HOUSE OF ASSEMBLY

Wednesday 17 November 1999

The SPEAKER (Hon. J.K.G. Oswald) took the chair at 2 p.m. and read prayers.

THIRD PARTY INSURANCE

A petition signed by 37 residents of South Australia requesting that the House urge the government to reverse its decision to charge metropolitan rates for compulsory third party insurance for residents of Aldinga and Aldinga Beach was presented by Mr Hill.

Petition received.

PAPERS TABLED

The following papers were laid on the table:

By the Minister for Human Services (Hon. Dean Brown)—

Chiropractors Board of South Australia—Report, 1998-99
Nurses Board of South Australia—Report, 1998-99
Occupational Therapists Registration Board of South Australia—Report, 1998-99
Pharmacy Board of South Australia—Report, 1998-99
Physiotherapists Board of South Australia—Report, 1998-99
South Australian Psychological Board—Report, 1998-99.

OMBUDSMAN'S REPORT

The SPEAKER: I lay on the table the report of the Ombudsman for the year 1998-99.

The Hon. R.G. KERIN (Deputy Premier): I move:

That the report be published.

Motion carried.

REGIONAL DEVELOPMENT TASK FORCE

The Hon. J.W. OLSEN (Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.W. OLSEN: Regional development is particularly important to the state of South Australia, and my government is strongly committed to enhancing the economic and social well being of rural communities. We recognise the contribution of regional economies to the state. We recognise the importance of regional communities and we recognise the importance of having a healthy social infrastructure. The Regional Development Task Force was established late last year to conduct extensive consultations with representatives of regional communities, local government and business.

My government strongly believes that extensive consultation with the people actually involved is vitally important, but it is equally important to implement policies and actions which address their concerns. South Australia is a very large state with abundant resources. Our economic fortunes as a state rely heavily on that of the regional and rural areas of the state. Whilst over the past 20 or 30 years there has been a general downturn in fortunes in rural and regional South Australia, there are now signs of a recovery.

One only has to look at the latest export figures to see evidence of this. The agriculture/forestry/fisheries and mining sectors both grew in 1997-98 at over 20 per cent. The Riverland, as an example, has maintained economic growth of some 30 per cent per annum for the past four years. But more needs to be done to maintain the economic and social fabric of the bush, and as a government we are committed to doing just that.

Last year we established a Regional Development Task Force. After extensive consultations and deliberations, a report containing 65 recommendations was handed to government. Some recommendations were immediately accepted and implemented. We have established the Office of Regional Development; we have a three year, $13.5 million Regional Infrastructure Fund; we have held a volunteer forum and are about to release our volunteer statement; and, earlier this week in Millicent I announced the formation of a Regional Development Council.

The government has also committed itself to a range of employment and social initiatives recommended by the task force. These include targeting the increasingly important industries of tourism and resources as job creation areas for regional South Australia (this includes developing a timetable to prioritise government infrastructure investment to improve regional competitiveness and encouraging greater private investment); working towards a more effective partnership between federal, state and local governments; expanding leadership programs in rural South Australia to ensure that regional communities retain their leaders of the future; developing policies for regional development that promote innovation and entrepreneurship; a commitment to retaining Public Service jobs in regional South Australia and that any future relocation of public sector services will include an examination of relocation to regional South Australia; and greater support for regional schools and communities to coordinate school to work transition.

The government clearly supports the majority of these recommendations. The response to the final report of the South Australian Regional Development Task Force recognises the depth and detail that went into the recommendations. The recommendations are wide ranging and challenging, reflecting the diversity and complexity of the issues that need to be addressed in regional South Australia.

Whilst the response refers to the specific recommendations of the task force, it will also form the basis of a regional development statement being prepared by the Office of Regional Development. This document will be prepared in consultation with the newly established Regional Development Council and will set a long-term strategy for regional development in South Australia. Some of the issues addressed will not be easily resolved, but it is the clear intention of the state government to make headway with them.

The opportunities for regional South Australia are many and varied. It is crucial that the many issues which we will now work through must be handled in a partnership between federal, state and local governments. In particular, as we go forward, we must continue to listen to and involve local people in the regions. We are committed to working with the local community to ensure that we continue to make progress. I thank the member for Flinders for her involvement in the Regional Development Task Force, which has seen these recommendations now presented to government. They will form the basis, as I have indicated in the ministerial statement, of the way forward to engage, facilitate and encourage the development of regional and rural South Australia.

LEGISLATIVE REVIEW COMMITTEE

Mr CONDOUS (Colton): I bring up the eighth report of the committee and move:

That the report be received and read.

Motion carried.

Mr CONDOUS: I bring up the ninth report of the committee and move:

That the report be received.

Motion carried.

Mr CONDOUS: I bring up the report of the committee on a by-law made under the Local Government Act 1934 by the Adelaide Hills Council relating to bird scarers and move:

That the report be received.

Motion carried.

QUESTION TIME

SITTINGS AND BUSINESS

The Hon. M.D. RANN (Leader of the Opposition): My question is to the Premier. Given that after tomorrow the Parliament is not scheduled to sit again until 28 March 2000, and next week was designated as an optional sitting week in the government's parliamentary program, will the Premier now guarantee that Parliament will sit next week so that it can resolve the serious concerns surrounding the ETSA sale process before acceptance of the final bids on 6 December? Apparently the Premier does not think there are serious concerns.

The SPEAKER: Order! The honourable Premier.

The Hon. J.W. OLSEN (Premier): As I have already indicated during a press conference earlier today at the new David Jones site, which I just happen to digress and mention is a great new $85 million development taking place—

Members interjecting:

The Hon. J.W. OLSEN: Absolutely positive. Coincidentally, there are 57 small to medium businesses which are suppliers to that major project. It underscores that in getting major projects into South Australia we actually help and assist small and medium businesses. During that press conference I indicated that the Treasurer in another place will be moving today to empower the Auditor-General, during the period between now and when Parliament reassumes next year, to release any reports that he would like to release during that period. At the conclusion of Question Time—

The Hon. M.D. Rann: You don't want Parliament sitting, do you?

The SPEAKER: Order! The leader has asked his question—he will remain silent.

The Hon. J.W. OLSEN: At the conclusion of question time I hope the documentation is available for me to do likewise. That must indicate surely to even the Leader of the Opposition that we are empowering the Auditor-General to make appropriate releases of any information that he deems important or necessary during that interim period. If the inference from the Leader of the Opposition is that there is a period upon which the Auditor-General cannot speak out publicly—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: —that is clearly put to one side and we will empower the Auditor-General, in the same way, I hasten to add, that the Liberal Party when in opposition supported a resolution on the State Bank issues for the same mechanism and processes to be put in place.

An honourable member interjecting:

The Hon. J.W. OLSEN: No, it is not, and you know it is not. I want to make the point that we are more than happy for this to be publicly accountable and an open process.

POLICE RESPONSE TIMES

The Hon. R.B. SUCH (Fisher): Will the Minister for Police outline what action is being taken to address the issue of police response times?

The Hon. R.L. BROKENSHIRE (Minister for Police, Correctional Services and Emergency Services): Over two months ago, I discussed in detail with the commissioner some concerns I had about the 11444 telephone number in particular and some of the issues involving the communications centre in Carrington Street. As a result of that, in those discussions the commissioner and I agreed that it would be appropriate at this point to make a detailed review of the 11444 telephone number and the communications centre. Members would be aware that the government is carrying on from an initiative taken by then Premier Arnold involving the government radio network, that is, ensuring that we can get a radio network that will be adequate for police and all other emergency services in the next millennium. Together with that, as has already been said in this House, we are looking at exploring a new computer aided dispatch system.

The results of that review were due to be reported to me at the end of December, which would have been an opportune and appropriate time, given that that is also when the Premier's task force looking at all police resources and other issues concerning the justice portfolio area would report. However, in the past couple of weeks a few incidents have been highlighted to me which I believe have been totally unacceptable. There have been a couple of delays in response, that is, from the time someone reports a potential crime to when police arrive.

Today I met with the commissioner and discussed two or three of the matters that have been highlighted to me in the past couple of weeks. The commissioner agreed that there was an issue here—an issue concerning which we could not wait for the full comprehensive review to be completed—and that he would therefore initiate some other measures in order to overcome the problems that had been highlighted to us.

The police handle approximately 330 000 taskings a year, and that is a great number of taskings. Without doubt, the absolute majority of those taskings are handled exceptionally well. However, one mistake made in a tasking is one mistake too many. Given what happened last Monday week with respect to the elderly lady in question—and the police have admitted the mistake that occurred—we need to address this issue urgently. During the meeting that took place this morning, I canvassed a range of options with the commissioner, who will have a very detailed look at a couple of issues that can be implemented straight away in the communications centre. He will also examine where we can utilise additional police resources into direct patrol areas to further support those local service areas that were developed earlier this year.

We also discussed the opportunity to look at the matter of overtime as we work through the recruitment process that is under way—the South Australian police department's most significant recruitment program for some years. As I said, in

defence and in support of the police, with over 330 000 taskings a year very few go wrong. However, one is one too many when we are looking at protecting the community of South Australia. I would also like to let the member for Fisher know what is happening with respect to police recruitment. I am pleased to say that, as a result of some positive media coverage recently, whereby the community of South Australia has been able to see what a great job being a police officer is in terms of job satisfaction and the ultimate position of looking after life and property in this state—

Members interjecting:

The Hon. R.L. BROKENSHIRE: I should have thought the member for Mitchell would be interested in hearing the facts about policing, assuming that he would like to put forward those facts to his community. However, we do not see those facts being put forward from the member for Mitchell, as we saw in recent material that was put out in his electorate.

The bottom line is that we now have a full recruitment for this intake. With respect to those people who put up their hand to be assessed for recruitment, such a good lot of people came through that we already have been able to put some of them on the list for the next recruitment course, which is due to commence in late December. So, things are well on the way now, with further recruitment, to add additional resources to our South Australian police department.

ELECTRICITY, PRIVATISATION

The Hon. M.D. RANN (Leader of the Opposition): My question is again directed to the Premier, following his answer to the previous question. Given the Auditor-General's serious concerns about the probity of the ETSA privatisation process, will the Premier give a clear undertaking to this parliament and to the people of South Australia that the government will extend the time for the ETSA bid process beyond 6 December in order to ensure that the Auditor-General's concerns about probity are addressed?

The Hon. J.W. OLSEN (Premier): I draw the leader's attention to the Treasurer's ministerial statement delivered in another place, where he addressed a range of issues, as well as to newspaper articles reporting the Treasurer, in case the leader missed them. As the Treasurer has clearly indicated on previous occasions, and as he indicated in his ministerial statement yesterday, accurately, time is of the essence in terms of maximising the price. The Auditor-General's questions have been appropriately and satisfactorily dealt with, as I am advised. The Treasurer clearly made a number of points in—

The Hon. M.D. Rann interjecting:

The Hon. J.W. OLSEN: The Leader of the Opposition just cannot contain himself. He has an opportunity to ask a question and, when he does not like the answer that he is receiving, he will then interject and frustrate the answer. The simple fact is that the leader might refer to *Hansard* and the ministerial statements of the Treasurer about this matter that address in detail the issues being raised.

SCHOOL PROPERTY

Mr SCALZI (Hartley): Can the Minister for Education advise the House if he will be taking any additional precautions to protect school property during the upcoming holiday period?

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): We are approaching that time of year when school breaks up. In the intervening period between school breaking up and its opening again next year, it is a fact that the incidence of vandalism of school property increases. Of course, schools are natural targets because they are very open places and there are no people occupying them during that period of time. We have a range of students who are looking for things to do during the holidays, and some of them decide that they will commit inappropriate acts. However, the department has in place a variety of strategies to minimise damage to property through arson or breaking and entering, and I wish to run through those strategies for the benefit of the House.

There are patrols of selected schools on nights and on weekends. Upgraded security systems have been installed and, if there is a break-in, that security system diverts directly to a police station and a fire station so that police and fire officers can immediately react to that security alarm. In the past, on a number of occasions this measure has limited the amount of damage that has occurred to our schools. There are regular checks on buildings by school council members. There is an increase in the School Watch program in schools.

There is, of course, a curfew on school grounds between midnight and 7 a.m. We have been working with ETSA with a view to putting into schools improved security lighting, particularly with respect to high risk schools where vandalism has occurred in the past, so that they are better lit and so that either members of the public or taxi drivers, through Taxi Watch, which occurs on a regular basis, can get a better view of what is occurring on school grounds. There is closed-circuit television in high risk areas so that, again, if any intruders enter the school grounds in those areas they can be identified. In terms of a reward system, there is a reward of up to $25 000 for information leading to the apprehension of arsonists.

No-one, either teachers or students, likes having their work, and the considerable amount of time that is put into that work, destroyed by arsonists or other vandals who enter school property. Too many times we have seen the look on the faces of students. In my time as minister I have had to open buildings that have been refurbished following fire and I have seen how students, parents and teachers are devastated by the loss of property and work as a result of a fire or a breaking and entering. It does not stop at just the physical loss because those students I have seen are then affected through their school career in terms of the work that is done and their genuine fear that it may happen again and that they may lose all of their work. Overall, we are having some success. We are being vigilant and we will continue to work in that area.

I know that schools have developed some of their own security systems, particularly in terms of school councillors and people who live on the periphery of schools keeping an eye on school grounds and any untoward activities taking place, either during the day or the night. I certainly encourage the community to be—

Mr Koutsantonis interjecting:

The Hon. M.R. BUCKBY: Yes, I mentioned Taxi Watch earlier. Taxis do an excellent job. When taxi drivers deliver people close by a school they just drive in and look around the school to make sure that everything is in place and, if people are on the school grounds, the drivers are instructed not to intervene but immediately to contact police so that the police can attend to see what is occurring. I encourage the

entire community to keep an eye on the schools during the holiday period. Schools are a very large asset not only in terms of dollars but also in terms of the loss of physical resources, as well as the emotional impact fires or damage to schools have on our teachers and students. It is well worthwhile people keeping an eye on our schools because if intruders are observed the matter can be immediately reported.

ELECTRICITY, PRIVATISATION

The Hon. M.D. RANN (Leader of the Opposition): Does the Premier have full and complete confidence in the integrity and probity of the role of the Pacific Road Company and its executives as key advisers in the ETSA bidding process?

The Hon. J.W. OLSEN (Premier): This opposition just cannot help itself, particularly this Leader of the Opposition. Here he goes again. The fact is, and I draw the leader's—

An honourable member interjecting:

The Hon. J.W. OLSEN: I understand the questions, these—

An honourable member interjecting:

The Hon. J.W. OLSEN: Yes, these trick-trap questions on which the leader is politically inclined to focus.

Members interjecting:

The Hon. J.W. OLSEN: Well—

The Hon. R.G. Kerin: Keystone cops.

The Hon. J.W. OLSEN: Keystone cops, yes. In reply to his question, I draw the leader's attention to the ministerial statements of the Treasurer, which will be addressing a range of these matters.

DOCTORS, RURAL

Mr LEWIS (Hammond): My question is directed to the Minister for Human Services. Is there any likelihood of an improvement in the availability of doctors in rural communities in the near future?

The Hon. DEAN BROWN (Minister for Human Services): I had the opportunity to meet with a large number of rural doctors on Saturday night. I must say that I appreciate the tremendous support they provide in terms of medical care in country areas of South Australia. The good news is that we are likely to finish this year with more doctors in country areas than we started the year. This will be the first year for many years that that has occurred. At this stage we have nine more doctors in country areas than we had 12 months ago. If one looks at the number of practices that are advertising vacancies one can see that, at present, 23 practices in the country have vacancies and, at the beginning of this year, 35 practices were advertising with vacancies.

In about 1995 or 1996 the former minister of health introduced a number of measures, including the rural enhancement package. A number of measures have been taken and we are at last starting to see the fruits of those measures and that is encouraging. However, it is not all good news. One very disturbing aspect is the number of field positions for trainee GPs in country areas. We currently have 20 in the country.

Within 12 months, that number is likely to be reduced to seven. That is not the responsibility of the state government: it is the direct responsibility of the federal government, firstly, in making available only 400 training positions for GPs for the whole of Australia—which is grossly inadequate and an issue I have raised previously—but I am particularly concerned because the projections are that that will not even be enough to cover retirements of GPs around Australia, let alone cope with the increasing demand for general practitioners within the community due to the ageing of the population.

Last year, South Australia was allocated only 23 of those positions. This year, as a result of representation, I have increased it by a margin up to 26, but it is still grossly inadequate. The problem is that, with a reduction in the number of GPs in training positions around Australia and here in South Australia, fewer positions are available in the country. So, as I say, only seven positions are likely to be filled in 12 months' time. It frustrates me that we as a state government put enormous effort into trying to attract doctors to rural areas. We have attracted about 20 overseas trained doctors. We are in the final throes of negotiating with the federal government for those doctors to stay for five years. Until now, they have been able to stay for only two or three years and have had to return to their country of origin.

If we are successful in the next couple of weeks, we expect them to be able to stay in the bush for five years and then become permanent residents. I think there is a very unfortunate edge to all this, that is, that we are having to rely on overseas trained doctors when we should be training young South Australians to fill the medical positions. It is only a short-term measure, but this government has actively recruited those overseas doctors through SARRMSA which, again, is a new initiative that this government has taken in conjunction with the federal government. SARRMSA is there to enhance and assist the education, recruitment and training of rural doctors.

I am delighted that the honourable member has raised this matter, because his area is one that has benefited from having some overseas trained doctors. There has been an overseas trained doctor at Pinnaroo and at Lameroo. We now have been able to get a doctor into Karoonda, and I believe that there is also an overseas trained doctor at Tailem Bend and at Meningie. Whilst we as a government have put significant resource into this area, it is very disturbing and I think very ominous for the health care of the whole of Australia to see such a restriction imposed by the federal government in terms of the number of training positions available for doctors in our community.

ELECTRICITY, PRIVATISATION

The Hon. M.D. RANN (Leader of the Opposition): Again, my question is directed to the Premier. Given the time that elapsed between the resignation of the first probity auditor for the ETSA privatisation due to a conflict of interest on 22 June and the appointment of the second probity auditor on or about 19 July, 18 days later, what probity arrangements were in place during that critical period?

The Hon. J.W. OLSEN (Premier): The Leader of the Opposition is asking for specific day-by-day detail. The matter is being handled by the Treasurer. As the leader would be aware, the Treasurer has made a ministerial statement on these matters.

An honourable member interjecting:

The Hon. J.W. OLSEN: Yes; just check some of the detail. If the inference is—

An honourable member: You don't know.

The Hon. J.W. OLSEN: Well, I can assure the deputy leader that my responses to this parliament are far more accurate than her questions to this parliament, and that has

been proved over and again. In response to the Leader of the Opposition, if the inference is that the probity auditor has acted with anything other than integrity, I suggest that he put it on the record, because the fact is that he has—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The leader has asked his question.

The Hon. J.W. OLSEN: He has acted with high regard and integrity. The Leader of the Opposition knows full well that in terms of the process on a day-to-day, hour-by-hour basis it is the minister's responsibility. I am happy to refer the leader's letter to the minister but, if he expects to have a detailed question answered by me on the run today, he will not get it because we know what he does: he dissects words from sentences and creates a totally different set of circumstances and then puts out a press release on it—

An honourable member interjecting:

The Hon. J.W. OLSEN: Well, the fabricator came well back: we know when that started, and it was back in the Roxby Downs days—and there was full exposure of that. Simply, if the leader wants to put a specific question, I am happy to take it on notice and supply the details to him. I would ask him to check the information being given by the Treasurer because it will clearly answer a number of the concerns of the Leader of the Opposition.

SMALL BUSINESS

The Hon. G.A. INGERSON (Bragg): Will the Minister for Employment assist and advise the House of how the government will facilitate economic growth, particularly in small business in South Australia?

The Hon. M.K. BRINDAL (Minister for Employment): I thank the member for Bragg for his question and acknowledge that he comes from a small business area and has had an ongoing concern in this both through his ministerial responsibilities and his earlier life. Small business continues to be pivotal to the development of this state and is therefore critical to the thinking of this government, particularly in the employment area. The government has three key components to its small business strategy; namely, reducing the cost of employing new staff, increasing business management skills to owner operators, and improving the ability of businesses to plan for future work force needs.

The House will note that those three struts to our platform are very congruent with those regional economies held on a global scale to be successful. Places such as Ireland and Scotland in particular, and their economic development and prosperity, are very much underpinned by those same sort of planks. The government's activities to reduce the cost to small business to employ include the small business employer incentive scheme, which will have paid out $14 million in incentive payments to businesses by 2002—and that for the employment of over 3 500 trainees and apprentices.

I believe that one of the shadow spokespersons opposite estimated that we had created 10 jobs in the whole of our period in government. I would actually challenge him to produce his figures, because the government can certainly produce its own figures.

Increasing business management skills has been a primary focus of the South Australian government for some years, and in this context I would like to highlight a small firm which was recently successful, namely, Angus Clyne. There are those who think that small business is forever destined to be small business, but it is a lesson of history that it is from the small businesses of today that the medium enterprises and the large-scale enterprises will grow tomorrow and the day after.

Angus Clyne, as a TCF component, started relatively recently and in a time when it was considered that textiles, clothing and manufacturing in this country was finished. It has gone from strength to strength, has won a number of highly prestigious awards and, most importantly—

Ms Ciccarello interjecting:

The Hon. M.K. BRINDAL: The member for Norwood might like to note that it attributes its success to an ongoing relationship with the Minister for Education, Children's Services and Training area, that is, an ongoing relationship with TAFE in the skilling—

Ms Ciccarello interjecting:

The Hon. M.K. BRINDAL: The member for Norwood says, 'They have got a good shop on the Parade.' I acknowledge that: it has also got a good shop in Goodwood. The reason it has a good shop in Goodwood is that it has manufacturing in Parkside, and its manufacturing is based on a competent, skilled work force, and it is constantly skilling and upgrading the skills of its management. It is a success story because it has worked with government to invest not only in sewing machines and scissors but also in the skills of its work force and those of its management.

