDERICK: This question refers to the same budget line: the government's program to open 207 beds over four years. It provides that 44 per cent of the operating funds are planned to be expended in the fourth financial year, the year after the new prisons are scheduled to open. Are any of the staff to be funded from the $35 million for the 207 beds to be located at the new prison?

The Hon. CARMEL ZOLLO: My advice is no.

Mr GOLDSWORTHY: I refer to Budget Paper 5, page 22: Correctional Services Works in Progress, New Prisons and Secure Facilities. Will the minister provide a breakdown of how the $4.198 million allocated for the 2008-09 year is to be spent?

The Hon. CARMEL ZOLLO: My recollection is that I answered that question a bit earlier.

The CHAIR: It is the same question that the member for Hammond asked.

Mr GOLDSWORTHY: Sorry, I was out of the committee for a while.

The Hon. CARMEL ZOLLO: Yes, you were; I accept that.

Mr GOLDSWORTHY: I apologise to the minister. What is the progress of that tender process?

The Hon. CARMEL ZOLLO: I am sure I have also answered that question. Yes, I did respond to that at quite some length. I do appreciate the honourable member was out of the chamber at the time; however, it is on the record.

Mr GOLDSWORTHY: Is the government aware of any potential consortia which were planning to bid but withdrew from that process? If so, is the government aware of the reason for the withdrawal? Was the exclusion of custodial services from the package a factor?

The Hon. CARMEL ZOLLO: The lead minister is the Treasurer, the Hon. Kevin Foley MP. I imagine that something like that is commercial-in-confidence but, nonetheless, I will invite Mr Peter Severin to add any comments, if he so wishes.

Mr SEVERIN We were notified, during the expression of interest process by one of the groups that originally indicated an interest in the project, that they were no longer able to tender for the project because one of the key members of the consortium (being the building company that they were in partnership with) decided to withdraw from that consortia—I am not sure on what grounds. That is the official information that was provided to the project director at that time and that was the reason provided when the announcement was made that they were no longer going to put in an expression of interest for this project.

The CHAIR: Before we go to the final question from the opposition: minister, are you prepared to consider, rather than us having to labour through the omnibus questions (read out in the fine voice of the member for Morphett) an undertaking that the Attorney-General be asked the omnibus questions that apply to your portfolios?

The Hon. CARMEL ZOLLO: Yes, I am prepared to make that undertaking.

The CHAIR: Is that acceptable to the opposition?

Dr McFETRIDGE: Yes, it is.

The CHAIR: Your final question, which may be taken on notice.

Mr GOLDSWORTHY: I refer to Budget Paper 4, Volume 1, page 4.13: Workforce Summary. How many FTEs are estimated to be needed to staff and manage the new prisons?

The Hon. CARMEL ZOLLO: I have to apologise to the honourable member. We have already done that one as well.

The CHAIR: There being no further questions, I declare the examination of the proposed payment completed.

The Hon. CARMEL ZOLLO: I thank the chair, members of the committee and, in particular, the CE, Mr Severin, and all his staff for their support today.

SOUTH AUSTRALIA POLICE, $548,495,000

ADMINISTERED ITEMS FOR SOUTH AUSTRALIA POLICE, $362,000

DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE, $552,881,000

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE, $12,399,000

Departmental Advisers:

Mr J. Hallion, Chief Executive, Department for Transport, Energy and Infrastructure.

Mr G. Burns, Deputy Commissioner of Police, South Australia Police.

Mr I. Hartmann, Manager, Financial Management Services, South Australia Police.

Mr M. Palm, Senior Consultant, Finance, Department for Transport, Energy and Infrastructure.

Mr M. Small, Director, Road Safety, Department for Transport, Energy and Infrastructure.

Mr P. Allan, Executive Director, Safety and Regulation Division, Department for Transport, Energy and Infrastructure.

Mr A. Milazzo, Executive Director, Transport Services Division, Department for Transport, Energy and Infrastructure.

