HOUSE OF ASSEMBLY

Wednesday 31 May 2006

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

WATER EFFICIENCY LABELLING AND STANDARDS BILL

His Excellency the Governor's Deputy, by message, recommended to the House of Assembly the appropriation of such amounts of money as may be required for the purposes mentioned in the bill.

HOSPITALS, PUBLIC

The Hon. J.D. HILL (Minister for Health): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.D. HILL: Today the latest statistics on the state of our public hospitals from the Australian Hospital Statistics report have been released. These statistics from the Australian Institute of Health and Welfare show that, in 2004-05, there were over 2.4 million individual patient encounters in South Australian public hospitals: 473 000 of these were in accident and emergency. The statistics show that South Australia has almost 5 000 available public hospital beds. This is the highest number of public hospital beds per head of population in the nation. South Australia has 3.2 beds per 1 000 head of population compared to the national average of 2.7 beds. The data also demonstrates that in 2004-05 our emergency departments improved significantly. The overall proportion of patients seen within national benchmarks increased from 50 per cent in the previous year to 63 per cent.

There was an improvement across urgent categories in emergency departments. For the resuscitation category patients, the figures were stable at 99 per cent being seen in time. Of the emergency category patients, 72 per cent were seen in time—up from 62 per cent on the previous year. Of the urgent category patients, 58 per cent were seen in time—up from 41 per cent on the previous year. Of the semi-urgent patients, 62 per cent were seen in time—up from 49 per cent on the previous year. Of the non-urgent patients, 89 per cent were seen in time—up from 87 per cent on the previous year. For patients classed as emergency priority, the median waiting time was only four minutes—a figure that is equal best in the nation.

As I have stated before, it is very difficult to compare the performance of different states. Some states use different methods of collecting data which produces different results. However, these figures today show that the performance of South Australian emergency departments has improved significantly on the 2003-04 results. For elective surgery, the statistics show that the median waiting time reduced from 37 days to 35 days. The number of patients waiting longer than a year for surgery was only 4 per cent—better than the national average of 4.8 per cent. The 90th percentile waiting time figures were 201 days, compared to a national average of 217 days.

While our hospitals are busy, they are also efficient. This report states that South Australia's cost per casemix adjusted separation in 2004-05 was only $3 100. This figure is 9.1 per cent below the national average, which demonstrates that we have the second most efficient hospitals in the nation. As reported in *The Advertiser* this morning, the average salary for hospital staff in 2004-05 was $62 000. However, this is only $1 500 below the national average. In fact, South Australian nurses and allied health professionals were paid higher than the national average. While the salaries of medical officers were below the national average, South Australian doctors were paid at a higher rate than in New South Wales and Queensland. Since this survey was taken, the government has entered into new agreements with nurses and doctors. These include:

- the nurses' agreement worth 16.5 per cent over three years;
- the salaried medical officers' agreement worth 10 per cent over three years;
- the visiting medical specialists' agreement worth 30 per cent over three years.

These pay rises for clinical staff have made South Australia a more attractive place to work. I take this opportunity to commend the staff of our hospital system and the people who work in the health department for having these very much improved figures.

ECONOMIC AND FINANCE COMMITTEE

Mr KOUTSANTONIS (West Torrens): I bring up the 59th report of the committee entitled 'Emergency Services Levy 2006-07'.

Report received and ordered to be published.

PUBLIC WORKS COMMITTEE

Ms CICCARELLO (Norwood): I bring up the 240th report of the committee entitled 'Woodville Primary Healthcare Service'.

Report received and ordered to be published.

LEGISLATIVE REVIEW COMMITTEE

Mrs GERAGHTY (Torrens): I bring up the third report of the committee.

Report received and ordered to be published.

QUESTION TIME

TRANSPORT PROJECTS

The Hon. I.F. EVANS (Leader of the Opposition): Will the Minister for Transport confirm that he has received advice that there has been a blow-out of up to $200 million in the cost of the South Road/Port Road/Grange Road tunnel project and the South Road/Anzac Highway underpass project from the original estimate of $187 million to almost $400 million? Yesterday the minister advised the house that the estimated costings for the South Road/Anzac Highway underpass are in excess of $100 million; the original estimate was $65 million. No mention was made of the South Road/Port Road/Grange Road tunnel project. The opposition has been advised by senior transport sources that the cost of these projects has almost doubled to $400 million.

The Hon. P.F. CONLON (Minister for Transport): I suspect that we are going to hear a lot of the opposition hearing voices for the next few weeks. I cannot and will not confirm that, because that is not the advice I have at present. However, I have indicated to the house—

Mr Williams: What advice did you have?

The Hon. P.F. CONLON: What I have indicated to the house is that the first of those projects will cost in excess of $100 million. We can say that confidently, being where we are in scoping it. What I have said to the house is that we will not be able to provide the costings, but what I will indicate—and I have made no secret of this—is that there is an increase in costing in those projects. Again, what I will say is that we have still have a fair way to go to catch up to the 212 per cent blow-out on the Lyell McEwen Hospital.

Members interjecting:

The Hon. P.F. CONLON: He wants to talk about the State Bank.

The SPEAKER: Order!

The Hon. P.F. CONLON: What about the conscription split; what about the premier's plan?

An honourable member interjecting:

The Hon. P.F. CONLON: How far are we going to go back? Precisely. I will not confirm that. Yesterday the Leader of the Opposition came up with the number of $900 million. I have no advice; I cannot find any advice of that nature. I have had no advice such as he has suggested today.

SCHOOL LEAVING AGE

Ms BEDFORD (Florey): My question is for the Premier. What are the reasons for the government's move to increase the school leaving age, and what support has there been in the past for such a move?