That company is proof that TCF in this country does not have to play second fiddle to cheap Indonesian shirts, that we can find niche markets and prosperity. It is very much a strong example of the government's commitment to the future of South Australia and of South Australian employment. The Minister for Education needs to be particularly complimented on where he is taking the TAFE sector in that regard.

The Self-starter Scheme builds on initiative and enhances the self-employment prospects of people wishing to start their own businesses by equipping them with business management skills and providing start-up capital. It is a fairly bold initiative but hopefully one from which the next Bill Gates or somebody similar will come. Further employment growth in small business is to a large extent determined by a business's ability to plan and manage its work force requirements effectively. The government recognises—

Mr Clarke interjecting:

The Hon. M.K. BRINDAL: I know the member for Ross Smith wants me to taunt him, but I will not. The last time I taunted him he suffered for it. I will not make him suffer today.

The SPEAKER: Order! The minister will not provoke members to interject, either.

The Hon. M.K. BRINDAL: I will not, and that is what I said, thank you, sir. The Human Resource Advisory Service provides subsidised human resource consultancy services to assist small to medium size businesses with managing their existing work force, future work force planning and recruiting. Almost 500 businesses have accessed this program in 1998-99 and an additional $800 000 has been allocated to the program over the next few years.

Mr Koutsantonis interjecting:

The Hon. M.K. BRINDAL: I promise the member for Peake that after the next election we will look favourably on his application, too! The Business Management Training for Apprentices Program, which is a new initiative announced in the 1999 Employment Statement, is designed to assist small businesses with their succession planning. It provides management skills to a business's apprentices, which guarantees a solid management base for the future, and that

is something that the plumbing and electrical trades were keen to pursue.

This comprehensive and structured approach to facilitating long-term growth in South Australia's small businesses will ensure that the so-called engine room of the economy continues to accelerate into the next millennium. I invite all members on this side of the House to consider how successful our strategy is. I can always tell when the opposition is bored with an answer that we might be on the right path, and opposition members look totally bored today.

ELECTRICITY, PRIVATISATION

Mr CONLON (Elder): My question is directed to the Premier. Given that more than $60 million has been paid already to consultants working on the ETSA privatisation, will he now detail exactly what these consultants stand to make through so-called success fees and how those multi-million dollar fees are structured?

The Hon. J.W. OLSEN (Premier): The simple fact is that no-one can answer that because no-one knows what the contract price is because no bids have been received yet, and the success fee is related to that.

Members interjecting:

The SPEAKER: Order! The House will come to order.

EDUCATION EXPORT INCOME

Mr CONDOUS (Colton): Can the Minister for Education outline an Australian first initiative of the government which will enhance South Australia's educational export income?

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): It is good news for the training industry in this state because South Australia has been chosen by Le Cordon Bleu to deliver the world's first restaurant management degree anywhere at Regency Institute of TAFE. This is a first for Australia and is recognition by Le Cordon Bleu that Regency Institute delivers high quality, excellent training in South Australia and Australia. It builds on the relationship that we have developed between Le Cordon Bleu and Regency Institute. Last year saw the delivery of a diploma course in restaurant management, and this year Le Cordon Bleu has agreed to a degree in that same course.

It enhances a number of things because there are benefits both ways—obviously providing Le Cordon Bleu access to an excellent training facility, but also for Regency it delivers recognition as a world leader in training in the hospitality area. It also opens it up and enables more international students to come to Australia, particularly as this is the only place it will be offered anywhere. Le Cordon Bleu graduates or students from Paris, London, Japan and elsewhere in the world will be coming here to South Australia because this is the only place where they can undertake this course.

It further promotes the burgeoning food and wine industry in this state and has massive potential in terms of recognising that great development is occurring in this area, in both South Australia and also Australia. It builds on the Premier's Food for the Future plan in terms of delivering high quality hospitality students and graduates from our hospitality area. It may be of interest to the House to note that the value of the state's food industry has increased by $2 billion over the past two years, with wine exports increasing by some 6.5 per cent last financial year. In addition, one in three private sector jobs generated within Australia over the past two years were in tourism and hospitality, so the growth in that industry at the moment is quite amazing and I am sure will be continuing. One only has to look at the number of conferences and conventions coming into South Australia and the lead time we have in terms of bookings through the Convention Centre to know that young people entering the hospitality area will be doing so with a view to getting jobs.

It is important that the restaurant industry is flourishing right across Australia. It is one of the major sectors experiencing strong growth in three areas—income, sales and employment, and it is indeed a strong sector. The latest announcement by Le Cordon Bleu recognises that South Australia is at the forefront of training in this hospitality area anywhere in Australia and, in fact, in the world. For graduates who own or manage their own restaurants, building up this training in South Australia means that when they move back overseas they will have knowledge of Australia's food and wine products and will then be able to tap into that source, thus increasing exports from Australia while ensuring that they have a wide variety of foods and wines in restaurants which they can offer to their clients overseas.

This is a glowing endorsement of our training system. It is a glowing endorsement particularly of the staff at Regency Institute, because those involved with the hotel management course, the lecturers and staff at the institute have worked extremely hard in this area to build up an international reputation. That reputation is building and is recognised by Le Cordon Bleu, and I congratulate all at Regency Institute for the excellent work they are doing. This is just another step forward in the plan to ensure that South Australia is at the forefront not only in quality but in terms of attracting international students to undertake their education here and to ensure that we are the leaders in the world in this area.

HINDMARSH STADIUM

Mr WRIGHT (Lee): My question is directed to the Minister for Recreation and Sport. Will the minister give the House an assurance that SOCOG issued a requirement in writing that, in order that South Australia host Sydney Olympic soccer matches, all the facilities provided under the stage 2 upgrade of Hindmarsh stadium were required and, if so, has he now sighted the documents, and will he now release any documents that prove that to be a fact? Under intensive questioning from Ken Cunningham and Graham Cornes on radio last Friday—

Members interjecting:

The SPEAKER: Order!

Mr WRIGHT: —the minister was unable to confirm that he personally had sighted the documentation that showed that the state had to spend the additional $18.2 million in order to get the Olympics. The minister said:

> Well, my understanding of it is, Ken, that it was the case. So that's my understanding of it, but I'm. . . like I said, I haven't gone back through thousands of dockets searching for it.

One might expect that correspondence, which is so important, would be close at hand.

The SPEAKER: Order! The member is now commenting.

The Hon. I.F. EVANS (Minister for Recreation, Sport and Racing): I thank the member for Wright for asking the same question that Ken Cunningham asked me last week. The answer is the same.

WORKCOVER CORPORATION

The Hon. D.C. WOTTON (Heysen): Will the Minister for Information Economy advise the House of the benefits for the WorkCover Corporation of embracing the information economy?

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): In answering the honourable member's question, I will elaborate not only on the benefits to WorkCover Corporation of embracing the information economy but also on the benefits to the stakeholders and, in particular, the employees who may, in fact, suffer injury at work. I am delighted to answer the question, because it enables me to speak with two hats on—that of information economy minister and government enterprises. It is also something about which I am particularly passionate, because it is an example of government leading the way.

WorkCover Corporation is undergoing a metamorphosis in the way in which it deals with South Australians. It is metamorphosing from a traditional business—

Members interjecting:

The Hon. M.H. ARMITAGE: —that is actually the word—from an ordinary traditional business to an internet based model. In doing so, it is recognising that the innovative use of technology offers a tremendous opportunity to improve its services and to reduce its costs. The benefits of the metamorphosis to WorkCover and the 700 000 South Australians who are touched by WorkCover's activities are as follows. In particular, from the perspective of the employees, with the benefit of WorkCover transforming itself to an 'e' business, their claims will be handled much more quickly, and also the employees will have a much greater and speedier access to information about treatment and service options and, once they have that information, I would expect them, indeed, to be demanding clients of both the medical practitioners, the rehabilitationists, and so on.

Employers will have access to on-line payment of things such as levies. They will also have access to information which will enable them to compare themselves and their performance with other businesses around South Australia. They will be able to access their on-line claims records and to compare those claims with industry benchmarks. Again, if they are not up to the mark, that will be a stimulus to them then to change their practices.

Employers and employees together, through the opportunity to access on-line fora, will be able to communicate freely amongst themselves, with WorkCover and obviously with participants and players in the WorkCover area throughout the world.

The benefit to WorkCover is that it will be a much more efficient, effective, transparent and accessible organisation. Indeed, stakeholders will no longer have to understand the structure of WorkCover to know where best to deal with it, to access its services, and so on. The WorkCover Corporation is already seeing the benefits of being electronically enabled. Only last week, I mentioned the increasing awareness of the WorkCover Corporation's web site. I have since been advised that activity on WorkCover's internet site increased from approximately 8 000 hits at the start of the year to 75 000 hits last week during occupational health and safety week. That is a 10-fold increase. That means that 10 times as many people are accessing the WorkCover internet site and getting information that is relevant to them. They are the benefits from the government enterprises perspective.

From the information economy perspective, I know that people in government, and indeed people in opposition, often hear the claim that government is turgid, slow, ponderous, too tedious, and so on. Workcover is addressing that issue by transforming itself into an electronic business, which enables all those claims to be addressed. Frankly, I would challenge the people who say that to me in future whether they are transforming their business into an electronic, online e-business—and they are not. This is an example of what WorkCover is doing and, in informing the House about this matter, I congratulate the board and the staff of WorkCover on taking this initiative. Quite frankly, this is an example of government's saying that the information economy is here. We are issuing a challenge to businesses throughout South Australia—and, I would contend, even to businesses around Australia—that the information economy is here; we are doing it; follow us. It is no longer legitimate for businesses to say that government is not doing it, because we are.

CAMBRIDGE, Mr J.

Ms HURLEY (Deputy Leader of the Opposition): Now that the Minister for Education and Children's Services has been briefed by Education Adelaide about Mr John Cambridge and his submission to Education Adelaide, seeking assistance in the redevelopment of the former tax office in King William Street, can the minister now tell the House the outcome of that briefing, including whether Mr Cambridge declared his interest in the former tax office redevelopment?

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): The honourable member asked two questions, I think it was a little over a week ago. I have sighted the answers, and they are now on their way to her.

FLINDERS RANGES, NATIVE ANIMALS AND PLANTS

The Hon. G.M. GUNN (Stuart): Can the Minister for Environment and Heritage advise the House on the discovery of significant new populations of native animals and plants in the Flinders Ranges, which happens to be in my constituency?

The Hon. D.C. KOTZ (Minister for Environment and Heritage): I thank the honourable member for his question, and I also acknowledge his interest not only in the whole area of the Flinders but also, obviously, in the environment generally and its ecology. It is rather exciting to hear that a recent survey has discovered new species. I recently received the initial report from the group of people who have been working and undertaking the survey. The Department for Environment, Heritage and Aboriginal Affairs has been undertaking survey work in the Flinders Ranges as part of the biological survey of the Flinders Ranges, and that is due for completion by mid 2000. Between 18 and 24 October, a group of some 15 of the state's most experienced field biologists took part in this survey. In addition to national parks and wildlife staff responsible for the biological survey of South Australia, this party included biologists from the South Australian Museum, the Plant Biodiversity Research Centre (formerly the state herbarium) and experienced field naturalists.

One of the most significant finds was of a new population of carnivorous marsupial mice, known as dunnarts, on the Gammon Plateau. There are currently two species of dunnarts

similar to these animals that have been found to the south-west and the south-east of the Flinders and Mount Lofty Ranges. But the nearest recording for the western species, which is the lesser long-tailed dunnart, is some 350 kilometres to the south-west, while the nearest recording for the eastern species, which is the common dunnart (which the Gammon Plateau animals most closely resembled), is some 250 kilometres to the south.

Another new discovery (and I know that the member to my right is most interested in the answer to this) was of populations of a native rodent resembling the sandy inland mouse, which was discovered on the Mawson Plateau. These rodents have been found at two other localities in the Flinders Rangers during the current biological survey. It is interesting to note that, away from the Flinders Ranges, these very small native rodents actually live in very different habitats, being confined to sand dunes and to sand plain country. However, the survey also uncovered some significant new records of bird life, reptile fauna and frog species. In addition, several new populations of the very rare endemic green-flowering emu bush were also found in the Gammon Plateau, which will, of course, add significantly to our knowledge based on the three previous recordings we have of this plant.

These important discoveries were made thanks to the efforts of national parks and wildlife rangers, but also through generous donations from the National Parks Foundation and Heathgate Resources (operators of the Beverley uranium mine). The Arkaroola Wilderness Sanctuary also offered much appreciated support. The sponsorship enabled an additional helicopter-based biological survey of the two largest and least known areas of the Flinders high country on the Gammon and Mawson plateaus. The helicopter-based biological survey of both these plateaus was the most effective way to gather baseline biology information about these relatively unique, inaccessible and poorly understood areas of the Flinders Ranges.

The results of this survey will be incorporated into the biological survey of the Flinders Ranges report for publication in mid 2000. It will clearly take some time to analyse all the results in detail from this expedition; however, the government certainly looks forward to further such discoveries as we continue to increase and certainly improve our knowledge base of South Australia's most unique and natural environment.

SHIP FUNDING

Ms BEDFORD (Florey): My question is directed to the Minister for Education. Who initiated the review of the SHIP program? When was it commenced, when will it be completed and its findings announced and why has it been left so late in the school year for such a review to be finalised? The Heights School, which is located in the electorate of Florey, was the first school to be granted SHIP funding and is now in the third and final year of its current funding cycle. Funding has not been confirmed for the year 2000 and the students, their families and, of course, school staffing and planning are all in limbo awaiting confirmation of continuing funding, a matter which the people concerned are finding particularly stressful and which is completely unsatisfactory so close to the end of the school year.

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I thank the honourable member for her question.

An honourable member: Her five questions.

The Hon. M.R. BUCKBY: Yes, her five questions. She is rolling them all into one, making the most of the opportunity; it is good to see. The SHIP program is for students with higher intellectual potential and is run in three state schools in South Australia. As the honourable member has rightly indicated, that was a three-year program—

Mr Conlon: A ship-breaking program.

The Hon. M.R. BUCKBY: No, but it is breaking new ground in terms of students with higher intellectual potential because it allows more demanding programs to be constructed for those students. It has been proven that when those young people with particularly high IQs become bored they exhibit behavioural problems within the class. This program was developed—

An honourable member interjecting:

The Hon. M.R. BUCKBY: Did the honourable member say, 'Like the member for Elder'? The program was not available at the time the member for Elder was going to school. The program has proven extremely successful. As the honourable member has indicated, funding for the school to which she refers is continuing in the year 2000 because that school was the last of the schools to be included and the funding follows on for that year. I will check that, but that is my advice.

The program is being reviewed, because the initial idea was that it would be a three year program. A number of teachers would be trained through that system, and it would become a 'train the trainers' type program so that those teachers would go to other schools and be able to run the program there. At the moment, we are looking to see through that report whether it should be continued on in relation either to expanding it to more schools in terms of the program and then continue—

Ms Bedford interjecting:

The Hon. M.R. BUCKBY: It was initiated by the liberal government—by Rob Lucas—when it started, I think, in 1996. The review was initiated by the department. That should be completed in December, so we should have answers for the honourable member by the end of the year.

PROFESSIONAL COMBAT SPORTS

Mr HAMILTON-SMITH (Waite): My question is directed to the Minister for Recreation, Sport and Racing. What action has the government been taking to ensure that an adequate measure of safety exists within professional combat sports?

The Hon. I.F. EVANS (Minister for Recreation, Sport and Racing): As the member would be aware, we have publicly released some draft legislation for public comment in relation to safety in professional combat sports. While no legislation currently exists in South Australia, there is certainly legislation in other states. This issue was raised by the then Victorian sports minister, Tom Reynolds, in relation to problems that Victoria was experiencing with regard to professional boxers who were being injured in other states in professional bouts and who the next day or the day after were contestants on the Victorian professional boxing circuit.

Of course, the problem with that is that there is no regulation or requirement for them to have a formal break between receiving an injury in the ring, in other words, being knocked out, and fighting again. The Victorian minister raised that as an issue of concern.

The sports minister set up an officers working party on a national basis to look at that. When you delve into the

professional combat sports there are a whole heap of issues which rise to the surface and which might cause some concern, given the amount of moneys involved and the profit motive of the sport. For example, there is a requirement for doctors to be present at all professional bouts. There are simply no guidelines or consistent guidelines in relation to blood-borne diseases. Also, the requirements regarding standard stand-out times in terms of injuries and even down to the type of gloves, using gloves that are broken or contestants using different gloves, are not really regulated within the sport.

This issue is actually a bit broader than boxing: it applies to other professional combat sports. Those members who frequent the odd nightclub may be aware of the occasional contest that is put on by various nightclubs around South Australia and Australia. Contests such as 'last man standing' or 'ultimate fighter', where people contest for money from the audience, also raise concerns about the accreditation of the people organising these events, about the accreditation of the referees and about whether there are doctors on site, etc.

We have already had one round of consultation with those involved in the professional combat sports area. There seems to be general support for the need Australia-wide for legislation to try to tidy up the sport. This really relates to trying to protect the contestant more than anything. We will be interested in the view of members of parliament and the general public on it: that is why we have put out the discussion document. I encourage members to take the opportunity to seek advice from the general public about what they may think of the need for better controls in professional sport.

UNIVERSITY OF SOUTH AUSTRALIA: SALISBURY EAST CAMPUS

Ms RANKINE (Wright): In the light of the statement made to this House by the Minister for Education, Children's Services and Training on 9 February, will the minister confirm that any sale of the Salisbury East Campus of the University of South Australia must be authorised by state cabinet before it can proceed, and will the minister now give an assurance that this valuable community resource will only receive authorisation for sale for educational purposes or that of real community benefits such as employment training, and not for a purely commercial development? On 9 February, in response to a question I asked in relation to the sale and possible future use of the Salisbury East Campus of the University of South Australia, the minister stated:

The University of South Australia has sole control over that land.

I have been advised that cabinet authorisation is in fact required before any sale can take place.

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): The answer is yes to the authorisation of state cabinet and I can advise the honourable member that state cabinet has approved the university sale of the land. In answer to the second part of her question, I am aware that a group which is involved with education and training has put forward an offer to the university and that offer is being considered. It has also approached the Australian National Training Authority in support of its bid in terms of federal funding. I would like to congratulate the member for Makin (Hon. Trish Draper) in the work that she has done in working with members in the community to ensure that this particular facility is kept as an educational facility, and I am sure that she will be continuing at the federal level to press the federal Minister for Education (Hon. Dr Kemp) in terms of funding to support this initiative.

MINIMUM LEGAL DRINKING AGE

The Hon. R.B. SUCH (Fisher): Will the Minister for Youth outline the response from young people to a suggestion that the minimum legal drinking age be raised to 21?

Mr Koutsantonis interjecting:

The Hon. M.K. BRINDAL (Minister for Youth): The member for Peake says it is hypothetical but it was not hypothetical: it was canvassed in the newspaper, Youth SA put the question on a web site, and I asked Youth Plus what they thought of it. It is true to say, for the member for Fisher's information, that no young person who contacted me was at all enthusiastic about any change in the drinking age in any way. They acknowledge quite responsibly that there can be a problem with under age drinking, but they point out—and I think reasonably wisely—that the problem with under age drinking is a problem that will always occur: no matter the level at which the age is fixed, there will always be people below that level who will wish to drink.

They acknowledge, too, that within youth, as within the adult community, there can be a problem with binge drinking and in fact with embryonic alcoholism. I would not do that if I was the member for Peake: that is considered offensive—

Mr Koutsantonis interjecting:

The Hon. M.K. BRINDAL: There are some things that the member for Peake would do well to learn that this House does not do. It is a problem, a serious problem. Young people acknowledge that. Young people are prepared to take a responsible part in addressing that problem. I am sure every member present knows the media is wont to portray young people for what is bad and what is excessive in their behaviour. Most young people come to a drinking age; they learn to handle alcohol and a variety of other drugs within our society. They learn to become responsible adults (as we did) and most young people do not have a problem. There is a problem for a few, as right through society a few people have problems with all sorts of things, but, generally speaking, I believe our next generation is a credit to those who have been responsible for their education and upbringing.

Generally they will be a better group of South Australians than we have been, which, I think, is the aim of every parent; that is, to see that they pass on what they have learnt and leave their children just a bit better. I think we can be proud of our youth, what they have accomplished and their attitude and values.

ELECTRICITY, PRIVATISATION

The Hon. J.W. OLSEN (Premier): I move:

That standing orders be so far suspended as to enable me to move a motion without notice forthwith.

Motion carried.

The Hon. J.W. OLSEN: I thank the House for its indulgence. I move:

That, if prior to 30 June 2000 and at a time when parliament is prorogued or this House is adjourned for a period exceeding two weeks, the Auditor-General (acting pursuant to section 36(3) of the Public Finance and Audit Act 1987) delivers to the Speaker a supplementary report on the probity of the processes leading up to

the making of a relevant long-term lease (as that term is defined in section 22(8) of the Electricity Corporations (Restructuring and Disposal) Act 1999), the Speaker is hereby authorised, upon presentation of the report to the Speaker, to publish and distribute that report.

As I indicated earlier in proceedings, it is the intention of the government to open up and give capacity, authority and opportunity to the Auditor-General, having prepared reports (if he sees fit and if it is necessary), to have the opportunity to publish those reports.

This is a step and an initiative of the government to ensure that we are seen to have, in the intervening period of the sittings of the parliament, an open process whereby there are mechanisms such that reports can be made public. In addition to that, should the Economic and Finance Committee of the parliament recommend a select committee, the government is more than happy to oblige in that regard. I thank the opposition and the independents for their support in the passage of this motion at the moment because it puts in clear perspective that the government is more than happy for these issues to be addressed, more than happy for an opportunity for presentation of a report and more than happy (on a confidential basis) for aspects of this process to be considered by such a committee, if it is recommended by the Economic and Finance Committee. I say that in this context: that the government is wanting to take this initiative to demonstrate its bona fides in this matter.