The CHAIR: I declare the proposed payments open for examination and refer members to the Portfolio Statement, Volume 1, pages 4.26 to 4.28, and Volume 2, pages 6.53 to 6.55. I call on the minister to make an opening statement, if she chooses. I understand that there is an arrangement between the opposition and the government: there will be one government question, a brief opening statement by the minister, then 30 minutes of solid questioning by the opposition.

The Hon. CARMEL ZOLLO: The Rann government is committed to achieving the target set out in South Australia's Strategic Plan of reducing fatalities to less than 90 and serious injuries to less than 1,000 per year by the end of 2010, thereby reducing the impact of road trauma on the community. Since 2003, South Australia has recorded an average of 11 fatalities per month. In the past 12 months, this has decreased to about nine fatalities per month. To achieve the 2010 target, fatalities need to reduce to no more than eight fatalities per month.

There is positive news in the fact that, for the 12 months in total as at 30 May 2008, the figure was 107. The lowest total ever achieved was 104 fatalities for the 12 months at the end of July 2007. The number of serious injuries has not experienced the same decline and more effort will be required to achieve a sustained reduction. The number will vary in the short term, but at this time it appears that the long-term trend is promising. However, as always we must be ever vigilant and continue to promote road safety and sensible driver behaviour.

While we have achieved a considerable reduction in fatalities and serious injuries over the past few years, further commitment is required to achieve our target. I am therefore pleased to be able to announce that the government has today released the South Australian Road Safety Action Plan 2008-10. The updated action plan highlights the key priority actions under the areas of safer roads, safer speeds, safer road users and safer vehicles over the next three years in order to achieve our 2010 targets. The plan recognises the importance of community engagement and participation in road safety, and focuses on involving and working more closely with community road safety groups and local government so that we can better target road safety initiatives and programs in communities. The action plan has been developed and supported by the Road Safety Advisory Council, chaired by Sir Eric Neal. The council considered measures which would have the greatest likelihood of achieving significant reductions in crashes and trauma and which were known to be cost-effective, based on evaluation and targeted road safety research.

Since coming to office, this government has introduced a number of initiatives to combat the road toll—the introduction of roadside drug testing, full-time mobile random breath testing, and immediate loss of licence for high-level drink-driving and speeding offences—and I am pleased to

report that these initiatives have continued. Further measures have also been put in place, including:

- various loopholes that allowed drivers to avoid a licence sanction or condition being placed on their licence have now been closed, and drivers are now no longer able to avoid the law by claiming they never received the disqualification notice in the post;
- tougher provisions have been introduced for hoon drivers, who now face immediate wheel clamping or vehicle impounding for up to seven days, with longer periods of up to three months upon the direction of the courts;
- new seatbelt laws that came into effect on 1 March 2008 mean that drivers are now responsible for ensuring that all occupants are properly restrained;
- from today, the offence of driving with a prescribed drug in oral fluid or blood and the offence of category 1 drink-driving—that is, an offence of driving while having a prescribed concentration of alcohol from 0.05 to 0.079 present in the blood—will be aligned. Both will attract an expiation fee of $420 and four demerit points compared with the previous penalty of $313 and three demerit points for drug driving and the current $164 and three demerit points for category 1 drink-driving; and
- with too many South Australians still underestimating the serious level of crashes caused by inattention, particularly by the use of hand-held mobile phones, the rules were amended on 25 March 2008 to clarify what is and what is not legally acceptable behaviour.

I will also be introducing legislation for a mandatory alcohol interlock scheme to take some of the most irresponsible and potentially deadly drivers off South Australian roads.