The Hon. M.D. RANN (Leader of the Opposition): The opposition supports this motion. We note that it says 'if prior to 30 June 2000 and at a time when parliament is prorogued or this House is adjourned for a period exceeding two weeks' the Auditor-General will be able to make reports. Obviously, we would want to extend that when parliament resumes in late March, if it is necessary during the winter break in order to ensure that the Auditor-General's focus on both the probity and other aspects of the sale process means that he is able to report when he sees fit.

Certainly the opposition believes that it is right and proper for the Auditor-General to report during the break. After all this is the longest summer break that I can recall. Normally parliament sits through until December and comes back in early February. The current proposition is that parliament will pull up stumps this week and not resume until 28 March—it is the longest break that I can recall in the time that I have been in parliament. However, if it is right and proper for the Auditor-General to report during the break, it is also right and proper for this parliament to be sitting to consider his report and recommendations prior to the final bids being lodged on 6 December.

This parliament, despite assurances to the contrary given by all political parties at the last state election, passed ETSA sale legislation under the most controversial of circumstances earlier this year. I understand that the Auditor-General will make a substantive report about his concerns on the sale process, including serious concerns about the probity process, in the next few days, maybe next week. If that report is made next week, then this parliament should be sitting to debate the report and its recommendations and question ministers on the government's compliance with those recommendations.

Currently there are 27 bills, as I understand it, before this parliament, including home invasion legislation and resolutions on Yumbarra, as well as a number of bills concerned with the ETSA sale legislation. It would be quite improper to rush those bills while these issues raised by the Auditor-General are being considered. As I have said, 28 March is the day that this parliament is due to resume but it is quite clear that this government does not want the parliament to resume next week, even though it is designated as an optional sitting week and even though there is more legislation left on the books than we have seen in previous years. The fact is that 6 December, the date for the lodgment of final bids, is being seen at all costs—

The Hon. M.K. BRINDAL: I rise on a point of order. Is there any relevance to the motion under discussion?

The SPEAKER: Order! I uphold the point of order in that the leader is beginning to stray away from the substance of the motion. I urge him to come back to it.

The Hon. M.D. RANN: Sir, the substance of the motion is whether during a long parliamentary break we allow the Auditor-General to report without parliament sitting. Obviously the sitting dates of the parliament are ipso facto, a priori relevant to the consideration of this resolution.

The SPEAKER: The leader is back on the subject now, but he strayed momentarily, which was picked up by another member.

The Hon. M.D. RANN: The date of concern is 6 December. There is obviously a rush to get this sale over and done with, come what may, despite the Auditor-General's serious concerns about flaws in the bid process, which he says could expose the state to endless litigation, and also the implicit threats to our state's reputation and the public interest. I believe it would be appropriate, given that the Auditor-General intends to report on a serious number of issues next week, for the parliament to be sitting so that we can consider his report and question the government before the final bids are lodged, and so that the parliament is not part of what the Auditor-General has described as a conspiracy of silence.

The opposition, in supporting this motion, is also calling for an extension of the parliamentary program by one week and for an extension of the time during which bids can be lodged. After the debacle with the water process, we want to make sure that this sale process at least is clean and above-board.

Mr McEWEN (Gordon): I compliment the Premier on the action that he has now taken and I reflect on the fact that, because the process in this place has no integrity, people are forced into the predicament that the Premier found himself in today.

An honourable member interjecting:

Mr McEWEN: Yes, you may well frown. Evidence we received a week ago in committee should have been dealt with today so that both sides of the story, if they were to be made public, could have been made public at the one time. In that way people at large could balance both the questions and the answers, but process in this place has no integrity, so that did not happen. That means that we have had a week of selective leaking, which has compromised the whole process. It is a pity today that, in taking this action, the Premier and members as a whole have been reflected on badly because we have been subject to a dishonest process in that we have not had the opportunity to confirm or deny the leaks and to allow those people natural justice, which says that everybody has the right to respond to the challenge.

I think it is all back on an even keel now, and three things are happening today. The first is that we are dealing now with the response to the Auditor-General that we gave the Treasurer seven days to put together. When we have both of those in place we can move forward. We are also saying that,

in the gap, the Auditor-General can make public concerns that he has, so he can report at large rather than through the parliament. Under the legislation as it stands he can report only to the parliament. We are also saying today that, if we find that there is merit in putting together a select committee, around the same table the Treasurer and the Auditor-General can share concerns in the presence of elected members and that is also very positive.

It is a pity it has taken a week. I support the action and I hope that this place learns from this process because quite often we expose ourselves to unnecessary risk through not managing in an appropriate way information that does not come forward at the one time.

The Hon. J.W. OLSEN (Premier): I thank members for their support of the matter before the House in dealing with it expeditiously. The bona fides of the government are clearly demonstrated in (1), giving reporting opportunities to the Auditor as he sees fit; and (2), as a result of that, openness in the process. I can assure the House that the government has undertaken and will continue to diligently undertake this process with taxpayers' interests and the priority of South Australia's future to the fore. I hope that it is not a process that will open itself up for anybody to play politics with, given that the issue is fundamental to South Australia's future.

Motion carried.

ECONOMIC AND FINANCE COMMITTEE

The Hon. R.G. KERIN (Deputy Premier): By leave, I move:

That the Economic and Finance Committee have leave to sit during the sittings of the House today.

Motion carried.

ELECTRICITY, PRIVATISATION

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I table a ministerial statement made by the Treasurer in another place regarding the ETSA leasing process.

CONTAINER DEPOSIT LEGISLATION

The Hon. D.C. KOTZ (Minister for Environment and Heritage): I seek leave to make a ministerial statement.

Leave granted.

The Hon. D.C. KOTZ: In July this year I reported to the parliament that South Australia, along with the other Australian states, territories and the commonwealth, had signed up to the new national packaging covenant. The covenant is an attempt to encourage industry and consumers to take a life-cycle view of the packaging that we all use in our everyday lives. The covenant will see governments contribute $17.45 million over three years to assist industry to develop a range of packaging and associated recycling initiatives. This figure will be matched by an industry contribution to create a total funding pool of some $35 million.

The South Australian government will contribute $2.3 million towards this measure. We have signed up to the covenant, we have committed the funds for the next three years and we are working towards its implementation. However, as I have made clear both in this House and during the negotiations on the development of the packaging covenant, we will not allow the new national covenant to jeopardise the successful operation of our existing container deposit legislation (CDL).

South Australia's unique container deposit legislation is largely responsible for this state's having the highest recycling rates in the country for beverage containers. No other state in Australia has the privately run drop-off centres we have here. In addition, Adelaide and other centres have kerbside recycling. As a result, South Australians recover and reuse 84 per cent of their glass beverage containers, 74 per cent of plastic PET containers and 84 per cent of aluminium cans. The importance of South Australian container collection depots cannot be underestimated. Of the 109 000 tonnes of domestic materials recycled through kerbside and collection depots, some 71 500 tonnes, which is 66.1 per cent, is handled by the depots.

The container deposit legislation is a vital component of South Australia's recycling strategy. With the new packaging covenant, we will have two programs that will complement one another to further improve waste minimisation in South Australia. The focus of the container deposit legislation is on encouraging the recycling of beverage litter, while the new packaging covenant focuses on kerbside recycling. I was therefore astounded to read in the industry publication *Packaging* claims that South Australia has 'virtually repudiated the covenant' because of the current review of our container deposit legislation which will consider whether to cover other containers such as fruit juice and flavoured milk.

The article ridiculed the container deposit legislation and described it as nonsense to even consider extending what we know to be one of the most successful litter deterrent schemes in the country. The article demonstrated a very poor understanding of both the container deposit legislation and the national packaging covenant by presuming that the two schemes are mutually exclusive: they are not. I was very disappointed that this magazine, which purports to represent the packaging industry, should be so opposed to such a successful environmental scheme. I hope that the packaging industry will support this government as we attempt to minimise the impact that packaging and litter have on our environment.

All members in this Chamber have seen the consequences of over packaging and unbiodegradable products. I make no apologies for seeking to reduce that impact. I make no apologies, either, for seeking to lessen the blow on our waterways, on our roadways and even on our landfills from polystyrene products, plastic shopping bags and iced coffee containers. If industry is not prepared to work with us on reducing the impact of litter on the South Australian environment, I suggest that it will be seen to be abrogating its environmental duty of care. We are at a crucial stage of developing our litter deterrent strategies in this state, and I would encourage industry to get behind us on this. At no other time in history have humans relied so heavy on purchasing their goods wrapped in packaging. It is inevitable that packaging should—

Members interjecting:

The SPEAKER: Order! There is too much audible conversation in the vicinity of the Minister.

The Hon. D.C. KOTZ: Thank you, Mr Speaker—lead to excessive litter. It is my view as environment minister that all measures to reduce litter within our community should be considered. When a scheme operates as successfully as the container deposit legislation does, it would be remiss of us

not to consider how that scheme might be extended to work in other problem litter areas.

Likewise, I am committed to the prospect of the national packaging covenant, and I look forward to working with industry and with my interstate counterparts to implementing that covenant and making inroads into this state's litter problems. However, industry also has a duty and a responsibility to these environmental matters, and we invite them to work in partnership with governments to seriously and professionally address these matters.

GRIEVANCE DEBATE

The SPEAKER: The question before the chair is that the House note grievances.

The Hon. G.M. GUNN (Stuart): I wish to draw the attention of the House to the great work that the proprietors of the Beverly uranium mine are doing for the people of South Australia and the local community. However, they have recently faced great difficulties because of the actions of a group of unruly malcontents who are interested not in the future of South Australia but in hiring a few professional agitators who have no understanding of the real world. My understanding is that they also are allergic to water and are engaging themselves in tactics that one can describe only as less than honourable or professional. If they had any real concerns, they would not be putting rocks on roadways, endangering vehicles, or driving star iron posts in the ground at an angle of 45 degrees to damage vehicles and other things.

I also believe that some unfortunate tourists who took the wrong turn received the most unfortunate roughing up at the hands of these villains. Really, these people have behaved in an outrageous manner, and law-abiding citizens who carry out legitimate business practices should not have to tolerate this sort of behaviour. The unfortunate thing is that these people have attempted to use Aboriginal people to further their own cause. This morning, it was interesting to note that some senior members of the Aboriginal community completely dissociated themselves from the conduct of these malcontents and odd groups that have been at Beverley, indicating that the producers have done nothing wrong and have acted completely in accordance with their responsibilities and are doing nothing but good not only for the local Aboriginal community but for that community in general.

I will run through just one or two things that will happen as a result of the activity there. People who would have never had the chance to get reticulated 240 volt power before will get power. The company has bought a very sophisticated aeroplane, and people will now have access to an air service which they would not otherwise have had, as well as access to other facilities. The company is creating nearly 50 jobs, many of them coming from my constituency. People are delighted with that prospect. They are buying a great number of their supplies from Port Augusta and locally. So, it is absolute nonsense for this group of professional agitators to try to disrupt the proceedings, cause great inconvenience and considerable cost to the taxpayers in having to mobilise police to go up there to look after the facilities, when people are operating completely within the law. This company has been most responsible. I have been there on a number of occasions. Indeed, I understand that the Leader of the Opposition has been there. He did not tell many people about it. But I have seen a photo of the honourable leader there, with great gusto. The member for Kaurna has also been up there, looking at this enterprise.

I just want to put on the public record that I totally support what the company is doing. I also look forward to the development proceeding rapidly at Honeymoon, which is also providing great benefits to my constituency. I sincerely hope that they do not have to go through the same indignity as have the people of Beverly. Of course, I well recall the activities that occurred at Roxby Downs. In conclusion, I must say that I am looking forward to the further development of this project.

Last week, the member for Giles made comments about the school at Mintabie. That school is particularly near and dear to my heart, because I have had a lot of involvement in that area and have witnessed its establishment. It was unfortunate that some quite inaccurate reflections were made on the superintendent and the principal. The basket weavers and the hippy groups that tried to take over the school council do not reflect the views of the majority of the community at Mintabie. I am looking forward to visiting the school again in the near future, and I am pleased to have had this opportunity to speak today.

Mr WRIGHT (Lee): Last Friday evening, on that hard hitting sports program 5AA, the Minister for Recreation, Sport and Racing went on with none other than Ken Cunningham and Graham Cornes. On not one but five occasions they asked the same question of the minister, namely, 'Did South Australia have to have stage 2 of the Hindmarsh stadium, an $18.2 million commitment of taxpayers' money, to get Olympic soccer?' Ken Cunningham and Graham Cornes asked the minister—not once, but on five occasions—whether we had to build stage 2 to get Olympic soccer. On five occasions, the Minister refused to answer the question. On five occasions he ducked the question. I will give an example of what took place. Ken Cunningham said:

> Iain, do we have documentation that says to us that, unless we spend $25 million to do the things that have been done at Hindmarsh stadium, we would not get the Olympic games?

That was a very specific question. It just needed a yes or no. So, the minister said:

> Cabinet would have given the go ahead for that.

Well, that does not tell us anything; we knew that. He said:

> That amount of money would have to go to the cabinet, so cabinet would have signed off on that.

There was no answer to the question about whether documentation existed from SOCOG saying that we had to build stage 2. Further into the interview, Ken Cunningham said:

> So, we have had documentation saying that?

Then there was a long, long pause. The minister then said:

> Well—

Then Ken came back after another long, long, pause, saying:

> because that would shut up all these people, Iain.

The Minister had to reply on whether it was or was not the case. After another long pause, the minister said:

> Well, my understanding of it is, Ken, that it was the case. So that's my understanding—

Ken said, 'So?'. And the minister said:

> —of it, but I'm. . . like I said, I haven't gone back through thousands of dockets searching for it; my job, I'm looking forward—

Ken jumped in with:

> Well, I understand that Iain, but we are talking about $17 million.

That, of course, is $18.2 million. So, we had numerous examples in the hard hitting sports interview conducted last Friday where the Hon. Minister for Recreation, Sport and Racing, Iain Evans, on five separate occasions, refused to say yes to a very simple question. What the minister did last Friday was to give further confirmation that this is a grubby deal, that this is a grubby government and that there was no documentation, either requested or in writing, from SOCOG saying that South Australia had to build stage 2, had to spend $18.2 million, for us to get seven Olympic soccer matches.

One should not feel sorry in politics, but one perhaps could on this occasion—on a rare occasion—for the Minister for Recreation, Sport and Racing because he is carrying the poisoned chalice. We all know he was not the minister at the time. This is, of course, the brainchild of the Minister for Tourism and the former Deputy Premier and now, of course, the Minister Recreation, Sport and Racing is carrying the poisoned chalice, and not doing it very well, because on five separate occasions he confirmed, on 5AA radio—on that hard hitting sports program—that he refused to answer the simple question: did South Australia have to build stage 2 to get Olympic soccer? On five occasions the minister refused to say yes, and when they do that, sir, you know, as a former minister, that there is one answer and one answer only, and that answer is no. Today in the Legislative Council there is an opportunity to ring the bell on this grubby government on this grubby deal. This government is rotten to the core. Stage 2 was never required. There has been lie after lie—

The SPEAKER: Order! That is unparliamentary.

Mr WRIGHT: There have been conflicts of interest by ministers; there has been lack of probity.

The SPEAKER: Order! The honourable member's time has expired. I draw members' attention to the use of that word. I think it is unparliamentary in this chamber.

Ms RANKINE (Wright): It was very pleasing to hear, in response to my question to the Minister for Education and Children's Services, that there is something afoot in relation to the Salisbury East campus of the University of South Australia. As this House well knows, that campus closed at the end of 1996, and it was a great loss not only to Salisbury but to the northern suburbs generally. That university was an indication to local children that further education was a real option for them. In fact, my son was a student at that campus and he was one of the last students to complete their degree there. It was with a great deal of sadness that that university campus closed, and a cloud has remained over its future for some time. It was a disgrace that the campus was left vacant for the time that it was and that it was subject to the degree of vandalism that occurred and we must ensure, and this government must ensure, that it is used only for community or educational benefit.

Over this period of time there also has been a cloud hanging over the future of the Salisbury East Campus Child-care Centre, which was set up initially to cater for the needs of students. The child-care centre is located at the rear of the university complex, and since the property has been up for sale the staff have been very unsure about their future. There also have been some problems with the facilities at that centre, and I took those problems up with the minister earlier this year.

The centre has been operating since 1982 and has provided quality care for children and education. Over 100 families, I am told, use that facility every week. It caters for a range of children, not just our strapping, healthy youngsters but also children with disabilities—some with quite significant disabilities. The centre accommodates a crippled children's outreach, which I understand is used by five children a day. Indeed, just recently there was an article in the paper about four year old Edward Cheesemon, who has been provided with a Hart walker. Edward has significant disabilities in relation to walking, and he has gained some new found independence with this walker.

A range of facilities need upgrading at the centre, and I understand that currently there are applications before the federal government to upgrade the toilet facilities and to seal the road that runs past the centre. This road is causing extreme difficulty. There are a number of children (not just young Edward), who use walking frames, standing frames and wheelchairs. During the summer, the unsealed road is dusty and exacerbates a lot of health problems of the children. During the winter it becomes muddy, and it is not unusual for parents to have their cars bogged in front of the centre. There is also a lack of facilities in relation to toileting these young children, and those attending the kindergarten have no disabled toilets, which means that the children and carers have great difficulty in manoeuvring their chairs in and out of the toilet facilities.

I was extremely pleased to be told only this week that, in fact, the University of South Australia has granted another 10 year lease to the centre. So, that has ensured its future there. This really is good news for Salisbury and good news for those local parents and children who rely on this quality service.

I understand also that in January next year a new centre at Mawson Lakes will commence operation. This will operate as an outreach of the Salisbury East Campus Child-care Centre, and both centres will operate under the same guidelines and philosophies that have given Salisbury its excellent reputation over a number of years. I am really delighted that the Salisbury East Campus Child-care Centre will continue its operations, and I look forward to the same quality care in Mawson Lakes at the commencement of next year.

The Hon. D.C. WOTTON (Heysen): We have recently received the Murray-Darling Basin Salinity Audit Report, which is a very important report that we have been waiting on for some little time. It has been seen as a positive initiative, which very clearly predicts how rising salinity will affect the basin, particularly in South Australia. The Murray-Darling Basin Commission and the South Australian government will now be expected to develop a draft salinity management strategy for the basin's ministerial council to consider in June next year. I would suggest that, other than for perhaps such items as the setting of the cap, this probably will be one of the more important issues to be discussed by that ministerial council. The audit certainly shows that we in South Australia—or the water users of South Australia—need to do considerably more than we have in the past to improve salinity levels. The audit predicts that average salinity levels at Morgan will, for example, increase by 40 per cent over 50 years, or rise from 570 EC units to 790 EC units by the year 2050.

This could mean that, in 50 years, South Australian irrigators will face higher salinity levels than any other horticulturalists in the basin, resulting in yield reduction of

major horticultural crops in the Riverland such as citrus, wine, grapes and almonds. In addition to all of that, internationally significant Ramsar sites, such as the Chowilla wetlands are, regrettably, under serious threat from increasing salinity levels. Already we learn that a program of salt interception schemes has been implemented in South Australia (of course, some of those are working very well, indeed) to intercept saline ground water before it reaches the Murray River. I am pleased to learn that the South Australian government will work with the commonwealth government, the Murray-Darling Basin commission, the River Murray Catchment Board and local irrigators to complete three more salt interception schemes in South Australia. It is important that those schemes are up and running as soon as possible.

A South Australian Murray-Darling Basin salinity working group is also to develop operational plans to implement its strategy for the Murray River region. The South Australian Dry Land Salinity Committee recently chose as its venue a salt-affected catchment at Tungkillo in the Mount Lofty Ranges to recognise the release of the second phase of the national dry land salinity program. The Tungkillo land care group has demonstrated a range of techniques for managing salinity, the critical point being that many other members of the land care group have put those measures into practice on their own properties, and I think that those land owners are to be commended.

Of course, the Tungkillo group is part of the Eastern Hills and Murray Plains Catchment Group, which is developing an integrated strategy to deal with salinity on a regional scale. I was interested to note that the Deputy Premier said recently that salinity will be controlled only when whole catchment communities participate in the practice, and I agree with that statement totally. Much has been done, as far as salinity is concerned, but a considerable amount needs to be done in the near future. I commend all those groups, particularly in the private sector and in the local communities, that are recognising the need to overcome some of these difficulties, and I am sure that this government wishes them well in carrying out those responsibilities.

Time expired.

Ms HURLEY (Deputy Leader of the Opposition): I wish to deal with the government's response to the recommendations of the South Australian Regional Development Task Force and, in particular, the establishment of the council. In his statement today, the Premier said:

> We recognise the contribution of regional economies to the state. We recognise the importance of regional communities—and we recognise the importance of having a healthy social infrastructure.

I am glad that the government does recognise that situation because it is very true: contributions from the regional economies to this state have been tremendous during the past few years and have been one of the key drivers of our economy. I particularly mention the booming wine industry and the continued health of the grain, forestry and fishing industries, which have ensured that this state's economy has been relatively buoyant. This has been one key factor in ensuring that South Australia has not been unduly affected by the downturn in the Asian economies.

I believe that many future drivers for economic growth in South Australia could also emerge from our regions. I would like to see, for example, much more development and value adding of those resources in the regions. The expansion of mining at Roxby Downs has already contributed a tremendous amount to the South Australian economy, and this has been recognised by the Premier. It is one reason why last year our employment and the general economy were relatively buoyant, and the opposition also recognises this fact. The opposition has supported continued research and development and the exploration initiative by the government in encouraging further development of mining and resources in our regional areas, and there have been some indications of success from that.

I would like to think that, in the future, the regions of South Australia will take advantage of that and will again, in another area, be part of the future growth of this state. The task force was an extensive exercise, undertaken in fact before the Victorian elections brought home to this government the importance of looking after the rural and regional areas. It seems that, with the election of two Independents and a National Party member at our last state election, the government really did not learn the lessons of that election and did not learn just how unhappy many regions are with the response they have been getting from the government.

In talking to people in the regions, access to government is one of the key criticisms. People in the regions feel that they are contributing tremendously to the economy of this state and they feel that they are able to contribute much more. They have many ideas for advancing the economy in regional areas but they have not been able to gain the appropriate access when and where they want it. They have been able to get access to one or two ministers but have been frustrated either by departmental personnel or by being unable to gain access to a key minister to discuss a complex proposal.

The government response has been to establish the council and to make a series of responses to the task force. One response has been a three year, $13.5 million regional infrastructure fund, and this involves another key complaint of people in the regions: the infrastructure is not enabling them to push their businesses forward and to develop the sort of businesses they want. I certainly hope that this regional infrastructure fund is used and used well in the regions.

Time expired.

Mr MEIER (Goyder): I have some excellent schools in my electorate. I certainly pay tribute to all schools and particularly to the staff and students of those schools, but this afternoon I want particularly to highlight the Port Vincent Primary School.

The Hon. M.R. Buckby: An excellent school.

Mr MEIER: Hear, hear! As the Minister for Education says, it is an excellent school. The minister knows why it is an excellent school in more ways than other schools because, earlier this year, the Port Vincent Primary School, from a field of more than 1 000 entries from all states of Australia, was named the nation's top environmental school in the Keep Australia Beautiful National Association's School Environment Awards. I was delighted that the Minister for Education was able to accompany me on a visit to the school and to offer his personal congratulations soon after that award was announced.

I have been to Port Vincent several times in the past 1½ years and I continue to be impressed with the work that is carried out at the school. When one enters the school grounds one cannot help but be impressed with what the school is doing from an environmental perspective. First, one encounters what looks a little like a sand dune. Certainly, a variety of different plants are growing in that sand dune which have all been planted by the students. Those plants are being cultivated in an endeavour to ensure a greater and better

understanding of which plants will best suit sand dunes in and around the coastal areas of Yorke Peninsula. The sand dune, therefore, provides a perfect place for students to experiment with watering systems to determine the best method of stopping the movement of sand dunes.

One is aware not only of the sand dune when entering the school grounds but of the whole environment. I have been privileged on each visit to the school to be shown around by two or more students who go through the detail of each project. One really follows a nature trail, which includes some very elementary projects, such as a weather station, where rainfall, wind speed, temperature and pressure are recorded. I believe that those records are maintained throughout the year.

However, there is also a variety of plantings as well as a variety of ways of integrating the school environment with the natural environment. Certainly, one thing that stands out in the middle of the school grounds is an environmental mural which depicts the fauna, flora and sea life observed by students during their reef watch activities. Of course, Port Vincent is privileged to be located right on the sea, giving students the opportunity therefore to observe first-hand aspects of sea life.

Within one of the key buildings there is a whole array of different elements of the environment, including various aquariums. In those aquariums are different forms of sea life, ranging from the very simplest of sea life to a shark. In fact, I believe the shark had a pet name, which escapes me at present. The students have a variety of video cameras with which they can therefore record the movements of those fish and sea life and show that on a larger screen. They also have a microscope that can be used for a variety of purposes. Generally speaking, the development at Port Vincent Primary School is just magnificent. I congratulate Mr Brenton Conradi and his staff for the excellent work that they have done.

PUBLIC WORKS COMMITTEE: BARCOO OUTLET

Mr LEWIS (Hammond): I move:

That the 107th report of the committee, on the Barcoo Outlet, be noted.

We all know the famous poem written by Banjo Paterson which refers to the Barcoo River. This motion has nothing to do with that, other than the fact that the name, by a whole circuitous sequence of events, came to be used for the street called Barcoo Road. A new outlet to divert the main stormwater flows away from the Patawalonga basin is proposed to run parallel to that road, Barcoo Road, where it leads to the Adelaide Shores boat launching facility from the eastern side of the coastal sand dunes.

The Public Works Committee has been told that the proposal has been subject to a formal environmental impact statement, that the most recent public comment phase ended on 10 December and that Planning SA is completing the third amendment to the assessment report. Consequently, the proposal at this time is subject to development approval. The proposing agency has undertaken to provide the committee with written details of the outcome of this process as soon as the information becomes available. I remind them of that.

The outlet will direct stormwater discharge away from the Patawalonga Lake and provide a tidal exchange facility to maintain the quality of water in the lake. The tidal exchange means that water can come into the lake from the southern end, where the weir gate is currently constructed, flow northward through the lake and then at high tide be discharged through the proposed outlet that is the subject of this inquiry; or, alternatively, we are assured, after carefully asking those people giving evidence to the committee, it can come through the outlet along Barcoo Road into the northern end of the Patawalonga and be discharged at low tide through the weir when there is no turbulence, sediment or anything such as that which would otherwise come on shore and cause a problem.

The committee was very pleased to note that and trusts that the management will ultimately be undertaken in a way which ensures that both directions of flow are relied upon in appropriate circumstances on a return event of some short interval of a few days in normal circumstances. The outlet will direct stormwater discharge away from the Patawalonga Lake and provide a tidal exchange facility to maintain the quality of the water in the lake.

Let me point out that the key project outcomes are expected to be, first, the creation of the Patawalonga Lake as a stable marine ecosystem abundant with marine life. So, you will be able to go back and safely catch fish there and see other marine organisms living happily, one assumes, in what would be a normal estuarine environment. It will also provide a significant positive change in the environmental, social and economic value of the Patawalonga Lake and the Glenelg-West Beach region. There will be cessation of the black anaerobic discharge from the Patawalonga mouth and the attendant impact on the marine ecology which arises therefrom. There will be a cessation of beach closures as a consequence of the discharges from the Patawalonga mouth. There will be a maintenance of free and unimpeded access along the beachfront. There will be no change to the flood protection status of existing drainage systems if everything we were told comes to pass.

The Barcoo Outlet project has an overall estimated capital cost of $21 million, but the project is to be procured by a design and construct method. Consequently, the final estimate, prior to contract award, will be based on tender prices. The project is intended to comprise an open channel that runs through the buffer zone around the Glenelg Waste Water Treatment Plant to a point just landward of the coastal sand dunes. There, it will enter a large concrete control structure that will take the water approximately six metres under the beach and to a point 200 metres offshore from the base of the rock revetment wall.

A second weir is to be constructed downstream of the existing silt trap weir and will be capable of diverting most stormwater events from the Sturt River/Brownhill Creek catchments into the proposed stormwater outflow watercourse and duct. A watercourse linking the northern end of the lake and the sea will comprise a weir to physically divert most upstream stormwater flows to the outlet, unless it is a really big, heavy storm, sir, in your electorate and those neighbouring it. A pump station and a buried pipe will pump most of the Patawalonga Creek and the airport drain flows for discharge to the Barcoo watercourse and outlet. There will also be a Patawalonga Creek/airport drain siphon under Africaine Road, enabling excess flows to enter the lake downstream of weir no. 2 to allow stormwater to escape under all conditions.

There will be a culvert under Military Road, an open watercourse from Military Road to the land side of the coastal fore dunes approximately 580 metres in length and 25 metres wide, and a control structure to manage the flow of the seawater and stormwater.

Water will flow through a buried duct comprising two pipes up to three metres in diameter under the coastal dunes, under the beach and a couple of hundred metres out to sea. The head of the duct outlet structure will be somewhat below the lowest recorded low tide level and discharge vertically upwards to minimise any seabed erosion or influences on sand transport. Sir, you know as well as I do that what goes up must come down. It does not matter whether the fluid about which we are talking is air or water, or whether it is gas or liquid: they are both fluids. Of course, where it comes down I must make the observation that there probably will be some turbulence, although we are assured that it will not be significant in its effect on the seabed. So I hold the engineers to account on that point: let us see what it turns out to be.

The committee is told that there is no advantage in a longer outlet, in spite of our inquiries at length to discover whether a longer outlet might produce a better result for everyone, since, in recent times, we have noticed the emergence of a previously non-existent offshore sand bar parallel to the shore more than 200 metres from the high tide datum. Hydrodynamic modelling indicates that an outlet 200 metres offshore achieves a minimum dilution of 50:1—that means it will be more diluted than that—to achieve the EPA indicator bacteria guideline for primary contact; that is, the ratio between sea water and stormwater. In other words, there will be more than 50 parts of sea water to every one part of stormwater.

The committee is assured that dilution rapidly approaches background levels of greater than 200:1 before arriving at the beach or approaching near the line of the seagrass beds. This is in contrast to the existing discharge through the southern Patawalonga lake outlet that is shown to have potential for heavy faecal coliform bacteria impact arising from dog dung, not from human—well, I mean, it depends whether some low life relieves themselves on the street—what can you do? It goes the same way as all the dog and cat dung that foolish, irresponsible pet owners allow to be dropped anywhere in the catchment area and they do not realise just how serious that pollution is.

You only need 200 or 300 dogs to provide enough dung to actually wreck the safety of the Henley-Grange foreshore, for instance. That is how bad and how irresponsible pet owners are when they take their dogs out and let them squat and drop and leave it. I think there ought to be a stiff penalty against that, but that is my opinion, not necessarily the committee's, and I will return to the material which the committee has agreed needs to be on the record.

So, for approximately one kilometre off beach immediately north of the lake mouth, and now possibly some 500 metres to the south, we will avoid the unpleasant consequences that have previously arisen. SARDI's Aquatic Sciences Centre operations are not expected to be affected by the outlet of its construction and, in order to protect the interests of all stakeholders (including SARDI), the construction works will be subject to a dredging licence to be issued by the EPA.

The committee is told that the existing Patawalonga gates will be electronically connected to the new outlet and act to circulate sea water through the lake from south to north with an average four day turnover. Flat gates in a new weir will allow sea water to move out through the new outlet. The sea water system will be overridden as required by stormwater discharge and flood protection priorities and at least three levels of fail-safe systems are proposed in case of mechanical or electrical failures to ensure excess stormwater can escape through the existing gates. After rainfall events of the size that occur, on average, no more than once in two years, normal sea water circulation will allow the lake to rapidly recover as a sea water system. Post construction monitoring is proposed to measure the actual performance.

The open watercourse and control structure will not be accessible to the public for safety reasons as the water velocity here will be high at times. The committee has taken evidence about the risks to the environment of directly discharging stormwater into the sea rather than allowing it to settle in the Patawalonga basin. We are told that research shows the sediment that settles in the basin has the potential to remobilise the contaminants of heavy metals and nutrient in a more soluble and more bio available form. These then go out to the marine environment in much more environmentally damaging forms than if they go directly out to sea as proposed. Therefore, the basin is part of the problem of water quality in the basin and in the marine environment, rather than part of the solution as it stands at present.

The committee does not accept that the release of the aerated water over the top of the weir, rather than the current method of discharging it from the bottom, will prevent the plume of sediments upon release of material. The height of the release would only have an effect within a few metres of the outlet structure. It has been suggested to the committee that priority should be given to strategies that address problems occurring upstream of the Patawalonga lake, particularly we emphasise the upgrade of the Heathfield Waste Water Treatment Plant. The committee agrees that the Heathfield Waste Water Treatment Plant upgrade should be a very high priority. However, it accepts that the upgrade and the proposed project have different objectives.

Upstream catchment works and improving stormwater quality do not address the problem of pollutants being mobilised by anaerobic conditions on the lake floor so they discharge to the sea in more environmentally damaging forms than if they were discharged directly. Therefore, this proposal and the Heathfield upgrade are not competing priorities. The committee is told that the proposal will significantly improve the aesthetics and utility of the area and stimulate local economic activity, especially in the recreation and tourism sectors. An economic analysis indicates a benefit cost ratio between 1.3 in a pessimistic scenario to around three in an optimistic scenario.

The committee is concerned to note that stormwater outlets are not subject to environmental authorisation under the Environment Protection Act of 1993. There are no impediments at law covering the discharge of stormwater from the metropolitan area to Gulf St Vincent. Pursuant then to section 12C of the Parliamentary Committees Act, after noting our concern about the need to revisit the Environment Protection Act, the Public Works Committee reports to parliament that it recommends the proposed public works.

Before I sit I again emphasise the committee's view and my very strong view that, at present, a problem is created by people thinking about what they can see and what is left after they have done what it is they are doing. They take their pets out on the street and let them drop their dung and leave it behind. That is unacceptable: it is not environmentally sustainable, and I think for anyone who does that part of the

penalty ought to be that they collect a kilo of the dung and put it in their passageway at home so they are reminded just how foul it is and how damaging it can be. Then they might desist. Fining them seems to me to have an impact proportional to their capacity to pay the fine, rather than proportional to their understanding of the detrimental consequences for the environment that result from their irresponsible, bad mannered behaviour—and of course we cannot expect dogs to behave in a moral manner.

The second point we would make is that anything at all which we do, even though it is out of sight, does not mean it is gone and it is no longer our problem. If we do things that are not sustainable, the consequences will eventually cause us and every other citizen in this state and this city, a city of which we are proud—justifiably so at the present time—to ultimately be seen in no better light than some of the worst cities on earth such as Cheni.

Ms STEVENS (Elizabeth): In relation to this project, the member for Reynell and I put in a dissenting minority report. I would like to put the key elements of that minority report on the record and encourage members of the House to read the entire report and our dissenting report. The key objectives of the proposal are to return the Patawalonga to a condition suitable for primary contact recreation on a reliable basis and to reduce the impact of discharges on the marine environment through discharge at the mouth of the Patawalonga. We believe that the concentration of existing environmental impacts require a precautionary approach to any new project designed specifically to discharge large quantities of highly polluted stormwater to the Gulf St Vincent.

The majority report relies heavily on evidence given to the committee that the death and decomposition of fish and bottom dwelling organisms have led to the formation of anaerobic conditions on the lake floor and that, as a result, pollutants can now flow to the gulf in more environmentally damaging forms than if they were discharged directly in their original state and in aerobic conditions, hence the pipeline out to sea. We have been given independent advice that this claim understates the biological process occurring in the lake, which includes the conversion of metals into sulphides and the settling of suspended solids which can then be removed from the lake by dredging, rather than sending them out to sea.

In evidence, Ms Pat Harbison, who appeared before the committee, referred to the value of the lake as a settling pond, hence removing the total number of pollutants discharged to Gulf St Vincent. We say very clearly that, rather than exacerbating a problem in the gulf, let us continue to dredge the material out of the Patawalonga lake. We were also concerned by independent advice about conflicts in the evidence as to the possible impact that this scheme may have on SARDI and the critical research programs being undertaken at that facility. The committee was told in evidence that this was not a matter of concern to SARDI. Our information is that that is not so.

The key objective of the proposal is clearly to return the quality of water in the Patawalonga to a standard for regular primary contact and to improve the amenity of the Patawalonga lake to coincide with the Holdfast Shores development. However, we believe that such significant expenditure should be considered as part of a comprehensive plan to address all environmental impacts on the marine environment in this region, the need to regulate all stormwater outlets at Glenelg, plans being considered for the reuse of sewage effluent from the Glenelg sewerage works, the urgent need to stop discharging sewage effluent in the River Sturt at Heathfield and a more precautionary approach to implications that this plan may have on SARDI, and that is the basis of our minority report.

I should like to mention two other points, and they arise out of those issues. The upgrading of the Heathfield waste water treatment plant has been an issue for at least the last three or four years. The upgrade has still not occurred and significant pollution is still coming through the system from Heathfield. It is about time that this matter was treated seriously by the government and that, rather than spending $15 million trying to patch up something at the end, we should make sure that the problem is solved at its source. That problem is not new, we all know about it, and the opposition has been asking questions for three or four years, but all we could get in answer to queries about progress on the SA Water-EPA negotiations regarding this upgrade was as follows:

> All that has been able to be determined is that SA Water and the EPA are negotiating and that funding for the upgrade of Heathfield waste water treatment plant is allocated on SA Water's forward capital plan.

That is where we need to be putting our resources. I make reference also to the consultation process that was referred to in the report. The committee was assured by DAIS that it consulted key stakeholders, including the City of Holdfast Bay, the City of West Torrens, the City of Charles Sturt, Adelaide Airport Limited, Patawalonga Catchment Water Management Board, the Holdfast Shores consortium, West Beach Trust, SARDI and individual West Beach residents who sought information.

In evidence given to the committee, representatives of the Henley and Grange Residents Association told the committee that promised consultation about the proposed stormwater diversion plan did not eventuate. That is of concern. The committee was also told by the City of Charles Sturt that it had serious reservations about the value of proceeding with this proposal, independent of what it considers to be important upstream works. The evidence provided by Ms Pat Harbison came at the same time as the evidence from the City of Charles Sturt.

The City of West Torrens gave evidence, indicating that its major concern was flood management, and it told the committee that it saw the current proposal as being only a temporary solution and that it would prefer to see all waters held on land as much as possible and for as long as possible. Essentially, our concern is that, rather than spending $15 million on solving the end of the problem, we believe that it is more important to address the problem in its totality and that that $15 million is money that should be placed elsewhere.

Mr WILLIAMS (MacKillop): I support the majority report of the Public Works Committee into the Barcoo Outlet and, indeed, the project in its entirety. In doing so, I place on the public record that there are some concerns about the outfalls of stormwater into the Gulf St Vincent right along the metropolitan coast. There are also concerns about some of the pollutants in those outfalls and I, too, have concerns, as does the previous speaker, about the pollutants that come from the Heathfield waste water treatment plant. However, I do not think that there should be any misunderstanding that these two projects are mutually exclusive or that spending tax-

payers' funds on this project in any way hampers or holds back important works upstream.

Any potential works at the Heathfield waste water treatment plant to ameliorate the amount of mainly nitrogenous pollutants that flow from that plant are the province of the Torrens and Patawalonga Catchment Water Management Boards, and I believe that other government agencies are already proceeding, albeit at a pace that some of us might like to see increased, to devise the appropriate action to overcome that pollution source.

The amount of pollution that is flowing into Gulf St Vincent from various waste water treatment plants has been severely reduced in recent times and will continue to be severely reduced. It is worth noting the diversion of treated waste water from Bolivar to the northern Adelaide Plains for irrigation purposes and also south of the city down to the Willunga area. A lot of that water, which used to flow at will into the Gulf St Vincent carrying a substantial amount of pollution with it, is now being diverted onto land.

There is a completely different scenario at the Patawalonga, which is a stormwater problem. Stormwater accumulates in the Patawalonga and, after extreme or even moderate storms occur, the weir overflows and the stormwater ends up in Gulf St Vincent, taking any pollutants that happen to wash along with it. Principally, those pollutants are incorporated in stormwater. Even though a lot of work has been carried out by the aforementioned catchment boards in installing trash racks and reed bed filter systems upstream of the Patawalonga, a lot of soluble pollutants find their way into the Patawalonga.

The committee took evidence that a lot of these pollutants originate off road and car park surfaces around the city areas, so lead, zinc, copper, nickel, cadmium, chromium and other heavy metals find their way into the stormwater and eventually end up in the Patawalonga. Some people have suggested that we should not spend this money on the Patawalonga, that we should use the Patawalonga to retain stormwater on land, allowing the pollutants that accumulate to settle out into the Patawalonga and then to dredge the Patawalonga every now again to retain those pollutants on land.

I will quote from some evidence that was given to the committee regarding the dredging of the Patawalonga during the process of cleaning it up over the past couple of years, as follows:

> About 35 years worth of silt was dredged from the Patawalonga. Some 200 000 cubic metres were dredged from the Patawalonga, but it is estimated that over those 35 years some 1.2 million cubic metres of silt actually flowed into the Patawalonga.

The point is that, of the 1.2 million cubic metres of silt that actually flowed into the Patawalonga under the conditions we have had there to date, one million cubic metres of that silt has gone straight out the other end of the Patawalonga into Gulf St Vincent. So, the suggestion that we use the Patawalonga as a settling pond to collect that silt just will not work. It has not worked in the past, and anyone who suggests that it will work in the future has not indeed looked at the facts.

Evidence was presented to us in the form of a report from Kinhill Engineers which gives some idea of the amount of water that does flow into the Patawalonga during storm events. It is estimated that some 20 000 megalitres of water flows through that system. I quote from the report, as follows:

> A typical storm flow rise to the peak would be half an hour, and the fall from the peak to a low residual flow is about two to three hours.

The point is that, after a storm event, the water rushes very quickly into and goes straight through the Patawalonga. It does not have the capacity to hold these large volumes of water which flow in very quickly. Consequently, the water goes through the Patawalonga, taking most of this silt with it into Gulf St Vincent. The suggestion that we can retain this water in these types of peak flows which happen over short time spans is just a nonsense. In fact, the people who are suggesting this have taken a very simplistic view of what is happening at the Patawalonga.

As the member for Hammond said in his speech, this is a way not only of reducing the total amount of pollutant going into the Gulf St Vincent but also of improving the water quality in the Patawalonga through being able to have the Patawalonga flushed with salt water from the ocean through a system of valves at the northern and southern ends. It will certainly improve the amenity benefit of the Patawalonga, as well as that of adjacent beaches.

The committee at looked other issues, and one of the committee's principal concerns was exactly where the best place would be to put the outlet. It is proposed that the outlet be 200 metres offshore, weighing up the competing interests of putting it either closer to the beach, which might impact upon the amenity value of the beach and the water quality for people utilising the beach for water activities, or further away from the beach, which would indeed speed up the rate of dispersal of any pollutants in that water. However, there could be a negative impact on the seagrass beds in that area in moving the outfall further out from the beach. After taking quite a deal of evidence on that issue, the committee agrees with the proponents that 200 metres is the best compromise.

Another issue that was brought to the committee's attention is the anaerobic reaction that occurs on some of the pollutants contained in the silt in the Patawalonga. This reaction mobilises these pollutants and makes them more soluble, thereby increasing their chances of getting into the marine environment. We were told that, when they flow directly into the marine environment and become silt on the bed of the ocean, that anaerobic reaction does not take place, and the pollutants become much more stable and are more likely to remain in situ. In conclusion, I support the report. I support the project and commend it to the House.