Road safety requires a collaborative effort and, while the Department for Transport, Energy and Infrastructure is the lead agency responsible for coordinating the government's road safety agenda, a partnership approach has been adopted with the Motor Accident Commission and SAPOL to increase integration of advertising and enforcement campaigns. Some of the highlights of the 2008-09 budget are:

- $11.17 million on black spot treatments across the state;
- $9.8 million on a range of other infrastructures-associated programs, including cycle facilities, level crossings, red light speed cameras, and minor safety works;
- $11.6 million on information, education and training programs, including community road safety projects, Travel Smart, cycling sponsorship and Rider Safe;
- $7.2 million for the shoulder sealing program; and
- $4.9 million for the continuation of the new rural road safety program, which highlights the government's commitment to improving the safety of road users in rural South Australia.

In 2008-09 I will also further progress initiatives aimed at safer vehicles, reducing the impact that speed plays in road trauma, and continuing to work with communities and road safety groups to find new and innovative ways to improve road safety and ultimately reduce the road toll.

Ms BEDFORD: I refer to Budget Paper 4, Volume 2, page 6.53. Can the minister outline what measures the government is putting in place to address traffic management issues at Xavier College?

The Hon. CARMEL ZOLLO: By way of background, this government is focused on ensuring that vulnerable road users are protected. We recognise that schoolchildren being dropped off or picked up from school, or crossing roads on the way home, are some of the most vulnerable road users. This matter was first raised with me by the local member of parliament, Mr Tony Piccolo MP (the member for Light), as he was concerned about the safety of schoolchildren.

I also had the opportunity during a community cabinet meeting to discuss the issue with the representatives of the local road safety group and then visit the school and the surrounding roads to see for myself some of the traffic management issues that have arisen because of the location of the school and the behaviour of some road users.

My advice is that Malala Road is under the care and control of the Department for Transport, Energy and Infrastructure (DTEI). The posted speed limit on Malala Road, in the vicinity of Kentish Road, is 80km/h. Kentish Road is the main access road for Xavier College and forms

part of the rural living area of the Gawler Belt. The junction of Malala and Kentish Roads is controlled with a 'Give Way' sign.

After receiving representations from the member for Light and local community representatives, I asked representatives of the department to meet with representatives from the Light Regional Council, the Gawler council, Xavier College and Mr Piccolo about these issues. DTEI subsequently completed a report that detailed an action plan for improvements to safety. In addition to DTEI's action plan, Light Regional Council engaged a consultant to undertake a broad traffic study of the area.

I can advise the committee that, in response to the traffic study, DTEI will undertake the following actions: the existing 80km/h speed limit on Malala Road will be reduced to 60km/h, from the existing 50km/h sign at Willaston (200 metres north of the roundabout at Dawkins Avenue) to a position 200 metres north of Kentish Road. This will be implemented by the start of the third school term to commence on 21 July 2008.

With regard to the junction layout of Malala and Kentish Roads, DTEI will develop the concept and cost estimate for providing a separate left turn lane from Malala Road into Kentish Road. This will enable drivers on Kentish Road, waiting to enter Malala Road, to identify the separate approaching 'through' and left turning movements on Malala Road, thus providing more opportunities for them to turn right onto Malala Road.

In conjunction with the council and the college, DTEI will aim to restrict pedestrian movement across Malala Road directly opposite the college. In conjunction with the council, DTEI will upgrade pedestrian crossing points at the Redbanks Road/Dawkins Avenue roundabout. Again, I should acknowledge the commitment of the member for Light (Mr Tony Piccolo MP) to his constituents. His efforts have been tireless in achieving this outcome for his electorate. I would also like to thank the other stakeholders—including the school principal—who have worked in a cooperative manner in the best interests of road safety.

An honourable member interjecting:

The CHAIR: Order! I do not think it is appropriate for a member to make disparaging remarks about a principal.

Membership:

Mr Venning substituted for Mr Pederick.