Ms THOMPSON (Reynell): I rise in support of the minority report on this reference. It is unusual for there to be minority reports in the Public Works Committee. On this occasion, five of us sat and listened to the same evidence, with two of us coming to different conclusions. That demonstrates how difficult it is to deal with some of these issues in relation to the environment, where the science is far from perfect, and where many experts might give us different views of the likely impact of a particular system.

When it comes to dealing with our waterways, the member for Elizabeth and I have decided that we need to be cautious about thinking that we can go in and solve problems. We are particularly concerned that in this project we are not really attempting to solve the major problem relating to the Patawalonga and the resultant discharge of very unpleasant substances into Gulf St Vincent, which I understand is regarded as the most polluted water way in Australia.

The fact that the government should be acting now to increase the pollutants flowing into Gulf St Vincent when there is a Senate inquiry into this water body, due to report by the end of April, is somewhat disturbing to me. I find that I am at odds with the basic purpose of the proposal. Under

section 12(c) of the Parliamentary Committees Act, the functions of the Public Works Committee are defined as:

To inquire into and report on any public work referred to it by or under this act, including the stated purpose of the work.

The stated purpose of this work is set out in three different ways in three different places. In the project proposal that came to the committee, the key aims are defined as follows: in addition to returning the Patawalonga lake to a condition suitable for primary contact recreation on a more reliable basis, without permanently cutting the beach or adversely affecting the marine environment the other key aims of the project are to significantly reduce the impact that the present stormwater discharge through the Patawalonga mouth has on the marine ecosystems and on the recreational use of nearby beaches; to prevent the lake from becoming a source of bioavailable pollutants; and to implement the tidally driven seawater circulation through the lake.

I certainly know that all members of the committee looked at all those aims when making their judgments. However, the proponents do not seem to have been so assiduous. In the cost benefit evaluation provided to the committee by the proponents, we have a different description of the key aims, and this cost/benefit evaluation was prepared by Barry Burgan of Economic Research Consultants Pty Ltd. This report states:

In general, the facility would provide to Adelaide and South Australia an alternative to the West Lakes facility. However, a key difference is the proximity to a broader range of facilities in an area with a high profile tourism reputation.

The report continues to focus on the value of primary contact recreation activities in the Patawalonga over a limited period of the year, being generally from November to May. It is not anticipated at this stage that the $15 million worth of work will enable the Patawalonga to be available for primary contact recreation all around the year. The situation in May to November will have to be monitored and there will still be occasions, even with this $15 million worth of work, when the lake will be closed during the November to May period if there is what seems to be described in the official language as a 'stormwater event'. Under the cost benefit evaluation, the key issues are stated as follows:

Unlike some major projects where the major aim of the project is to stimulate exports and/or tourism (for example, the National Wine Centre and Major Events), this project primarily produces benefits to the local community, many of which will not be assessable in a market framework, or jobs and income generating capacity.

Under 'State-wide benefits', it is stated:

The major benefits of the project relate to safe access for recreational activity. The following evaluation is set in the context that the salt water circulation of the lake that this project provides is required to provide this safe access.

The report indicates that there will be better and easier access to sheltered water recreational activities and there will be reduced travel. The development provides a closer opportunity for residents of the southern and eastern areas of Adelaide, for sheltered water recreation including for school groups, for general recreational use and for clubs and community groups, such as scouts. The report indicates that there will need to be encouragement of additional use. It states:

The facility provides an alternative location for water recreational use. This increases choice and the product variation, and also reduces the likelihood of congestion at any one area. . .

The report continues:

In addition to the direct use of the Patawalonga area for water recreation purposes, cost benefit studies recognise that people value resource improvement for the following reasons. . .

Those reasons are: just because it exists, because they have the option of using it and because they leave something to future generations. What concerns me is that we are spending $15 million on something that even the economic cost evaluation indicates will not be widely used, when we desperately need upstream remedial works, particularly at the Heathfield Waste Water Treatment Plant and in the area of wetlands and other projects, to manage the run off from the parking areas and from roads.

The member for MacKillop mentioned some figures relating to run off from roads and how much may have been drained into the Patawalonga over the last 35 years. But my recollection is that the figures that he quoted assumed that there was as much pollution occurring now and running into the Patawalonga from cars as there has been over the last 35 years. I would suggest that, in fact, the pollution now is much higher than it was 35 years ago, both because the catchment area is much more densely populated now and because there are very many more cars now than there were 35 years ago. So, the figures that were provided to us in evidence, it seemed to me, were exaggerated—perhaps greatly exaggerated.

It concerns me that the councils most affected by this proposal are totally opposed to it. The committee received representations from both the City of West Torrens and the City of Charles Sturt, both of which indicated their clear opposition to the project and their desire for more attention to be focused on upstream catchment management works. It was indicated to us in evidence that it was possible that, if the appropriate upstream works were undertaken, particularly the Heathfield Waste Water Treatment Plant, a number of wetlands created and different remediation programs developed (all of which were being discussed but none of which had dollars attached to them as yet), it could well be that this $15 million expenditure on the Barcoo Outlet would be redundant. It would, indeed, be a glad day for South Australia if we were able to get our act in order so well that we did not need this $15 million expenditure. The suggestion was that we should go easy and look at applying that money to projects of more long lasting benefit rather than to channelling polluted water out to sea into the most polluted waterway in Australia. I am sure that others will make contributions relating to what the councils have had to say, and it disturbs me greatly that we are investing this money rather than undertaking a more long running project.

Ms KEY (Hanson): As the member for Hanson, I have to say that I have great concerns about the report that has been issued by the Public Works Committee, particularly the majority report. I have had the benefit of seeing some of the information that has come across my desk, in addition to the Public Works Committee report, and I support the comments made by the member for Elizabeth and the member for Reynell. There is obviously more work that needs to be done before this project can be supported.

I also indicate my membership of the Henley and Grange Residents Association, and I am totally aware of the comments that that association has brought forward to the committee. I support the good work that has been done by the association in trying to make sure that the coastline in the Henley and Grange Residents Association area is improved rather than degraded even further. We had the saga of the boat harbour and now this is the next problem that people in that area will have to address.

I am concerned that we have not heard from the member for Colton today. I remember his passionate words last year about his views and his discussions with members of his family about the end of the world coming if there was an outlet supported by this government, and I am very concerned that he has not made a contribution today. The lack of time may have been the reason why he has not decided to do so. However, I just want to register my protest on behalf of the constituents of Hanson and also for the Henley and Grange Residents Association, in particular—and I believe that my comments are supported by the two major councils, the West Torrens council and the Charles Sturt council. It is my understanding that they also had some grave concerns.

Motion carried.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE: MINING OIL SHALE AT LEIGH CREEK

Mr VENNING (Schubert): I move:

That the 37th report of the committee, on mining oil shale at Leigh Creek, be noted.

The committee received its reference earlier this year via the Public Works Committee as a result of one of its inquiries. The Environment, Resources and Development Committee was asked to examine the possible commercial benefits and the environmental impacts of mining or not mining oil shale at Leigh Creek. The inquiry took place over a period of three months. Some 14 submissions were received and eight witnesses appeared before the committee during this time.

Leigh Creek is well known for its coal deposits, which are mined to provide fuel to the northern power station. The existence of an oil shale deposit in close proximity to the coal is not well known and has been disregarded by some. The development of a pilot plant to process oil shale in Gladstone, Queensland, is a timely reminder that oil shale at Leigh Creek is a potential entity source that may be beneficial to South Australia. The committee heard evidence from the relevant government officers, Flinders Power staff and two companies interested in mining the oil shale. The committee concluded that there is a low-grade deposit of oil shale at Leigh Creek that should be further investigated. The committee learnt that the oil shale was discovered at the end of last century. Several small-scale attempts have been made to characterise the deposit but its extent has never been fully investigated.

The committee heard conflicting evidence as to the apparent extent of the oil shale resource. A study commissioned by the Department of Mines and Energy in 1997 to determine the economic possibilities of oil shale mining at Leigh Creek concluded that, at today's oil prices, it would not be feasible. However, the lack of knowledge of the true nature and extent of the oil shale hindered the reliability of the study's conclusions; therefore, it is not yet known whether mining of the oil shale is economically and environmentally viable. With the future lease of Flinders Power, the committee believes that it is essential that the existence of this potential resource is widely publicised and that the possibility of utilising it is further investigated.

The committee believes that the commercial value of the oil shale deposit must be taken into account when considering the lease of Flinders Power. Therefore, the committee recommends that the government conduct a commercial feasibility study to investigate issues including the following:

- the conditions under which concurrent mining of coal and oil shale could successfully occur; and
- the coal mining practices that should be used to ensure that the oil shale could be mined in the future if it was not deemed to be viable at the present time.

Should this feasibility study indicate the successful resolution of these issues, the committee recommends that the way should be made clear for a mineral exploration company to investigate further the oil shale resource at Leigh Creek, with the possibility that it may take the project to full commercial production if the project is found to be both economically and environmentally viable. The committee recognises that the recovery of oil from shale is an energy intensive process that can result in the production of a great amount of greenhouse gases. This would need to be considered as part of the environment impact assessment should there be a decision to mine oil shale.

As a result of this inquiry, the committee has made four recommendations, to which the committee looks forward to a positive response. I take this opportunity to thank all people who have contributed to this inquiry. I was disappointed that Flinders Power did not provide access to some reports that may have assisted the committee's research officer. I have also had discussions with the member for Hammond and I note his comments. No doubt the honourable member will be speaking on this issue. The member for Hammond has raised with me several issues.

Apparently, the government has ignored an application by Central Australian Oil Shale, a member of which is sitting in the gallery at the moment, for an operational licence. If the company were successful in its application it would then apply for a mineral licence and, in due course, a miner's licence. This issue was not addressed by the committee as it was not a term of reference. This is probably a point of concern to some, particularly in relation to Mr Watkins, who gave evidence to the committee on behalf of his company, CAOS. This is a specific issue. An application may be before the government but it is not the job of this committee to instruct the government as to how to conduct its business.

We asked Mr Watkins about clearing the way to enable these things to happen. If we have the capacity to formalise these principles the government can either act on or ignore the matter in any way it sees fit. I feel that it has been a chicken and egg situation: which comes first? Hopefully, we will have paved the way for organisations such as CAOS to express interest and to make application. Certainly that matter was not included in the terms of reference. No doubt the member for Hammond was a bit cross and will make some disparaging remarks when he has the opportunity to speak in a few moments.

Certainly the issue was not included in the committee's terms of reference. I hope that the work of this committee will now make it possible for companies such as CAOS to make their dreams come true. I extend my thanks to the members of the committee who worked very well together. It is indeed a team. I note that the Public Works Committee had a dissenting report. That has never happened in the ERD Committee since I have been the chair. We work hard to get it together and we do make compromises for the common good of the parliament and, of course, the people of South Australia. That is why the ERD Committee is a senior committee of the parliament.

I am pleased that our committee is a team and it is a pleasure and an honour to be its Presiding Member. I thank our officers, particularly our secretary, Knut Cudarans, who is both inspirational and a very good asset to the committee. He puts forward to the committee many good ideas, often

challenging but also enlightening in many respects. I also thank Heather Hill, our research officer, who is very professional in the way she performs her duties. We certainly appreciate the work of these two people, whose contributions are invaluable to the committee, a committee which, I feel, is very effective and which is certainly doing its job for the parliament of South Australia. I commend the report to the House.

Ms KEY (Hanson): As the committee's Presiding Member says, we are a team and I certainly endorse his comments. One criticism levelled at the ERD Committee in terms of this inquiry is that we have taken too long to present our report. The criticism is that, due to the timing of our report in relation to the negotiation of the ETSA lease and the consideration of bids, we may come up with the best recommendations ever but they may be too late to have any effect or to be of any use. Some people within Flinders Power have advised me that even if all the committee's recommendations are adopted we may already be out of time because the decision not to look at oil shale as a commercial proposition has already been taken.

I am not sure whether there is any substance in what is being proposed by a number of critics of this process, but it is important to emphasise that the committee has brought the report before the House today with a view to its being perused by the government with regard to the lease and sale of the different parts of the electricity corporation. Members of the Environment, Resources and Development Committee received this reference understanding that the Occupational Safety, Rehabilitation and Compensation Committee would also be looking at the issue of occupational health and safety.

It is of great concern to me that that committee has not seen fit to follow up that investigation. We are meeting tomorrow morning and I hope that the matter will be addressed. As I said, it gives me great concern that the Occupational Safety, Rehabilitation and Compensation Committee does not seem to have taken up the reference from the Public Works Committee in the same way as the Environment, Resources and Development Committee has done. I would have thought that if there were issues relating to workers' health and responsibility for workers' compensation it would be more appropriate to look into that issue before a sale or lease of Flinders Power rather than afterwards.

On that note, I conclude my contribution but I echo the Presiding Member's remarks in saying that I believe our team has done quite a good job on this project. I just hope that the other committee takes up the same sort of modus operandi so that we have some proper recommendations on health and safety.

Mr MEIER: Madam Acting Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr LEWIS (Hammond): Even though my contribution to this proposition that the report be noted is one of mixed feelings, it is not like a curate's egg. I am pleased that the Environment, Resources and Development Committee devoted its best attention to the collection of evidence as to whether or not, in the first instance, an oil shale deposit was present, because for years officers of ETSA, as it used to be known and more recently its derivative company, Flinders Power, used to deny it if they thought they could get away with doing so. They would say that it was just dirty coal. It is black and it is porous and it contains a lot of carbon, but it also contains a hell of a lot of hydrocarbons. It is not dirty coal. There are no circumstances in which any geologist worth his salt or any mining engineer who had any knowledge whatever would describe it as dirty coal.

Certainly, the coal which is mined at Leigh Creek can be described by people as dirty coal, but shale is not dirty coal: it is shale. Why then do I particularly wish to draw attention to that point? It is for this reason: wherever shale has previously been tested in a cursory way by government officials or ETSA itself (and I must say that it has not been rigorous), it has been found to contain, as the Presiding Member of the committee pointed out to the House, low-grade hydrocarbon yields. Why is that so? If members bothered to read the evidence that the Public Works Committee was given or any of the other literature about the matter—and there is not much of it to read—and if members then bothered to read the evidence which was also given to the Environment, Resources and Development Committee, they would find that the tests were done on old core samples that were collected many years before the tests were undertaken.

Given the nature of the shale at Leigh Creek, is it surprising that the remaining liquid and solid hydrocarbons at ambient temperature are low in yield per cubic metre or yield per unit weight? No, not at all: because the moment you take that material out of the ground the very volatile light fractions which predominate at Leigh Creek evaporate and are lost, and cannot therefore become part of what is found to be contained per unit volume or per unit weight. They are the most valuable fractions, and they are there in large quantity.

Why the hell is it then that the people who were charged with that responsibility have been allowed to get away with misleading us as South Australians for so long? Everyone in this chamber needs to ask that question. What has been their agenda?

Mr MEIER (Goyder): I move:

That standing orders be so far suspended as to enable debate on standing committee reports to be continued for a further 30 minutes.

Motion carried.

Mr LEWIS: So, it has nothing to do with partisan politics or with members of parliament: it has everything to do with an agenda that has been relevant to the interests of those people who have had control of the decisions made within ETSA and, more recently, Flinders Power. They did not want to complicate the occupation of the site by doing what the international conventions would otherwise have required of them, that is, to accept that, because in law they did not have any right to mine the oil shale and develop it, someone else might choose to apply for an exploration licence or a mineral claim to see if it could be viably developed. Rather, they decided to cover it up, to keep other people out of it, to keep other interests off the site and not to allow any complication of their simple management approach.

It is much the same mentality which bedevilled the Tasmanian Hydro-electric Commission, which caused a great deal of pain to politicians of all political persuasions in Tasmania for nearly a decade and which probably set that state's economy back, perhaps for somewhat different reasons, over that period. The same thing has happened in South Australia.

It struck me as perhaps unfortunate that I found no remark to that effect in the report that was prepared and presented by the Chairman of the Environment, Resources and Development Committee today. I will not speculate about the reason

why the Environment, Resources and Development Committee overlooked that obvious fact, but I would be willing to speculate as to why it was done.

There are two reasons that occur to me immediately. On the one hand, it is now known and documented around the world—and increasingly so—that you should not expose human tissue, particularly brains and other essential organs, the endocrine organs, to the volatile hydrocarbons of the partial, indeed almost complete, combustion of distillate (diesel) or to the vapours of petrol. Mr Deputy Speaker, you know what happens to the brains of young Aboriginal people or indeed any person who sniffs petrol: they are not there for long. It is worse than composting them. The consequence is that they are left as zombies, unable to think. Their mentality is completely destroyed and consequential damage to other parts of their bodies and health arises in fairly short order. They do not live long; they tend to become suicidal.

If you look at the statistics of the people who have lived in Leigh Creek, who have worked in Leigh Creek and who have been exposed to these volatile vapours, you begin to wonder whether or not there is not some correlation. It would not be in ETSA's interests to find that to be so. I put that as a possible reason why. The second possible reason is that they simply did not want their management of the site to be complicated by the presence of another commercial interest developing the resource, if it was found to be worthy of development.

To my mind, there is a real likelihood that it could be worthy of development. I saw in the Public Works Committee the scoops on drag lines being pulled through the so-called overburden (that is the oil shale itself) and it bursting into flames immediately, and that was televised on more than one occasion in this state. Those volatile fractions were spontaneously combustible and they were most definitely there in considerable quantity, certainly adequate to warrant trapping them and seeing just what quantity was present.

So, for a geologist (or anyone else) who claimed to be competent to assess the presence of hydrocarbons that were suitable for commercial exploitation to then simply ignore them, suggests to me that they are neither competent nor responsible and ought to be castigated by this parliament. I would say that fairly and squarely to any one of those people from ETSA and the mines department, who, over the years, have acted irresponsibly, because they have denied this state access to what Flinders Power and a couple of other people who appeared before the ERD committee said was just a few hundred million cubic metres of oil shale. That really is an estimate at the lower end, and they cannot say that with any certainty because, from the preliminary information that I have seen about the geology of the area, it is not in the order of a few hundred million tonnes: it is thousands of millions of tonnes.

They have never drilled some of those old caldera, or whatever else you want to call the depressions in which the lakes occurred and the bodies of coal were formed around the bed of the lake on its sloping surfaces and so on, and the sediments which then came in through erosion to form the shales in which the kerogens and other materials of which the hydrocarbons are comprised came to be there. They have never attempted to discover the extent of those deposits and for them to say there is only a few hundred million tonnes there is an outright lie and they should be professionally disciplined because it is possible that we have been denied access to billions of dollars of income and a project worth hundreds of millions of dollars for well over a decade, probably two decades or more, just because of their separate personal agenda and that is idiocy.

I say to the Environment, Resources and Development Committee, 'Okay, well done as far as it went, but I am disappointed that you did not go further as a committee and come back to us with the kind of information that we should have had.' I think it is about time that we got on with it and honestly assessed it, core drilled it, and determined the extent of the deposit, and indeed respected the rights of the claim that has been pegged by Central Australian Oil Shale that predated the legislation that went through this House on the matter to allow them to do it. If they want to, they can spend their money to do so. In any other deposit anywhere in this state, if you think it is there, you are allowed to get your EL established, go and look and spend your money, but on this one it has been denied and I wonder why.

Motion carried.

PUBLIC WORKS COMMITTEE: MODBURY HOSPITAL REDEVELOPMENT

Mr LEWIS (Hammond): I move:

That the 108th report of the committee, on the Modbury Hospital redevelopment status report, be noted.

In September 1998, the Public Works Committee reported to parliament on the Modbury Hospital redevelopment project. In August 1999, due to delays in the project, the committee then asked to be provided with a report on its current position. The committee is told that the detailed project scope needed to be reviewed when it became evident that the cost of asbestos removal would significantly exceed the budget. Also, the hot and cold water services were heavily corroded, requiring reconsideration of the scope of the work associated with those services.

The work will involve additional costs of $1.3 million, which will be funded by deferring various upgrades involving mechanical services, the electrical system and the interiors of the lifts. The redevelopment also included a new private hospital within the main building on the existing site. Healthscope Limited is responsible for the financing, constructing and commissioning of the new facility. The proposed private hospital is to occupy the area where the obstetrics unit is currently located. However, the scope of the upgrade of the obstetrics unit has also been amended. It will now be contained within the first floor east wing and will not include a new first floor south wing extension.

The committee is told that the necessary redevelopment of the obstetrics service at the Modbury Public Hospital is being delayed by two issues, the first of which is uncertainty regarding the future involvement of this area of Healthscope through the proposed Torrens Valley Private Hospital; and the second is the outcome of a clinical review into obstetrics being undertaken by the Department of Human Services. The committee has emphasised in its report to the parliament that it had no information about the viability of Healthscope's South Australian operations and was unable to express any opinion about its capacity to meet its contractual obligations. The committee is now told that issues associated with Healthscope's financial commitment to the project have required the scope and the program to be reviewed.

Healthscope sought, and was granted, approval to close the temporary Torrens Valley Hospital from 14 February this year. Healthscope has also sought to reduce the scope of the proposed private hospital to only the two top floors of the main building and to defer its commencement of the hospital

for five years. Healthscope rejected a government offer to grant a one year deferral. Healthscope has told the committee that the failure of the amended proposal to provide sufficient obstetrics facilities to cater for private births jeopardises the viability of the proposed private hospital on that campus. However, the committee understands that the government has no contractual obligation to provide such facilities.

It is apparent that the viability of the Torrens Valley Private Hospital, and the number and nature of births to be handled by an obstetrics services unit, needs to be resolved before an appropriate redevelopment of the unit can occur. The Minister for Human Services announced on 28 April 1998 that the upgrade of the obstetrics unit would handle 1 000 to 1 200 deliveries (public and private) per year with flexibility to increase to a total of 1 600. The amended proposal will enable only 750 births to be handled within the birthing area of the hospital and 1 000 births to be provided for at the hospital overall, if you get under pressure from time to time. It does not cater for private births.

Healthscope has given evidence that the viability of the private hospital was predicated on the expectation that a third of its business would be private obstetrics. Healthscope also argues that the proposal denies it shared the infrastructure that was an intended benefit of collocating a public and a private hospital. In the circumstances, Healthscope considers that the Torrens Valley Private Hospital is not viable. The scope of the obstetrics unit is further complicated by uncertainty about the impact of a statewide obstetrics services review, a point which was elucidated in evidence by the member for Elizabeth.

The review has indicated that specialist obstetrics services should be concentrated in three areas. By saying that I mean three areas of the metropolitan area. Modbury Hospital is not one of those areas, but a low risk obstetrics service might be provided. However, further exploration is needed and the review process may not be completed before the end of March next year. Healthscope has argued that the decision to proceed with the scope of design in the amended proposal is premature while the hospital's obstetrics role, including the number of and acuity of births expected at the hospital, is not known.

The amended proposal is causing concern amongst medical staff of Modbury Public Hospital because of uncertainty about the role of the hospital and the role of its obstetrics services. The head of the department of obstetrics and gynaecology has given evidence to the committee that the amended proposal was designed on the presumption of a casemix formula similar to the present one. However, a completely different type of obstetrics unit will be needed if the obstetrics review process recommends a low risk type of maternity unit which has been put to the committee as the role of Modbury in the future.

The committee is told that the obstetrics unit at Modbury is a crucial part of the rural general practice training programs. The hospital provides the only relevant patient mix. Let me repeat that: the hospital provides the only relevant patient mix for training and refresher courses for doctors in general practice in the country because it is of the same acuity as those populations they treat. The Chairman of the Medical Staff Society has said that the impact of downgrading obstetrics will have several consequences: first, it will downgrade the whole hospital; secondly, it will reduce the facilities available to the district; thirdly, it will reduce the training for interns, residents and registrars in every discipline; fourthly, it will lead to fewer skilled anaesthetists and skilled trainees applying to come to the hospital; and, fifthly, it will lead to fewer interns, and therefore the Department of Human Services needs to reconsider its position.

The Department of Human Services assures the committee that the amended scope of the obstetrics unit will meet public patient needs and the expected final recommendations of the obstetrics services review. The department also assures the committee that the alternatives being considered are safe, will meet the public need for birthing facilities, will offer a wider range of choice for women, and will allow the best use of resources and access for women. Nevertheless, the committee is impressed by the strong representations by senior clinicians who dispute these assertions, and they argue and the committee argues that the proposal will significantly diminish Modbury Hospital's training programs particularly—and this is what hurts me and it hurts every other rural member of this place—as they affect rural areas. The potential consequences for regional service delivery disturb the committee and it seeks a prompt response from the minister about its concerns.

Healthscope's decision to close the temporary private hospital and its request to be allowed significant deferrals of its obligation to build a new one does not engender confidence in the expenditure of public funds beyond those needed to satisfy public demand. The committee is told that the renegotiated contract to construct the private hospital provided for a completion deadline of 20 months from the date that the contract became unconditional. The contract also required Healthscope to submit plans within three months of the conditions precedent being met. Healthscope did not comply with either requirement.

The committee sought to determine whether Healthscope is in default of the contract and is concerned that the contract has been framed with such complexity that it is not clear whether or not default has occurred. Because of that, the Public Works Committee has brought this matter to the attention of the Auditor-General. The committee stresses that, whether or not a private hospital is to be constructed, there is still a need to upgrade the obstetrics service at Modbury Hospital.

Given the clear need to redevelop the present service, the committee is concerned on several points: first, the final amended design and purpose of the upgraded obstetrics unit is still undecided; secondly, significant community consultation did not occur early in the obstetrics services review process; and, thirdly, the subsequent birthing services review will not be completed until March or April next year. Accordingly, the Public Works Committee also expresses its concern about the planning processes undertaken by the department. It appears that the initial process was not soundly based because it did not embody an overall plan for obstetrics services.

In spite of the criticisms levelled at the committee, it can now be seen that the concerns we expressed in September 1998, in our final report to parliament for this project, were well founded. After examination of the written evidence submitted and pursuant to section 12C of the Parliamentary Committees Act, the Public Works Committee reports to parliament that it notes the variations of the Modbury Hospital redevelopment project and commends consideration of our concerns to members.

Ms BEDFORD (Florey): I particularly want to say something today about this report and commend the Public Works Committee for the outstanding work that it has done on the Modbury Hospital debacle. Our community is very

grateful for its vigilant work. It has teased out nearly every aspect of this contract and looked at it very thoroughly. We have been looking at this contract since 1994, prior to the actual signing of it, when the Modbury Hospital local action group was formed. In those early days there was great trepidation that this grand plan could not possibly deliver the things that we were being promised.

The sad fact is that this report reinforces our very worst fears that the hospital will be run down completely and that the high level of training and teaching that is carried out there will also be run down. The excellent work of the staff has never been in question, but we just cannot ask people to work under these conditions and to continue to produce the high quality care that the residents of the north-eastern suburbs have never taken for granted but have expected to be their right.

I cannot tell members how disappointed we are in the north-eastern suburbs that the whole thing has gone on so terribly long and still there is no end in sight. The residents are absolutely appalled that it has reached this stage and we are very grateful that the Public Works Committee continues to be such an intrepid watchdog for us, looking at every single thing that goes on there. We can only benefit from the committee's hard work and hope that, in the future, the whole matter is resolved.

In particular, I mention that part of the report that states that the contract is so intricate that no-one can tell whether Healthscope is in default. We cannot understand how a contract of that description can be in existence. When one thinks back to the initial struggle that we had to get hold of the contract—it took many years—and then we faced a pile of paperwork a couple of feet thick, it is no wonder that the committee has discovered that no-one understands the contract. It appears that it will cost a lot more crown law time and money to work out where we stand. It has been a sad experience for everyone.

As I said, we hope that the whole thing will be resolved, that the obstetrics areas will be well looked after, that the women and children using our hospital will have the services they require, and that the hospital is brought back to the level that it was at previously. I commend the staff at the Modbury Hospital for the fantastic work they do in such difficult conditions and I thank the committee for its work.

Ms THOMPSON secured the adjournment of the debate.

MINING (PRIVATE MINES) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

COMMONWEALTH PLACES (MIRROR TAXES ADMINISTRATION) BILL

The Legislative Council agreed to the bill without any amendment.

WHALING ACT REPEAL BILL

The Legislative Council agreed to the bill without any amendment.

PREVENTION OF CRUELTY TO ANIMALS (MISCELLANEOUS) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

Mr MEIER: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

LAND TAX (INTENSIVE AGISTMENT) AMENDMENT BILL

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I move:

That standing orders be so far suspended as to enable me to introduce a bill forthwith.

Motion carried.

The Hon. M.R. BUCKBY obtained leave and introduced a bill for an act to amendment the Land Tax 1936. Read a first time.

The Hon. M.R. BUCKBY: I move:

That this bill be now read a second time.

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

Leave granted.

The *Land Tax Act* currently provides a general exemption from land tax in respect of land used for primary production. However, where the land is within the defined rural area (essentially the greater Adelaide metropolitan area bounded by Gawler in the north, Willunga in the south and the Mt Lofty Ranges in the east and, separately, parts of Mt Gambier) additional criteria apply before the exemption is granted. Namely, the land must be greater than 0.8 hectare, used wholly or mainly for the business of primary production and the principal business of the owner of the land must be that of primary production.

As a result of the current additional criteria for exemption within the defined rural area, primary producers who have entered into arrangements to agist livestock on their property are excluded from the exemption. The Crown Solicitor has advised that the activity of contractual agistment within the defined rural area cannot currently be classified as the business of primary production and therefore the owner is not able to claim exemption.

The *Land Tax (Intensive Agistment) Amendment Bill 1999* proposes to amend the *Land Tax Act 1936* ('the Act') to include the intensive agistment of declared livestock within the definition of 'business of primary production' for the purposes of exemption from land tax. 'Declared livestock' will be further defined to mean cattle, sheep, pigs or poultry; or any other kind of animal prescribed by the regulations for the purposes of this definition.

This amendment recognises the increasing importance of contractual agistment to the primary production sector in South Australia and will encourage the use of agistment by providing an equitable land tax treatment with that available to other forms of primary production across the State. The cost to revenue is minimal.

This measure has the strong support of the South Australian Farmers Federation.

I commend this Bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be taken to have come into operation at midnight on 30 June 1999, being the relevant time for the assessment of land tax for the 1999-2000 financial year (*see* section 4(3) of the Act).

Clause 3: Amendment of s. 2—Interpretation

The definition of 'business of primary production' is to be amended to make specific reference to the intensive agistment of 'declared livestock', being cattle, sheep, pigs or poultry, or any other kind of animal prescribed by the regulations.

The definition of 'business of primary production' is relevant to the definition of 'land used for primary production'. Land used for primary production is exempt from the imposition of land tax.

Ms HURLEY secured the adjournment of the debate.

PETROLEUM BILL

The Hon. R.G. KERIN (Minister for Primary Industries, Natural Resources and Regional Development) obtained leave and introduced a bill for an act to regulate the exploration for, and the recovery or commercial utilisation of, petroleum and certain other resources; to repeal the Petroleum Act 1940; and for other purposes. Read a first time.

The Hon. R.G. KERIN: I move:

That this bill be now read a second time.

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

Leave granted.

Introduction

This Bill seeks to replace the *Petroleum Act 1940* for governing onshore petroleum exploration and development in South Australia. The intent of this Bill is to improve the confidence of all stakeholders in the ability of the resource industries, to which this Bill relates, to conduct their activities in a sustainable manner acceptable to the community.

The key objectives of this Bill are:

- To create an effective, efficient and flexible regulatory system for the exploration, recovery and commercial utilisation of petroleum and other resources to which this Bill applies, such as geothermal energy, and for the construction and operation of transmission pipelines for transporting petroleum and any other substances to which this Bill applies.
- To minimise environmental damage and protect the public from risks inherent in the activities covered by this Bill.
- To establish appropriate consultative processes involving people affected by the activities covered by this Bill.

The *Petroleum Act 1940* has not undergone a major review since it was proclaimed, although a number of amendments have been made from time to time. Over the past few years the regulatory philosophy underlying the *Petroleum Act 1940* has undergone extensive review. The need for this review was initiated through the recognition of advances in regulatory theory, increased rate of change of technology, changes to community expectations, in particular to environmental issues, and through competition policy reforms.

Regulatory Principles

To achieve its intent, this Bill establishes a new legislative regime grounded on six key principles, namely, certainty, openness, transparency, flexibility, practicality and efficiency. These principles are reflected in the 1993 Australian Manufacturing Council publication on best practice environmental regulation and through the 1995 recommendation of the council of the Organisation for Economic Cooperation and Development (OECD) on regulatory reform.

Public Consultation on Bill

The review of the *Petroleum Act 1940* was carried out through extensive public consultation, providing all stakeholders with the opportunity to have input into the establishment of this Bill and understanding of its underlying principles and philosophy. This consultation was undertaken through the public release of an Issues Paper in 1996, a Green Paper in 1997, an exposure draft of the Bill at the end of 1998 and a specific discussion paper on geothermal energy in April 1999. Subsequent to each release, many submissions were received from industry and non-industry stakeholders which were considered and in most cases accommodated in the final Bill. Throughout each phase of consultation a number of meetings were undertaken with various stakeholders to discuss their submissions in detail.

Key Features of Bill

The major improvements over the *Petroleum Act 1940* which this Bill achieves are:

- A more effective means for allocating and managing the rights to explore for and develop petroleum and other natural resources so as to promote and maximise competition.
- An extension to the resources administered by the existing Act to include geothermal energy, coal seam methane and underground gas storage.
- Greater security of title of petroleum rights through improved registration procedures and greater flexibility in the types of licences that can be granted.
- A regulatory regime designed to more effectively and efficiently set and achieve environment and public safety protection and security of natural gas supply objectives.
- Effective public consultation processes for the establishment of environmental objectives.
- Effective public reporting to provide all stakeholders with sufficient information on industry performance and government decision-making.
- Compulsory acquisition powers in relation to land where it is necessary to take such action to ensure the construction and operation of pipelines.
- A flexible regulatory approach which allows the selection of the most appropriate level of regulatory intervention and enforcement in order to ensure compliance with the regulatory objectives.
- An appropriate royalty return to the community of South Australia for the exploitation of its natural resources.

More specifically, this Bill makes these improvements through the following key provisions:

More Effective Allocation of Title Rights

This Bill seeks to ensure that title to regulated resources is granted in an open and fair manner and that the granting of rights to one regulated resource such as petroleum does not compromise the rights to another regulated resource such as geothermal energy.

Geothermal Energy Rights

Rights for geothermal energy have been included and are separated from the rights for other regulated resources. This allows for rights for geothermal energy and other regulated resources to be granted over the same area. Such overlapping titles mitigate any anti-competitive behaviour where for example one title holder, whose sole interest may be to exploit petroleum resources, denies other interested parties of access to geothermal energy resources. Concern over the potential for this type of anti-competitive behaviour was raised by a number of submissions made on the exposure draft of the Petroleum Bill.

Exploration & Production Acreage

This Bill makes provisions for the granting of smaller exploration tenements over shorter terms than under the existing Act. This facilitates greater competition for exploration acreage within any given basin by opening areas up to a greater number of interested parties and by the faster turnover of exploration acreage. These provisions are consistent with the key recommendations of the CoAG/ANZMEC Upstream Issues Working Group in relation to ensuring greater competition for acreage through appropriately sized blocks, greater transparency of administration and faster turnover of acreage in light of basin maturity and prospectivity.

Reinforcing this recommendation is also the provision in this Bill for confining the area of production licenses to twice the size of the area underlain by proven and probable reserves of petroleum. The existing Act provides that significantly larger areas can be awarded in certain circumstances, including areas which are more appropriately made available for exploration or held under Retention Licence.

Commerciality Test

This Bill attempts to provide greater objectivity in the granting of Production Licences (Part 6). Under the provisions of the existing legislation the potential for subjective interpretation of what constitutes sufficient quantity and quality of petroleum production in the granting of a Production Licence can create uncertainty in the grant or refusal of a licence. This can also potentially delay granting of new exploration licences in highly prospective areas. The Bill addresses this issue but does not detract from the court's final determination powers of the granting of such rights.

Improved Security of Title

One of the major fundamental requirements in any free market society is the need for the establishment of secure property rights to allow individuals and corporations to effectively and efficiently operate and trade within such a society. As under the existing Act, this Bill provides for the allocation of

secure title through its provisions for the granting of licences which give exclusive rights to:

(a) Explore for regulated resources (Exploration Licence, Part 4).

(b) Use, produce or extract a regulated resource (Production Licence, Part 6).

(c) Construct and operate a transmission pipeline (Transmission Pipelines, Part 8).

However, improvements to security of title provided for under this Bill are as follows:

Improved Title Registration Procedures

As with the allocation of other property rights, licences proposed under this Bill provide essential sovereignty to industry to carry out activities with certainty and security to effectively exploit the relevant resource. The general thrust of allocating secure title under this Bill remains consistent with that provided for under the existing Act but with added improvement to the title registration procedures (Part 13) for any dealings such as transactions or agreements made in relation to the interests and rights conferred by a licence. By requiring such dealings to be approved and registered before legally taking affect, rather than simply taking affect through approval only, provides for greater security of title than in the existing Act.

Associated Facility Licence

In some cases a holder of an exploration or production licence may be denied surface access to the area relating to the licence due to the environmental sensitivity of the area or as a result of the existence of infrastructure or facilities of existing land users. In these cases, the ability to access the regulated resource and therefore the security of title for the resource could be severely infringed. To alleviate the potential for this situation, without infringing on either the values of the sensitive environment or the legal rights of the existing land users, this Bill introduces a new licence known as an Associated Facilities Licence (AFL). An AFL gives the right to the licensee to access or process the regulated resources within the licence area from an area of land covered by the AFL which will be located outside the licence area containing the regulated resource.

Retention Licence

A Retention Licence provides an exploration licensee with security of title over currently non-commercial discoveries for a reasonable period of time until they become commercial. Such a licence provides added security and certainty for the resource industries covered by this Bill.

More Flexible Licensing Regimes

Experience has shown that it is more efficient and appropriate to have a number of different types of licences available and appropriate to the level of activities undertaken. Therefore, in addition to Exploration and Production Licences and the Associated Facility and Retention Licences discussed above, this Bill offers the following types of licences which enable licensees to undertake necessary incidental activities.

- Preliminary Survey Licence, authorises a licensee to survey or evaluate land in preparation of carrying out activities. Such a licence allows licensees to more optimally apply for Associated Facility and Pipeline Licences.
- Speculative Survey Licence, gives a licensee who is not in the business of discovering and producing resources but is in the business of acquiring and selling exploration data to bona fide explorers, the right to acquire such data. This type of licence leads to greater acquisition of exploration data and therefore greater exploration investment.

Improved Environmental and Public Safety Outcomes

The Bill requires that practical and measurable environmental objectives are established and approved by the Minister for all regulated activities governed by this Bill. This Bill proposes the adoption of a broad definition of environment which includes its natural, economic, social and cultural aspects. This definition has been prepared taking into account the principles of ecological sustainable development and the definition used in the *Environment Protection Act 1993*.

To ensure better understanding by other stakeholders of the environmental objectives, this Bill provides for the requirement that the environmental objectives and the criteria upon which their achievement will be assessed will be established through a process of stakeholder consultation.

Subsequent to the completion of the stakeholder consultation process, a Statement of Environmental Objectives (SEO) will be prepared and approved by the Minister (Part 12). The SEO upon approval, becomes a publicly available document open for the use and scrutiny of all stakeholders. The statement of environmental objectives must include:

- The environmental objectives that must be achieved by the regulated activities; and
- The criteria to be used to measure and assess the achievement of the environmental objectives.

It is these key features of the statement of environmental objectives that provide certainty to all stakeholders on what is required of the licensee in terms of its environmental performance. Also by requiring measurement criteria, ensures that each objective is measurable and practical in terms of being achieved. These objectives and measurement criteria will be reviewed every three years.

Stakeholder Consultation

This Bill has an effective and efficient stakeholder consultation process. This process is one of the major improvements made to the existing Act and one of the key features of this Bill.

1) On the basis of an activity's environmental impact report and publicly declared criteria the Minister will determine the level of environmental significance of a proposed activity. Subject to the level of environmental significance determined, the Minister will then classify the activity as either low, medium or high impact.
2) For low impact activities the Statement of Environmental Objectives (SEO) for such an activity will be established and approved through a consultation process with all government agencies which have an interest. Broader stakeholder consultation (ie. public) will not be required for low impact activities because as such activities will be carried out in areas where the environmental consequences are well understood and manageable to a degree where the consequences can be either avoided or confined to be small or of very short term.
3) In the case of a medium impact activity, the SEO will be established and approved through a public consultation process, similar to the Public Environmental Report (PER) process under the *Development Act 1993*. Basically, this involves a 30 business day public review and submission period on the environmental impact report and the proposed SEO.
4) Where an activity is classified as high impact, it will be referred to the Department of Transport and Urban Planning for Environment Impact Statement assessment (EIS) under Part 8 of the *Development Act 1993*.

Effective Public Reporting and Transparency

The environmental performance of licensees—measured and reported against the environmental objectives and measurement criteria outlined in the approved statement of environmental objectives—will be made available for public scrutiny on an environmental register. This public register is a requirement under this Bill and it is to be established and maintained by the Department responsible for this legislation. Public disclosure of such information which is not provided for under the *Petroleum Act 1940* is considered essential for establishing community confidence in both the industry and the regulatory process.

Licence Awarding

This Bill provides for a more transparent process for awarding licences than is provided for under the existing Act. It achieves this through the following provisions:

(a) Gazettal notices inviting exploration licence applications in certain defined cases, which will also state the criteria upon which licence applications will be evaluated.

(b) Gazettal of a statement outlining the basis upon which the successful exploration licence applicant was selected where invitations were sought, and details of the successful applicant's work program.

(c) Notifying unsuccessful exploration licence applicants of the reasons for the rejection of their application.

(d) Gazettal of any variation or reduction made to any exploration work program granted through the competitive tender process.

Activity Approval and Environmental Assessment

In relation to activity environmental assessments and approvals the following will also be publicly disclosed on the environmental register:

- the criteria upon which the Minister will determine and classify the level of environmental impact of a proposed activity;

- the details of the Minister's classification of each activity proposal; and
- copies of every activity environmental impact report.

Security of Natural Gas Supply

In light of the recent adverse effects on the public interest resulting from the Longford gas plant incident in Victoria, this Bill introduces provisions to clarify licensee accountability for security of gas supply.

Access to Land for Pipelines

This Bill makes provisions for the Minister to approve the compulsory acquisition of land under the *Land Acquisition Act 1969* where the land is needed for the construction of pipelines.

Flexible Regulatory Approach

To accommodate for varying levels of internal commitment by companies in complying with the regulatory requirements, this Bill introduces a flexible degree of regulatory intervention. The degree of regulatory intervention is selected on an activity and individual company basis. The level of intervention chosen will be dependant on the degree to which a company demonstrates its competence in achieving compliance through the implementation of effective internal management systems and processes.

Low Supervision Activities

Activities for which a licensee demonstrates a high level compliance culture—ability to comply with the legislation—will be classified as low supervision. For these activities the regulatory role will basically involve establishing the environmental objectives in consultation with other stakeholders; monitoring the achievement of the objectives; facilitating the reporting of company performance against those objectives to other stakeholders; and enforcement of company compliance when needed.

High Supervision Activities

Activities where a licensee cannot demonstrate a high level of compliance will be classified as high supervision. For high supervision activities in addition to establishing, monitoring and enforcing company performance against the environmental objectives, the regulator will also need to assess and monitor on an activity basis the likelihood of the licensee achieving the regulatory objectives and take appropriate corrective action if required.