Dr McFETRIDGE: Before I ask my first question, I want to say that the opposition strongly supports all efforts to improve road safety. As the only member of this parliament who is a member of the Australasian College of Road Safety, I am 100 per cent committed to improving road safety. I refer to Budget Paper 4, Volume 2, page 6.21: road resurfacing and rehabilitation. In 2007, the RAA identified the road maintenance backlog as being about $200 million. Given that the government has collected over $200 million in speeding fines since 2002 and that the government claims that it has all been put into road safety, how much has gone into road maintenance and improvement? I understand that up to 40 per cent of accidents are due to poor road maintenance.

The Hon. CARMEL ZOLLO: I thank the honourable member for his question, and I place on record that I am pleased he is committed to road safety as, indeed, is everybody in the chamber. The government has demonstrated its commitment to road safety by creating a specific portfolio, and of course it is dedicated to reducing the loss of life and the incidence of serious injury on our roads. All too often we forget that road trauma includes serious injuries, which clearly can have a devastating effect on people's lives.

The Community Road Safety Fund was established on 1 July 2003. Since then, it has funded a wide range of key road safety initiatives, including infrastructure, education and enforcement programs. All revenue from anti-speeding devices goes into the fund. In 2008-09, this is estimated to be $77 million. Funds are collected by SAPOL and paid into Consolidated Revenue.

The Department of Treasury and Finance appropriates an amount to DTEI based on an estimated level of revenue being generated each financial year. The amount of appropriation is included within the appropriations line of DTEI's income statement. Expenditure from this fund includes the payment of $34.7 million to SAPOL for road safety related expenditure.

Clearly, those are not the only moneys expended on road safety in SAPOL: $11 million is spent on black spot treatments across the state from the fund; $12 million on rural road safety

programs and the shoulder sealing program; $7 million on a range of the infrastructure associated programs, including level crossings, red light speed cameras and minor safety works; $8 million on information, education and training programs, including community road safety projects, TravelSmart, Share the Road sponsorship and Rider Safe; and $6 million on policy coordination and administration across the road safety portfolio.

The amount of $31 million in the budget is investing expenditure; $52 million is operating expenditure; $73 million is funded through the Community Road Safety Fund; and the remainder is drawn from the Highways Fund, Australian government funding, the National Black Spot Program, or funded by appropriations to DTEI's operating account.

I am not the minister responsible for road maintenance infrastructure, but I place on the record that since 2001-02 (the last year of the previous Liberal government) road maintenance has steadily increased. In 2008-09, the state government budgeted $76.6 million in road maintenance expenditure. This compares with $76.3 million in 2007-08 and $61 million in 2001-02 (the opposition's last full year in office). So, our commitment to road safety is obvious to all.

Dr McFETRIDGE: Just remind me, Mr Chair, how much money the government has in this budget compared with what we had. I refer to Budget Paper 4, Volume 2, page 6.21: Road Resurfacing and Rehabilitation. I am quite happy for the minister to get back to us with this information, rather than taking up the time we have. What projects will the $23.7 million in funds for 2008-09 for road rehabilitation and resurfacing specifically be spent on?

The Hon. CARMEL ZOLLO: Again, I am not the minister responsible for that. I think the question is best responded to by the Minister for Transport, and I will refer it to him.

Dr McFETRIDGE: I refer to Budget Paper 3, page 2.22: Expenditure and Savings Initiatives, revenue offsets. For the purpose of forecasting revenues from additional expiation notices, what is the assumed level of compliance with road rules? Is it getting better or worse? Does any increase in expected revenue suggest that the government is not expecting its road safety campaigns to be effective?

The Hon. CARMEL ZOLLO: Do you have the page reference?

Dr McFETRIDGE: Page 2.22: Revenue offsets—additional expiations.

The CHAIR: We will take it on notice and move on, shall we?

The Hon. CARMEL ZOLLO: I think for the reason that it is more expedient, we will take it on notice.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 2, page 6.54: Safer Roads, Performance Commentary. What process is used to determine when speed limits need to be changed and is this information made publicly available? An example of apparent inconsistencies in setting speed limits is Military Road at West Beach. It is a 50 km/h road with very few entrances and exits. It is a very wide road compared with Sturt Road at the Marion Shopping Centre where a 60 km/h zone applies and there are bus interchanges, a pedestrian crossing and a commercial precinct. There is also a recent change to Ocean Boulevard, which I admit is a divided road, but one side is 60 and the other side is 80.