As a result of classifying activities as either low or high supervision, the most cost effective level of regulatory intervention needed to ensure compliance can be selected on a company by company basis. To reflect the lower costs to the regulator needed to enforce compliance of low supervision activities, the Bill allows for up to a 50 per cent reduction on annual licence fees for such activities. It must be stressed however, that regardless of the level of supervision, the primary regulatory focus is on the achievement of the objectives as documented in the statement of environmental objectives, and only in the case of high supervision activities does the regulatory focus also extend to the practices and procedures adopted by the company to achieve the objectives.

Administrative Penalty System

The new regulatory practice embodied in this Bill provides for industry to report on its performance and to provide geological and geophysical data it has obtained. It is crucial to the efficient operation of the new regulatory system that these reports are made. Many of the reports are crucial in assessing the safety of the environment and the public. To ensure that such crucial administrative acts are treated by the industry with the required degree of diligence the Bill proposes to establish a new type of penalty, called an administrative penalty.

This type of penalty does not require prosecution through the courts. In concept, these penalties are similar to the fine expiation system, and are only levied where there is a clear cut default such as failing to provide information or reports within specified time frames. The penalty for a particular provision will be set by regulation. A penalty will not exceed $10 000 or, in the case of a daily penalty, $1 000 per day. A daily penalty may be applied in cases where a contravention is of a continuing nature.

The imposition of an administrative penalty is reviewable through a right of appeal to the Administrative and Disciplinary Division of the District Court under Part 15 of the Bill.

Fair Royalty Return to Community

The Bill seeks to ensure that a fair return is realised by the community from the exploitation of its natural resources. Contrary to the proposal in the exposure draft of the *Petroleum Bill (1998)*, it is considered that it is currently not an opportune time to raise the royalty rate applied to the upstream petroleum industry in South Australia. This conclusion was reached for the following reasons:

- Strong opposition from industry to the proposed increase, citing the potential detrimental effect such an increase would have on exploration investment in South Australia.
- The potential for putting South Australia at a competitive disadvantage to other states in relation to upstream petroleum industry investment where other states continue to adopt a 10 per cent royalty rate.
- The impact on gas consumers resulting from the flow on effect of the royalty increase to the gas price.
- The potential for additional costs associated with Native Title to be incurred by new explorers and producers.
- Restructuring within the gas industry brought about by competition reform initiatives.

Geothermal Royalty Rates

Geothermal energy is also to be administered under this Bill and will require extensive technical and economic assessment to establish its feasibility as a viable energy source. Therefore to provide an opportunity for the commercial development of this energy resource it was decided that the royalty rate for geothermal energy in this Bill be set at 2.5 per cent.

Conclusions

In conclusion, this Bill creates a regulatory framework very much in line with the OECD regulatory reform agenda and designed to provide for ecologically and economically sustainable development of the upstream petroleum industry. The Bill, being the culmination of extensive community consultation through the release of the Issues Paper, Green Paper plus in 1998 an exposure draft of the Bill, also reflects the sentiments and concerns of stakeholders to a significant degree.

Community support for the petroleum and other industries to which this Bill pertains is central to ensuring an attractive business environment for responsible natural resource exploration and development to enhance the future wealth and well being of all South Australians.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation.

Clause 3: Objects of Act

The objects of the measure include to create an effective regulatory system for the recovery of petroleum and other resources, to encourage and maintain an appropriate level of competition in the relevant industries, to create an effective regulatory system for the construction and operation of transmission pipelines and to minimise environmental damage from various activities within the ambit of the Act.

Clause 4: Interpretation

This clause sets out the various definitions required for the purposes of the measure.

Clause 5: Rights of the Crown

The property in petroleum and other regulated resources is vested (or continues to be vested) in the Crown. Property will pass to a person who lawfully produces petroleum or some other regulated substance.

Clause 6: Administration

The Minister will have the general administration of the Act.

Clause 7: Delegation

The Minister will be able to delegate a power or function of the Minister under the Act. A delegation does not prevent the exercise of a delegated power or function by the delegator. Notice of a delegation or authorised subdelegation, or of any variation or revocation, will be published in the *Gazette*.

Clause 8: Appointment of authorised officers

The Minister will appoint authorised officers under the Act.

Clause 9: Identity cards

Each authorised officer will have an identity card issued by the Minister.

Clause 10: Regulated activities

The Act will control regulated activities, which are defined by this clause as being exploration, operations to establish the nature and extent of a discovery and the commercial feasibility of production and appropriate production techniques, actual production, the utilisation of a natural reservoir for storage purposes, production of geothermal energy, the construction of a transmission pipeline, or the operation of a transmission pipeline.

Clause 11: Requirement for licence

A licence is required to engage in a regulated activity.

Clause 12: General authority to grant licence
The power to grant a licence will be vested in the Minister.

Clause 13: Licence classes
There will be seven classes of licence, being preliminary survey, speculative survey, exploration, retention, production, pipeline and associated facility.

Clause 14: Preliminary survey licence
A preliminary survey licence authorises the licensee to carry out a survey, environmental evaluation or other form of assessment preparatory to carrying out a regulated activity on land. The rights under this form of licence are not exclusive.

Clause 15: Term of preliminary survey licence
The term of a preliminary survey licence is one year and the licence may be renewed from time to time up to a maximum aggregate term of five years.

Clause 16: Designation of highly prospective regions
The Minister will be able to designate parts of the State as highly prospective regions. A designation will be able to be made in relation to specified regulated resources.

Clause 17: Speculative survey licence
A speculative survey licence authorises the licensee to carry out specified exploratory operations in the licence. The rights under this form of licence are not exclusive.

Clause 18: Area of speculative survey licence
A speculative survey licence may be granted for one or more separate areas. However, the total area covered by a licence cannot exceed 10 000km^2.

Clause 19: Term of speculative survey licence
The term of a speculative survey licence is one year and the licence may be renewed from time to time.

Clause 20: Consultation preceding grant or renewal of speculative survey licence
An applicant for a speculative survey licence that will include an area within an existing licence will be required to consult with the existing licensee.

Clause 21: Exploration licence
An exploration licence will be granted to carry out exploratory operations, and operations to establish the nature and extent of a discovery and the feasibility and appropriate method of production. The holder of a licence will, subject to the Act, have an entitlement to a retention licence or a production licence for a regulated resource discovered in the licence area.

Clause 22: Call for tenders
The Minister will be required to call for tenders for an exploration licence in certain specified cases. A call for tenders must state the criteria by reference to which applications are to be evaluated.

Clause 23: Criteria to be considered for granting exploration licence
On an application for the grant of an exploration licence, the Minister will be required to have regard to the applicant's proposed work program, the applicant's technical and financial resources, and any stated criteria if applications have been invited by public advertisement.

Clause 24: Areas for which licence may be granted
An exploration licence may be granted for one or more separate areas.

Clause 25: Work program to be carried out by exploration licensee
The holder of an exploration licence will be required to carry out a work program approved by the Minister.

Clause 26: Term and renewal of exploration licence
The term of an exploration licence is five years. A licence may be granted on terms under which the licence may be renewed for a further one or two terms, but a licence granted for a highly prospective region cannot be renewed more than once. A specified area of a licence must be relinquished on a renewal.

Clause 27: Production of regulated resource under exploration licence
The holder of an exploration licence will be able to produce a regulated resource from a well in order to establish the nature and extent of a discovery. However, Ministerial approval will be required if production from a well is to exceed 10 days in aggregate.

Clause 28: Nature and purpose of retention licence
A retention licence is to protect certain interests of a licensee in order to allow the proper evaluation of the production potential of a resource, or the carrying out of work necessary to bring a discovery to commercial production.

Clause 29: Retention licence
This clause describes the authority conferred by a retention licence.

Clause 30: Grant of retention licence
This clause sets out the matters that must be satisfied before a retention licence can be granted. The existence of a discovery will need to be demonstrated by the drilling of at least one well. Commercial production must be more likely than not within 15 years.

Clause 31: Area of retention licence
The area of a retention licence must not exceed twice the area under which the discovery is likely to extend and must not exceed 100 km^2.

Clause 32: Term of retention licence
The term of a retention licence is five years. A retention licence may be renewed from time to time, but only while the Minister remains satisfied that production is more likely than not to become commercially feasible within the next 15 years.

Clause 33: Work program to be carried out by retention licensee
A retention licence may include a mandatory condition requiring the carrying out of a work program.

Clause 34: Production licence
A production licence authorises production operations, the processing of substances recovered in the licence area, operations for the use of a natural resource for storage of a regulated substance, and operations for the extraction or release of geothermal energy. A production licence also authorises (subject to its terms) a licensee to carry out other regulated activities within the licence area.

Clause 35: Grant of production licence
This clause sets out the matters that must be satisfied before a production licence can be granted. An applicant must be the holder (or former holder) of an exploration or retention licence over the relevant area. Production must be commercially feasible, or more likely than not to become commercially feasible within the next 24 months. If no person is entitled to the grant of a licence under the general criteria, the Minister will be entitled to grant a licence to an applicant if satisfied that a regulated resource has been discovered in the relevant area and production is commercially feasible, or is more likely than not to be commercially feasible within the next 24 months.

Clause 36: Power to require holder of exploration licence or retention licence to apply for production licence
The Minister will be able to require the holder of an exploration licence or a retention licence to progress to a production licence if the Minister considers that production is commercially feasible. If application for a production licence is not made within a specified time, the Minister may grant a production licence to someone else.

Clause 37: Area of production licence
The area of a production licence must not exceed twice the area under which the discovery is more likely than not to extend and not more than 100 km^2.

Clause 38: Work program to be carried out by production licensee
The holder of a production licence may be required to carry out a work program approved by the Minister.

Clause 39: Requirement to proceed with production
The holder of a production licence must proceed with production with due diligence and in accordance with the conditions of the licence.

Clause 40: Term of production licence
The term of a production licence is unlimited.

Clause 41: Cancellation or conversion of production licence where commercially productive operations are in abeyance
The Minister will be able to convert a production licence into a retention licence, or cancel a production licence, if productive operations have not been carried out on a commercial basis under the licence for 24 months or more. However, the Minister will be required to give a licensee a reasonable opportunity to make submissions about the matter before taking action under this provision.

Clause 42: Unitisation of production
This clause sets out a scheme for unitisation where a natural reservoir extends beyond the area of a production licence into an area covered by an exploration, retention or production licence held by another person.

Clauses 43 and 44
These clauses set out provisions relating to the imposition, calculation and payment of royalty.

Clause 45: Rights conferred by pipeline licence
A pipeline licence will authorise the licensee to operate the transmission pipeline to which it relates. A licence may also authorise construction. A pipeline licence must be held by a body corporate.

Clause 46: Term and renewal of pipeline licence

The term of a pipeline licence is 21 years or a lesser term agreed between the licensee and the Minister.

Clause 47: Alteration of pipeline

A pipeline will only be able to be modified in certain cases.

Clause 48: Ministerial power to require access to pipeline

The Minister will be able to require the holder of a pipeline licence to convey a regulated substance for another person on terms and conditions agreed between the parties or, in default of agreement, by the Minister. This access scheme will not apply in a case where access is governed by another law.

Clause 49: Acquisition of land by holder of pipeline licence

The holder of a pipeline licence must have or obtain pipeline land reasonably required for the purposes of the pipeline.

Clause 50: Pipeline easements

An easement for a pipeline is an easement in gross that does not depend on the existence of a dominant tenement.

Clause 51: Compulsory acquisition of land for pipeline

The Minister will be able to authorise the holder of a pipeline licence to acquire land compulsory under the *Land Acquisition Act 1969* if the Minister is satisfied that the holder of the licence reasonably requires the land (apart from the interest conferred by the licence) and that the holder has been unable to acquire the land by agreement after making reasonable attempts to attempt to do so.

Clause 52: Pipeline to be chattel

A pipeline will be taken to be a chattel (ie., not forming part of the land).

Clause 53: Inseparability of dealings with pipeline and pipeline land

A pipeline will not be able to be dealt with separately from the pipeline land, unless the Minister consents.

Clause 54: Resumption of pipeline

The Minister may proceed to resume a pipeline and pipeline land if the pipeline is not used for the transportation of a regulated substance for a continuous period of three years. The Minister must give notice of an intended resumption to all interested persons.

Clauses 55, 56, 57 and 58

These clauses provide for the granting of associated facilities licences. An associated facility licence authorises the holder of the licence to establish and operate certain facilities on land outside the area of the primary licence and may confer various rights of access. A licence may, in an appropriate case, be granted over the area comprised within the area of another licence.

Clause 59: Right of entry to land

A licensee may enter land to carry out an authorised activity, or to gain access to adjacent land on which the licensee proposes to carry out authorised activities.

Clause 60: Notice of entry on land

A licensee must give at least 21 days notice before entering land under the Act. Once notice of entry has been given, a further notice for re-entry is not necessary unless the activities to be carried out differ significantly, in nature or extent, from previously notified activities.

Clause 61: Disputed entry

An owner who has a right to exclusive possession of land (other than a lessee under a pastoral lease) may object to a proposed entry by notice of objection given within 14 days after the licensee's notice of entry. The Minister may attempt to mediate between the parties to arrive at a mutually satisfactory outcome. The Warden's Court has jurisdiction to resolve any outstanding dispute.

Clause 62: Landowner's right to compensation

The owner of land is entitled to compensation for deprivation or impairment of the use of enjoyment of land, damage to land that is not made good by a licensee, damage to or disturbance of any business or activity lawfully conducted on land, and any consequential loss. Compensation is not to be related to the value or possible value of regulated resources contained in the land.

Clause 63: Right to require acquisition of land

If the owner's use and enjoyment of land is substantially impaired by the activities of the licensee, the owner may apply to the relevant court (*see* clause 4) for an order transferring the land to the licensee and requiring the payment of the market value of the land and compensation for disturbance.

Clause 64: Application for licence

This clause sets out the requirements for making an application for a licence, or for the renewal of a licence, under the Act.

Clause 65: Preconditions of grant or renewal of licence

A licence may be granted on condition that an executed licence is returned to the Minister within a specified period. The Minister may require than an applicant give security (of a kind and amount acceptable to the Minister) for the satisfaction of obligations arising under the Act or a licence.

Clauses 66, 67, 68, 69 and 70

Under these clauses a scheme will be established under which exploration, retention and production licences will be granted either in relation to a source of geothermal energy, or in relation to all regulated resources (*see* clause 4) other than geothermal energy. Two licences will then be compatible if one licence relates to a source of geothermal energy and another does not. Compatible licences may be granted in relation to the same area; licences that are not compatible may not be granted in relation to the same area.

Clause71: Mandatory conditions

A licence will include any conditions designated by the measure as mandatory conditions.

Clause 72: Mandatory condition as to use of information etc.

It will be a mandatory condition that a licensee authorises the Minister to use information and records provided under the Act, and to disclose information and records as authorised by the regulations.

Clause 73: Classification of activities to be conducted under licence

Regulated activities are to be classified as activities requiring high level official supervision or activities requiring low level official supervision. It will be a mandatory condition that the Minister's written approval is required for activities requiring high level official supervision and that notification is required of activities requiring low level official supervision in accordance with the requirements of the conditions or the regulations.

Clause 74: Discretionary conditions

The Minister will also be able to impose other conditions in relation to a licence.

Clause 75: Non-compliance with licence conditions

It will be an offence to fail to comply with a condition.

Clause 76: Annual fee

An annual fee must be paid by a licensee. The fee will be calculated in accordance with a prescribed scale.

Clause 77: Access to natural reservoir

This clause sets out a scheme to enable access to a natural reservoir for the storage of a regulated resource.

Clause 78: Grant, resumption etc. of Crown and pastoral land

Unalienated Crown land may be granted to the holder of a licence on the recommendation of the appropriate Minister.

Clause 79: Multiple licensees

The multiple holders of a licence are jointly and severally liable for the obligations of the licensee under the Act.

Clause 80: Consolidation of licence areas

Adjacent licence areas may be consolidated unto a single licence area.

Clause 81: Division of licence areas

A licence area may be divided into separate areas and made subject to separate licences.

Clauses 82, 83 and 84

These clauses set out various recording and reporting requirements.

Clause 85: Activities to be carried out with due care and in accordance with good industry practice

A licensee has a general duty to carry out regulated activities with due care for the health and safety of persons, the environment and, where relevant, the security of natural gas supply, and in accordance with good practice as recognised in the relevant industry.

Clause 86: Ministerial direction

The Minister will be able to require a licensee to carry out an obligation under the Act or the licence, or to cease activities that are contrary to the Act or the licence.

Clauses 87, 88 and 89

A licence may be surrendered, suspended or cancelled in certain circumstances.

Clause 90: Notice to be published in the Gazette

Notice of the grant, surrender, suspension or cancellation of a licence will be published in the *Gazette*.

Clause 91: Obligation not to interfere with regulated activities

It will be an offence to interfere with regulated activities conducted under a licence (except as authorised by the measure).

Clause 92: Safety net

The Minister will be able to enter into an agreement to give a licensee a preferential right to the grant of a new licence if the licence is found to be invalid due to circumstances beyond the control of the licensee.

Clause 93: Object of this Part

The object of the environmental protection provisions is to ensure that any adverse effects on the environment from regulated activities

are properly managed to reduce environmental damage and to eliminate risk of significant long term environmental damage.

Clause 94: Pre-conditions of regulated activities

Any regulated activities must be the subject of a statement of environmental objectives, prepared on the basis of an environmental impact report, under this Act, or the subject of an environmental impact assessment under Part 8 of the *Development Act 1993*.

Clause 95: Environmental impact report

An environmental impact report will be prepared in accordance with the regulations.

Clause 96: Classification of regulated activities

Activities to which a report relates will be classified as low, medium or high impact activities. The classification will be made on the basis of the report and established criteria.

Clauses 97, 98, 99, 100, 101 and 102

A statement of environmental objectives must be prepared in relation to any regulated activities classified as low or medium impact activities. A statement will include a statement of the criteria to be applied to determine if the objectives are being met and conditions and requirements to be complied with in order to achieve the objectives. A scheme for public consultation on a statement will apply if the activities are medium pact activities. A licensee will be required to comply with a statement of environment objectives relevant to the activities carried out under the licence.

Clause 103: High impact activities

High impact activities must be referred for assessment under Part 8 of the *Development Act 1993*.

Clause 104: Environmental register

An environmental register will be maintained for the purposes of the Act.

Clause 105: Environmental register to be available for inspection

The register will be available for public inspection.

Clauses 106, 107, 108 and 109

The Minister will be able to direct a licensee to take action to prevent or minimise environmental damage. An urgent direction may be given by an authorised officer. The rehabilitation of land may also be required. A right of review will vest in the ERD Court.

Clause 110, 111 and 112

Certain dealings will require registration. These dealings will not be able to take effect until approved by the Minister and registered.

Clauses 113, 114, 115 and 116

The Minister will maintain registers for the purposes of this Act.

Clauses 117, 118, 119, 120 and 121

An authorised officer will be able to carry out various investigations and exercise various powers for the purposes of the Act. Various records may be required to be produced. The Minister will be able to publish a report setting out the results of an authorised investigation.

Clause 122: Decisions etc. subject to review and appeal

Various decisions and other acts will be reviewable under the Act.

Clause 123: Application for reconsideration

An application for review will be made to the Minister.

Clause 124: Constitution of advisory committee

The Minister will, on receiving an application, but subject to this clause, constitute an advisory committee to advise on whether the decision or act should be altered or revoked.

Clause 125: Minister's decision on application for reconsideration

The Minister must consider any advice of an advisory committee but is not bound by that advice.

Clause 126: Right of appeal

A right of appeal will lie to the District Court against a decision of the Minister on an application for review.

Clause 127: Giving of notices

Notices may be given under the Act personally or by post, or by fax transmission or E-mail.

Clause 128: Verification of information

The Minister may require that information given to the Minister under the Act be verified by a signed declaration.

Clause 129: Saving of powers with respect to Crown land etc.

The measure does not limit the power of the Crown to otherwise deal with or dispose of land. However, any such action will be subject to rights earlier conferred under the Act.

Clause 130: Immunity from liability

No personal liability will attach to the Minister or an authorised officer.

Clause 131: Proof of administrative acts

The Minister may prove an act by certificate.

Clause 132: Extension of time limits

The Minister may extend a time limit under the Act.

Clause 133: Secrecy

A person involved in the administration of the Act must observe various obligations with respect to the disclosure of confidential information.

Clause 134: Administrative penalties

This clause establishes an administrative penalty scheme for the purposes of certain provisions of the Act.

Clause 135: Preservation of rights under Cooper Basin (Ratification) Act 1975

The legislation will not affect rights conferred by the *Cooper Basin (Ratification) Act 1975*.

Clause 136: Regulations

The Governor will be able to make various regulations.

SCHEDULE

The *Petroleum Act 1940* is to be repealed. Licences under that Act will continue under the new Act.

Ms HURLEY secured the adjournment of the debate.

BARLEY MARKETING (MISCELLANEOUS No. 2) AMENDMENT BILL

The Hon. R.G. KERIN (Minister for Primary Industries, Natural Resources and Regional Development) obtained leave and introduced a bill for an act to amend the Barley Marketing Act 1993. Read a first time.

The Hon. R.G. KERIN: I move:

That this bill be now read a second time.

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

Leave granted.

This Amendment Bill has two purposes:

(1) To permit authorised receivers to be able to buy or sell barley, effective in the 1999 harvest; and

(2) To explicitly exclude seed from the marketing authority provided by the Barley Marketing Act.

The *Barley Marketing Act 1993* was substantially amended, in early 1999, to finalise deregulation of domestic barley markets and to restructure the Australian Barley Board into grower owned companies ABB Grain Limited and ABB Grain Export Limited.

The amended Act provides that ABB Grain Export Limited may appoint authorised receivers that may receive and hold barley, and that delivery of barley to an authorised receiver is, for the purposes of the Act, delivery to the ABB.

Since the Act achieves a single desk export mechanism by restricting delivery of barley to the ABB, the appointment of authorised receivers is necessary.

However, the Act also prohibits an authorised receiver without, the written approval of ABB Grain Export Ltd, from having a direct or indirect interest in a business involving the buying or selling of barley or in a body corporate carrying on such a business.

This provision that prohibits authorised receivers from engaging in buying or selling barley has been in the Act for several years and originated in relation to separate legislation (the Bulk Handling of Grain Act) that provided for the South Australian Cooperative Bulk Handling (SACBH) to be the only entity that could receive and store grain.

The Bulk Handling of Grain Act was repealed in 1998.

During the review of the Barley Marketing Act in 1997 and 1998 there was an extended period for public comment, during which there were no concerns raised over the issue of this prohibition of authorised receivers buying or selling barley.

After the amended legislation had passed the House of Assembly in March 1999 and just before it was introduced into the Legislative Council in May 1999, SACBH requested removal of the provision of the Act that prohibited authorised receivers from trading in barley.

The Government consulted with SACBH, the South Australian Farmers Federation Grains Council and the then Australian Barley Board in May 1999, and proposed to amend the Barley Marketing Act after the Board had been restructured into grower-owned companies on 1 July 1999 and the resulting equity had been distributed to growers, and before the beginning harvest of the 1999/2000 crop in October 1999.

The changes proposed in this Amendment Bill will permit SACBH, or any other authorised handler, to be able to trade barley

on the domestic market and for certain niche export markets beginning in the 1999-2000 crop season.

Due to potential conflicts between the Act and the Commonwealth Plant Breeders Rights Act 1994, as raised in court cases originating in Western Australia, the Crown Solicitor has advised that, at the first convenient opportunity, seed should be explicitly excluded from marketing authority provided by the Act.

Excluding seed from the marketing authority provided by the Act is intended to ensure that ABB Grain Export Ltd (successor to the Australian Barley Board and sole export authority under the Act) can export barley without violating the rights of owners of barley varieties under the Commonwealth PBR Act.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Amendment of s. 33—Delivery of barley

This clause amends section 33 of the principal Act which prohibits the sale or delivery of barley for export to a person other than ABB Grain Export Ltd. The clause adds an exception to the section excluding from the application of the section propagating material of a plant variety covered by a plant breeder's right under the Commonwealth *Plant Breeder's Rights Act 1994* if it is sold, delivered or purchased for a purpose involving the production or reproduction of the propagating material.

Clause 3: Amendment of s. 35—Authorised receivers

This clause amends section 35 of the principal Act which provides for the appointment by ABB Grain Export Ltd of authorised receivers to receive barley for the company. The clause removes from the section a restriction contained in subsection (5) under which an authorised receiver must not have a direct or indirect interest in a business involving the buying or selling of barley.

Ms HURLEY secured the adjournment of the debate.

BUILDING WORK CONTRACTORS (GST) AMENDMENT BILL

The Hon. I.F. EVANS (Minister for Industry and Trade) obtained leave and introduced a bill for an act to amend the Building Work Contractors Act 1995. Read a first time.

The Hon. I.F. EVANS: I move:

That standing orders be so far suspended as to enable the bill to pass through its remaining stages without delay.

Motion carried.

The Hon. I.F. EVANS: I move:

That this bill be now read a second time.

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

Leave granted.

Although the GST is a tax to be paid by suppliers of goods and services, the GST is to be cost neutral to business. The GST legislation is structured to allow parties to a contract to negotiate the effect of the GST on the contract price.

However, unlike other industries where contractual arrangements for variations are not constrained by statute, contracts for domestic building work are constrained by the effects of section 29 of the *Building Work Contractors Act* and the limited areas for price review prescribed by that Act.

Two leading building industry associations have approached the Government about the effect of the GST on domestic building work contracts in South Australia.

The *Building Work Contractors Act* requires domestic building work contracts to be fixed price contracts, contracts which contain a rise and fall clause in relation to the price of materials and labour only, or cost plus contracts limited to the actual costs of materials and labour plus an additional amount of up to 15 per cent.

Legal advice provided to industry organisations and advice provided by the Crown Solicitor is that section 29 of the *Building Work Contractors Act* may limit the ability of builders to pass on the effect of the GST.

Legislation in other States regarding domestic building work contracts takes a variety of forms. GST is only an issue in those States which have legislation affecting rise and fall or cost escalation clauses. It is understood that Victoria and Queensland can deal with the issues which arise from the GST administratively, and both States are in the process of making the necessary regulatory changes. Western Australia has received legal advice that no change is necessary to their Act.

In view of the foregoing, it has been determined that the *Building Work Contractors Act* should be amended. The amendments permit the inclusion of a GST clause in a domestic building work contract to enable the builder to recover the GST paid or payable on goods or services supplied under the contract. Specific provision is also included to ensure that the matter of the potential for GST increases is drawn to the attention of the other party to the contract.

I commend this bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Amendment of s. 3—Interpretation

This clause inserts a definition of GST into the interpretation provision of the principal Act for the purposes of the amendments to section 29.

Clause 3: Amendment of s. 29—Price and domestic building work contracts

After the introduction of GST on 1 July 2000, fixed price contracts will need to incorporate the GST component within the fixed price.

The amendment to section 29 allows a building work contractor to include a clause in a domestic building work contract (other than such a fixed price contract) entitling the contractor to recover the GST paid or payable by the contractor on the supply of goods and services under the contract.

If a GST clause is included in a contract, the contract must make it clear that the contract price may or will increase to cover GST.

Ms HURLEY (Deputy Leader of the Opposition): I understand that the position in South Australia is that a contract for building work requires a fixed price contract with a rise and fall clause for certain costs up to an additional amount of 15 per cent. This mandatory contract does not allow for the GST cost to be passed on from the builder to the person building the house. The nature of the industry is such that, very shortly, contracts will be written for next year when the GST comes into effect. Therefore, this provision is required to allow builders to take account of that. There is specific provision in this bill for notification of both parties to the contract of what is required and what the GST cost will be.

The opposition supports this bill. It is an obvious requirement to meet the new GST regime. I understand that in other states there are administrative provisions but in South Australia the amendment needs to be made in law, and the opposition concurs with that.

The Hon. I.F. EVANS (Minister for Industry and Trade): I thank the honourable member for her well researched and considered speech.

Bill read a second time and taken through its remaining stages.

THE CARRIERS ACT REPEAL BILL

Second reading.

The Hon. I.F. EVANS (Minister for Industry and Trade): I move:

That this bill be now read a second time.

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

Leave granted.

In 1995 the Council of Australian Governments ('COAG') entered into three intergovernmental agreements to facilitate the implementation of national competition policy objectives. One of these agreements was the *Competition Principles Agreement*. As part of their obligations under this agreement, State governments undertook to review all existing legislation that restricts competition. The

Office of Consumer and Business Affairs ('OCBA') has reviewed the *Carriers Act 1891* (SA) as part of this process.

The guiding principle is that legislation should not restrict competition unless it can be demonstrated that:

- the benefits of the restriction to the community as a whole outweigh the costs; and that
- the objects of the legislation can only be achieved by restricting competition.

A review panel consisting of staff of the Office of Consumer and Business Affairs was formed in September 1998 to undertake this Review.

The *Carriers Act 1891* provides a framework for limiting the liability of common carriers, stagecoach proprietors and mail contractors (collectively known as "carriers") for the carriage of a limited number of goods specified in the Act, including, for example, paintings, pictures, glass, lace, furs, maps, title deeds, engravings and stamps.

Common carriers are considered by the common law to be those who hold themselves out as ready, without discrimination, to carry the goods of all persons who choose to employ them or send goods to be carried.

Common carriers must be distinguished from private carriers, to whom the Act does not apply. If a carrier reserves the right to choose from among those who send goods to be carried, then they are generally a private carrier and not a common carrier, and this appears to be the norm in the goods carriage industry in South Australia.

Court decisions have over time limited those who could be considered common carriers. For example, warehouse operators, wharfingers, stevedores and furniture removers have all been held to be private carriers.

The Act provides that carriers shall bear no liability for the loss of or damage to certain types of goods, where the value of these goods is greater than $20, unless their value has been declared to the carrier.

The Review Panel found no evidence that the provisions limiting the liability of common carriers have been relied upon in recent times.

The Review Panel therefore concluded that the Act is no longer relevant, and further, that the objectives of the legislation in protecting common carriers seem to be in conflict with today's emphasis on consumer protection. The Act offers a protection to common carriers that is unnecessary in a marketplace in which they are able to limit their liability contractually or insure themselves against risk.

The Review Panel also noted in its Final Report that both Queensland and Tasmania have repealed, or are in the process of repealing, equivalent legislation.

In light of the changes which have occurred in the market which render the content of the Act obsolete and the reality that there are few, if any, common carriers still operating in this State, the Review Panel recommended the repeal of the Act. This recommendation met with support from a broad range of industry participants including the South Australian Country Carriers Association, Transport SA and the South Australian Road Transport Association.

Since coming to office, one of the key objectives of this Government has been to undertake a comprehensive micro-economic reform program to ensure competitive market outcomes for both consumers and businesses. As a necessary part of this reform, it is sensible to repeal outdated and irrelevant legislation.

Accordingly, the Government has accepted the conclusions and recommendations made in the Final Report of the Review Panel, and this Bill will repeal the *Carriers Act 1891*.

I commend this Bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Repeal

This clause repeals *The Carriers Act 1891*.

Ms HURLEY (Deputy Leader of the Opposition): The Carriers Act limits the liability of common carriers for certain goods to an amount of $20. I understand that it is more than 100 years old and that these days there are very few common carriers. The carriers operating for goods in this state are mostly private carriers and this act, in fact, has not been utilised for many years. I am advised that there has been broad consultation on this bill and broad support for it, and the consultation that the Labor Party has undertaken confirms that situation. Consumer protection laws now take care of private carriers and the bill is no longer required in practical effect. The opposition supports the bill.

The Hon. I.F. EVANS (Minister for Industry and Trade): I thank the honourable member for her contribution and support.

Bill read a second time and taken through its remaining stages.

STATUTES AMENDMENT (VISITING MEDICAL OFFICERS SUPERANNUATION) BILL

Second reading.

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill seeks to make amendments to the *Superannuation (Visiting Medical Officers) Act 1993*, and the *Southern State Superannuation Act 1994*.

The *Superannuation (Visiting Medical Officers) Act* provides that newly appointed Visiting Medical Specialists are members of the SAHC Visiting Medical Officers' Superannuation Fund, unless they have been accepted as a contributor to a scheme established under the *Superannuation Act 1988*.

However, the schemes established under the *Superannuation Act* are closed to new entrants.

This means that newly appointed Visiting Medical Specialists have no Government superannuation scheme available as an alternative to the SAHC Visiting Medical Officers' Superannuation Fund.

The aim of the amendments proposed in this Bill is to provide eligibility for Visiting Medical Specialists to join the Triple S Scheme, established under the Southern State *Superannuation Act*.

The amendments also provide that if prior to appointment as a Visiting Medical Specialist, the person was already a contributor to one of the schemes established under the *Superannuation Act 1988*, the person may remain a contributor.

The amendments will maintain the expectation of some Visiting Medical Specialists, that a Government superannuation scheme be available to them to join.

The Department of Human Services and the South Australian Salaried Medical Officers Association have been fully consulted, and have indicated their support for the amendments.

I commend this Bill to Honourable Members.

Explanation of Clauses

Clauses 1 and 2

These clauses are formal.

Clause 3: Interpretation

This clause is an interpretative provision.

Clause 4: Insertion of s. 15A

This clause inserts new section 15A into the *Southern State Superannuation Act 1994*. This section enables a visiting medical officer to elect to become a member of the Triple S scheme.

Clause 5: Amendment of s. 3—Interpretation

This clause adds definitions to section 3 of the *Superannuation (Visiting Medical Officers) Act 1993*.

Clause 6: Substitution of s. 4

This clause replaces section 4 of the *Superannuation (Visiting Medical Officers) Act 1993* with two new sections. New section 4 provides for membership of the VMO Fund (the S.A.H.C. Visiting Medical Officers Superannuation Fund is referred to in the Act as the 'VMO Fund'). New section 4A provides that a visiting medical officer who becomes a member of the Triple S scheme cannot continue to make contributions to the VMO Fund.

Clause 7: Substitution of s. 6

This clause replaces section 6 of the *Superannuation (Visiting Medical Officers) Act 1993*. The new section enables a visiting medical officer who is a member of the pension or lump sum schemes under the *Superannuation Act 1998* or a member of the Triple S scheme to become a member of the VMO Fund.

Ms HURLEY (Deputy Leader of the Opposition): I understand that the purpose of this bill is to make the job of visiting medical specialists more attractive by making available to them government superannuation. There is an anomaly in the current act which excludes newly appointed visiting medical officers from government superannuation. The Hon. Paul Holloway in the other place has detailed that technical anomaly very well, and I do not propose to elaborate on that situation.

Certainly, it is patently obvious that it is important to attract visiting medical officers to our hospital system; it is important to get good medical officers. We heard today about the slightly improved situation for doctors in rural areas, but it is not only in rural areas that there is something of a shortage of doctors. There is also some difficulty in attracting VMOs to major hospitals, and the Lyell McEwin Hospital, in my area, has experienced that problem in recent times.

As I understand it, South Australia has one of the lowest rates for visiting medical officers, and if this bill allows more attractive conditions to be made available to bring in more visiting medical officers the opposition is pleased to support it.

Ms STEVENS (Elizabeth): I wish to speak—

Mr Hanna interjecting:

Ms STEVENS: No, Labor stands up for public health; that is what it is really about. The issue that I wish to raise really relates not to standing up for the salaries of some VMOs, but to the issue of access to specialists—salaried medical officers—in our hospitals. That is something that the deputy leader just briefly mentioned in her speech. We are in a situation where we often have to bid for levels of salaries to attract medical specialists to our hospitals. The deputy leader is quite correct with respect to the issue in relation to the Lyell McEwin Hospital. That was a particular issue in relation to anaesthetists, but anaesthetists were also an issue at the Queen Elizabeth Hospital. There are other specialties where there are shortages in Australia and we need to be able to competitively offer packages to these people. Otherwise, we will not have them—and then we will have a problem.

Mr Hanna interjecting:

Ms STEVENS: Thank you, the member for Mitchell. I would like to draw the minister's attention to a letter that has been received by members of parliament from the South Australian Salaried Medical Officers Association, which is the industrial organisation representing the interests of salaried doctors (salaried doctors, member for Mitchell) employed in South Australia's public health system. Base salaries for them are among the lowest in Australia. I urge the minister to read the letter, which is completely outlined in the *Hansard* of the other place, so I will not read it out again.

The issue relates to the new federal government tax legislation. The salaried medical officers in South Australian public hospitals can expect to receive a significant loss in their remuneration package if the federal government's legislation is passed. I understand that remuneration packages for salaried doctors have been boosted by the provision of salary sacrifice free of fringe benefits tax for those doctors employed in public benevolent institutions (being public hospitals and health services) in lieu of salary increases. SASMOA says that losses to these people with respect to their salaries could be up to 20 per cent of the total current value of their remuneration package. This has the potential for a negative impact on the ability for South Australian public hospitals to recruit and retain many of their excellent specialists and doctors. If other states offer much higher remuneration packages, South Australia will potentially lose staff to other states, or South Australia and the South Australian government will be faced with the problem of having to put more money in to recompense those doctors in order to keep them in the state. The letter from SASMOA states:

> SASMOA urges you to:
>
> Note our concerns when speaking with your federal colleagues and lobby them to think carefully about the impact of the new fringe benefit tax laws on public health in South Australia when that legislation is before them in the parliament.
>
> Tell the state government that it will be called upon to make up any remuneration shortfall if South Australia is to remain medically competitive.

What are the government's plans to ensure that salaried medical officers in South Australian public hospitals continue to receive appropriate remuneration packages if the federal government's proposals to introduce a cap on fringe benefit tax free salary sacrifice at the level of $8 755 is successful? I urge the minister to make contact with the association, which I am sure would be pleased to provide any information he requires. Certainly, it is a significant issue in terms of public health in South Australia.

Members interjecting:

The SPEAKER: Order!

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I thank members of the opposition for their contributions. I note the member for Elizabeth's concern. I will take up with the Treasurer, as well as the Minister for Human Services, the issue of the level of remuneration and the impact of possible federal changes. I will alert the Treasurer to that issue. I also take note of the letter that has been inserted in *Hansard* in another place. This bill offers those visiting medical officers the ability to tap into the South Australian superannuation scheme. The situation is that, if they are not in a scheme, the Superannuation Act is currently closed to any new entrants.

This amendment allows them to enter into that superannuation scheme. If we did not do this it would mean that they would not have access to that scheme. It is certainly a worthwhile measure and I thank the opposition for its support for the bill.

Bill read a second time and taken through its remaining stages.

The Hon. I.F. EVANS (Minister for Industry and Trade): I move:

That the sitting of the House be extended beyond 6 p.m.

Motion carried.

ADJOURNMENT DEBATE

The Hon. I.F. EVANS (Minister for Industry and Trade): I move:

That the House do now adjourn.

Ms THOMPSON (Reynell): I want to record an important event in the life of the Morphett Vale South Primary School. At the end of this year that school will no longer exist in its current form. In fact, it will not operate out of Elizabeth Road at all, but the spirit of the Morphett Vale South Primary School will operate in other schools throughout the south and in the projects that it will leave behind as an example of how a community and a school can work together to benefit

everyone. I have spoken before in this place about the Morphett Vale South Primary School and indicated that it was at risk because enrolments were declining, very much reflecting the age of its catchment area and the fact that it was designed approximately 30 years ago as a temporary school.

It has lasted until now. However, with enrolments of only 80 projected for next year, it was seen that, in the interests of the children's education and in the interests of the health of the staff and the volunteers who make the school tick, it was best to look at other options. The council and the people who have been supporting the school through its village school concept came together and reluctantly made a decision to indicate that the school wanted to amalgamate with one or more schools. It talked to the minister about this issue and the minister kindly recognised that the process of closing a school was very comprehensive and traumatic for all involved.

The minister recognised that, on this occasion, perhaps closing a school could be done properly and provided additional resources to enable full-time attention to be devoted to the process of closing and/or amalgamating this school. This additional resource has also included an allowance for documenting the process so that other schools in this position might be able to learn from the experiences of the Morphett Vale South Primary School, which I fully expect will be best practice in terms of school closure. What I have seen at Morphett Vale South Primary School, in terms of the operation of its small village school, has indeed been best practice.

I want to record a little of the history of the school. The school was officially opened on 15 April 1980 but actually opened to students in January 1978, so it has had a life of approximately 20 years. The school was built originally to cater for 600 students in the new development area around Morphett Vale, but this number was never reached. Once there were 10 classes but, for the past few years, there have been just four. So, the educational challenge involved was often stressful for the teachers and relied very heavily on the many parents who volunteered their time to enable the Morphett Vale South Primary School to continue to provide for the children excellence in education and an education that was relevant to them.

This was achieved particularly through the notion of the village school, which was based on the old African idea that it takes a village to educate a child. The village process was put in train and launched on a very hot Tuesday, 25 November 1997. This involved the forming of formal alliances with many groups within the community, with local businesses, with an aged persons' home, Zonta and Rotary, all of which assisted in different projects. They provided new opportunities for the children and special support in literature. One engaging project was certainly the visits to St Basil's, an aged citizens' facility, where gradually the children and some of the older members of our community formed very strong relationships. I am pleased that this will be one notion of the village school that will continue after the Morphett Vale South Primary School is no longer formally in existence.

I want to speak a little further about the village school concept. In August last year the Morphett Vale South Primary School won the Schools' Community Project Award and a cheque of $1 000 for its village school concept. This project was really the child of the principal, Richard Baxter; Julie Simon, school counsellor; Helen Stone, the school council chairperson; and parents Pat Knight and Peter Coulter. Those people found a way of involving the whole community in addressing issues faced by the school, which included poverty, unemployment and the poor health and nutrition of some of the students. They found ways to develop in the children a spirit of entrepreneurship, of recognition of their accomplishments, of immediate rewards for their behaviour and of immediate consequences when their behaviour did not meet the agreed model.

The village school concept can now be translated to many other schools in the area to which the students are transferring. The process of transfer has been very gradual and very much planned. I particularly mention the welcoming manner of the Morphett Vale West Primary School, the school that most of the children from Morphett Vale South will attend. The Morphett Vale West Primary School has engaged in the concept of amalgamation at many levels. There have been exchanges of students and parents at the school council. Morphett Vale South had a stall at the fete for the Morphett Vale West school, which celebrated its 21st birthday recently.

So, the spirit of cooperation set in train by Morphett Vale South is indeed moving to other schools, which will also gain various facilities as they gain the students. They will take their furniture, their shares in the library and also it seems some of the wonderful volunteers who helped keep Morphett Vale South such a vibrant school over the last few years.

Another legacy to be addressed concerns how the property is managed. The local community as well as the council hold grave fears in terms of vandalism in the area once the school is no longer used, but have been pleased to note that the education department intends moving the buildings as soon as possible.

But there is a valuable resource there in terms of the open space area. The community is now looking at how it can use that to the benefit of the community and the clubs that have been operating out of Morphett Vale South. So, that will be a difficult issue for the various ministers and the local council to deal with, because the residents and those who have been so involved in Morphett Vale South certainly do not want to see it turned into housing or some such concentrated facility when there is a need for a valued open space there.

In the time remaining, I would like to commend individually all those who have been involved in Morphett Vale South, but I cannot do so. To do so would be to severely risk leaving out important people. While many people are involved in the school council, there are those who were involved in many aspects of the village school concept, as well as the partnerships that have been developed with council and different parts of the community. They will have to acknowledge that they have all been thanked in the most heartfelt way and acknowledged for being exemplary citizens in the way in which they have sought to achieve the best for their students, children and community and have created something, even in the passage of Morphett Vale South, which will long be valued and remembered in the community of the south.

Motion carried.

At 6.04 p.m. the House adjourned until Thursday 18 November at 10.30 a.m.