The Hon. CARMEL ZOLLO: I advise that responsibility for speed and speed reduction is that of the Commissioner of Highways. In all cases we work with the community. We are often approached by local councils. That can also result out of audits following crashes, in particular. I invite Mr Jim Hallion, the CE of DTEI, to respond further.

Mr HALLION: The first point I make is that the default speed limit in urban areas is 50 km/h, so roads in the urban area are 50 unless otherwise limited to a different speed. Then the department assesses whether or not there should be a change in limits beyond that (either above or below that), based primarily on the adjacent land use and also on the performance of the particular road and taking account of road geometry. A number of factors are taken into account in speed zoning.

We regularly review speed zones and liaise with local government and the community, as the minister has indicated. We look regularly at both crash performance and the performance of vehicles on the road to determine if a revised speed limit is needed. The minister gave an example in answer to a previous question about Xavier College, where we have reviewed the limit. We believe it is appropriate to lower it from 80 to 60, mainly due to the presence of the school. Adjacent land use and the interaction between vehicles, pedestrians and bikes are all taken into account.

The Hon. CARMEL ZOLLO: That is also guided by an Australian Standard.

Mr HALLION: Yes.

Dr McFETRIDGE: I assume that Australian Standard is Australian Standard 1742.4, which uses the 85th percentile rule as a basis for setting speed limits. Is that what you use?

Mr HALLION: I am a former traffic engineer, so at one point in my career the 85th percentile speed was the main determinant in the 1970s and 1980s of speed limits. We take into account more factors than just the 85th percentile speed. Certainly, that was king in about the 1970s and 1980s when the objective was that you would speed zone for what the majority of traffic was doing on a road, but we have moved from that now to the factors I talked about before. It is a factor we take into account, but it is not the only factor we take into account.

Dr McFETRIDGE: It seems strange that Military Road, West Beach, where there is very little inflow traffic, is set at 50 km/h and Sturt Road, Marion, where there is a huge shopping centre, bus interchange and pedestrian crossing, is set at 60 km/h. For the record, the Australian standard was last revised in 1999.

The Hon. CARMEL ZOLLO: My advice is that it is technically correct.

Mr HALLION: There has been another review since then.

The CHAIR: Order! The minister will answer the questions.

Mr GOLDSWORTHY: I refer to Budget Paper 4, Volume 2, page 6.54, sub-program 11.1: Safer Roads. Will the minister advise the committee on progress in relation to improving the safety of the school crossing at the intersection of Saleyard Road, Woodside Road and Princes Highway at Nairne?

The Hon. CARMEL ZOLLO: I assure the honourable member that this is not something I have ignored. The Nairne community has raised concerns over the safety of children using the school crossing on the Princes Highway at its junction with Saleyard Road and Woodside Road for a number of years. The site has been reviewed several times, other roads and traffic management issues in the adjacent area investigated (for example, Walker Court, Saleyard Road, etc.), traffic counts undertaken and meetings held, and I have visited the site personally.

A number of meetings have been held with representatives of the Department of Education and Children's Services, the Department for Transport, Energy and Infrastructure, the District Council of Mount Barker and the Nairne Primary School principal. It has been recognised at these meetings that traffic congestion at the intersection of Princes Highway, South Terrace, Saleyard Road and Woodside Road is compounded by the no-through road arrangement of Saleyard Road and the peak traffic demands of the school. Essentially, we have a large school fronting a short dead-end, very narrow road.

On this basis there is a need for the District Council of Mount Barker and the school to consider how the peak traffic demands of the school and the associated traffic congestion will be managed on Saleyard Road at its junction with Princes Highway. One solution for reducing the traffic congestion is to provide an alternative road link to the school, thus distributing the traffic loads. A new road link could be considered to either Market Place or Walker Court, and it could be extended to provide a new connection to Princes Highway.

As was advised during the last federal campaign, the federal government has previously committed $325,000 under the AusLink Strategic Regional Program for the installation of traffic signals at the junction of Princes Highway and Saleyard Road. On 18 December last year officers of the Department for Transport, Energy and Infrastructure met with representatives of the District Council of Mount Barker to discuss a list of options associated with the Princes Highway and Woodside Road.

In January this year I wrote to the Mayor of the District Council of Mount Barker and offered to fund the upgrade of the koala crossing on Princes Highway to a pedestrian-activated crossing and relocate it to the east of Woodside Road. The Department for Transport, Energy and Infrastructure has estimated that the cost of installing a pedestrian-activated crossing and associated works would be in the order of $300,000. Government funding is conditional on council constructing a link road to Saleyard Road to ease traffic congestion at the junction of Saleyard Road and Princes Highway.

I place on record that the District Council of Mount Barker wrote to me on 26 February this year advising that it had engaged a traffic consultant to assess options for extending Saleyard

Road and constructing a new link road. This assessment will include possible route options, the implications of each, and a preliminary estimate of costs. As no further response was received, I sent a follow-up letter a few weeks ago seeking a reply to my original letter. I know that the department has been advised by the council officers that some minor changes are being undertaken to finalise the report and that, after consultation with the department, the council would write to me. I understand this is anticipated to occur by August. Notwithstanding the fact that the report is yet to be finalised, I am pleased that this government has allocated funding towards the upgrading of the crossing in the 2008-09 financial year. This will enable the department to work with the council to agree on the scope and cost sharing arrangements to deliver this project in 2008-09.

Mr VENNING: I refer to Budget Paper 4, Volume 2, page 6.54, sub-program 11.1: Safer roads. What is being done to increase road safety in the Barossa Valley? The Barossa Valley recently experienced five fatal road crashes within five months. Barossa Valley Way is a major freight route and the major road that tourists use to travel through the Barossa Valley. Barossa Valley Way has repeatedly been rated by the RAA as one of the poorest roads in the state and has many of the state's 54 black spots.

The Hon. CARMEL ZOLLO: The following works are proposed to be carried out in 2008-09 in the Barossa area. Projects listed are located in the Barossa Council and the Light Regional Council, which both service the Barossa. Works funded by both the South Australian and Australian governments are:

- The Rural Freight Improvement Program. The project is the Barossa Valley Way-Seppeltsfield Road intersection upgrade. The total funding is $3.5 million.
- The AusLink-Sturt Highway five-year upgrade, with duplication of the Sturt Highway from Gawler Bypass to Argent Road. Completion is due in 2008-09. The total funding is $32.606 million.
- The AusLink Accelerated Sturt Highway upgrading package, that is, the duplication of the Sturt Highway from Argent Road to Seppeltsfield Road. Completion is due in December 2009. The total package is $126 million.
- The Transport System Responsiveness program, with the replacement of the timber deck on Greenock Bridge. The total funding is $450,000.

It would be fair to say that this government has demonstrated a very strong commitment to the Barossa region.

Dr McFETRIDGE: I refer to Budget Paper 3, page 2.22: Purchase of additional red light and speed cameras. I will be more than happy if you want to come back to the committee with the list of the following cameras. How many red light and fixed speed cameras were installed in 2007-08? How many red light and fixed speed cameras are there across the metropolitan area and in regional areas? For each established camera, can the minister advise how many offences were recorded for each financial year since the camera was installed?

The Hon. CARMEL ZOLLO: A study in Victoria in the year 2000 estimated that between 10 per cent and 30 per cent of all crashes occurring at signalised intersections are a consequence of red light running. We all know—and I think it has been well publicised—that travelling at speeds just five kilometres over the arterial urban speed limit doubles the risk of a crash. My summary is: in operation at 23 June 2008, wet film cameras rotate through 23 sites; 13 digital cameras are signalised into sections 41; rail level crossing at Park Terrace Salisbury, two; and pedestrian crossings Portrush Road, two, which makes a total of 58.

The 2007-08 program: installed but not yet commissioned. The site preparation started to be completed in this financial year. We have 14. In 2008-09 to 2011-12, new funding for five digital cameras per year, which makes another 20. The total red light and safety cameras to June 2012 is 92.

Dr McFETRIDGE: I refer to Budget Paper 3, page 2.22. Who maintains the red light and fixed-speed cameras and what is the total cost of maintaining and operating red light and fix-speed cameras?

The Hon. CARMEL ZOLLO: My advice is that they are maintained by SAPOL.

Dr McFETRIDGE: Do we have a total cost for doing that?

The Hon. CARMEL ZOLLO: We will have to take that question on notice.

Dr McFETRIDGE: Perhaps the minister can take this question on notice. I refer again to Budget Paper 3, page 2.2. Will the minister advise how many point-to-point speed cameras are to be purchased and where will they be located?

The Hon. CARMEL ZOLLO: I can advise the committee that, in April 2007, a one-week trial captured 10,875 vehicles and revealed 657 vehicles (6.04 per cent) exceeding the allowable average speed limit over four separate routes—and no tolerance was included when determining the allowable travel time. Clearly, no expiation notices were issued: it was a trial. Capital funds of $1.75 million over two years have been allocated in the state budget to the Department for Transport, Energy and Infrastructure (DTEI) to introduce point-to-point speed enforcement. The joint initiative between SAPOL and DTEI will use the existing Safe-T-Cam network between Globe Derby and Port Augusta.

For members' information, point-to-point speed enforcement is where the average speed is identified by two speed cameras and the average speed for the journey between the two points is calculated and compared to the allowable speed over the journey. We make no excuses: this government will use every possible tool at its disposal to change the behaviour of road users. We make no apologies to people who think they can get away with doing the wrong thing. Hopefully, the threat of being penalised will do that.

We are aware that Safe-T-Cam has been successfully used to target heavy-vehicle drivers who exceeded legal driving hours or failed to take minimum rest breaks at 11 sites since September 2005 and, with some enhancement, this system is also able to be used for speed enforcement. Additional Safe-T-Cams will be installed and computer systems upgraded. I can also advise that the technology has been recently introduced in New South Wales and Victoria, and is also used extensively in the UK, Netherlands and Scotland. It may be a little too early to assess results interstate, but other countries have experienced a significant reduction in crashes where this technology has been introduced.

Mr VENNING: Has the department trialled any different road markings such as writing the speed limit on roads; and would it also consider trialling different colour road markings to delineate the speed limits? I think that most of the problem is that people do not see the signs and they try to guess what the speed limit is and get caught.

The Hon. CARMEL ZOLLO: Is the honourable member referring to painted signs on roads, actually on the road surface?

Mr VENNING: In the middle of the road, on the line, the speed limit written every 100 metres or so.

The Hon. CARMEL ZOLLO: My advice is that they are not the best means of conveying speed limits. I will invite the DTEI chief to respond to that.

Mr HALLION: The main issue with painted markings is clearly one of maintenance, so we try to minimise the number of painted markings we put on roads because they tend to wear out. Also, with every painted marking there are issues of skid resistance. So we put down the minimum number of markings that we need for traffic control purposes and we rely pretty heavily on signage for speed control.

Also, we have looked at ensuring, as far as we can, rationalising speed limits. There have been a number of changes, and certainly I have approved a number, to ensure that there is more consistency in approach in speed zones.

The CHAIR: There being no further questions, I declare the proposed payments completed.

At 18:06 the committee adjourned until Thursday 2 July 2008 at 11:00.