The Hon. M.D. RANN (Premier): I thank the honourable member for her question. Having visited the member's electorate on many occasions and having accompanied her to a number of schools in her district on many occasions, I know of her strong support for schools in her electorate. There is plenty of research and practical experience that show that successful achievement in school and training makes an enormous difference to the opportunities of young South Australians. This government is committed to creating real opportunities for our young people. That is why the first piece of legislation we introduced in 2002 was to raise the school leaving age from 15 to 16, and I think it was about the first time in more than 40 years that this had been done. We backed this up with an investment of—

The Hon. I.F. Evans interjecting:

The Hon. M.D. RANN: Oh, go on to what you did, which was not much. We backed this up with an investment of $28.4 million into a range of school retention programs across government to keep young people connected to school and training.

We set a target in South Australia's Strategic Plan to increase the school leaving age to 17 by 2010 to ensure that young people are in school, employed or in structured training. We want South Australians to be at school, TAFE and in apprenticeships; we want them to be in real jobs; or we want them to be doing a combination of these if there are no other options. We want them learning or earning, and we are going to make sure that this will be historic. We raised the age—because you would not; you talked about it—to 16, and we are going to go further, to 17. That is what a higher school leaving age of 17, together with our SACE and school to work reforms, including our trade schools of the future, will achieve. Young people will still leave school before they turn 17, but only to take up training, university or work.

Dr McFetridge: And then what?

The Hon. M.D. RANN: Then what? This is very interesting. I am going to explain to you why the honourable member is so offside with his own party. What I want is to have no more dropping out of school to do nothing, because that is not a future. I am astonished that those opposite would rather a young person lie on a couch, or hang out in a shopping mall, or be at risk of getting into crime or long-term unemployment than get an education or the skills to get a job. I find it even more astonishing, because previous Liberals—other more senior Liberals—have previously championed the merits of a higher school leaving age. Who was that?

In the mid-1990s, former Liberal premier Dean Brown, a very good friend of mine and a long-term correspondent—we were like pen pals, really—charged a task force with examining whether the school leaving age should be raised. He was quoted in *The Advertiser*—a journal of record—on 8 May 1996, and I want to quote Dean Brown; I know the Leader of the Opposition admires his predecessor enormously and so does the deputy leader. Look; they are united in their admiration for Dean Brown. This is what Dean Brown said exactly 20 years ago on 8 May 1996: he said it was prompted by 'the clear experience that the longer people stay at school, the greater the chance of getting a job'.

So what did the Liberals—

Members interjecting:

The Hon. M.D. RANN: Wait for it. I want some protection from the chair, Your Highness, because they do not want to hear from their heroes. What did the Liberals' task force recommend according to reports at the time? Do you know what they recommended? Raising the school leaving age to 17. See; you are offside with Dean.

Now let us go on to another of your heroes, because we want to see that they are united about all of their predecessors. Former Premier John Olsen—a very good friend of mine—went even further—

The Hon. K.O. Foley: And a pen pal.

The Hon. M.D. RANN: Yes. I like to be bipartisan. Former Premier John Olsen went even further, saying in *The Advertiser* on 8 October 2000, 'Raising the school leaving age is about ensuring young South Australians are given the best possible chance of gaining employment either through higher education or real job skills before they leave school.' So, we have Dean Brown and John Olsen at last united about one thing: raising the school leaving age. But which premier actually did it?

Members interjecting:

The Hon. M.D. RANN: What? He has just come back from France. John Olsen went on, 'Early school leaving significantly reduces life and employment options and increases the risk of involvement in crime.' John Olsen said this. Let me read it again: 'Early school leaving significantly reduces life and employment options and increases the risk of involvement in crime.'

We on this side of the house—all of us—agree. But the difference between this government and those opposite is that we are acting and delivering on our commitments to raise the school leaving age; something that they never did. We have the opposition spokesperson, the member for Morphett—did you see the swing against him? It was amazing—saying the following on radio, 'Surely it should be—'

Members interjecting:

The Hon. M.D. RANN: No, no; we have heard from Dean Brown, and we have heard from John Olsen. Let's hear from the member for Morphett, the forward thinking future leader, we are told. He said, 'Surely it should be good enough

to say these students should be able to recognise the opportunities and stay there.' The Liberals clearly still prefer their do nothing approach after they let school retention rates slide to all-time lows during their time in government.

Dr McFetridge interjecting:

The Hon. M.D. RANN: He's upset.

Dr McFetridge interjecting:

The Hon. M.D. RANN: No. We are raising the school leaving age because it means better opportunities for our kids, a strong economy and a safer, more secure community. We are creating more jobs than ever in South Australia, and now we are delivering on our commitment to ensure that South Australian secondary schools can give every student the best opportunity to take those jobs and for South Australia to have a better skilled work force. It is about (and I am wearing the right tie today) getting results for South Australia.

Honourable members: Hear, hear!

Members interjecting:

The SPEAKER: When the house has come to order, the Leader of the Opposition.

TRANSPORT PROJECTS

The Hon. I.F. EVANS (Leader of the Opposition): My question is to the Minister for Transport.

The Hon. K.O. Foley: Couldn't balance a budget, Iain.

The SPEAKER: Order!

The Hon. I.F. EVANS: What is the latest advice the minister has received on the cost of the South Road/Port Road/Grange Road tunnel project? The government announced this project at a cost of $122 million. Yesterday's ministerial statement is silent on the cost of the project.

The Hon. P.F. CONLON (Minister for Transport): We have made no secret—and I said it yesterday—that it is not immune from costs pressures. I can indicate that I have been advised that there will be a significant increase in cost on the—

Ms Chapman: How much?

The Hon. P.F. CONLON: How much? Again, let me say to you that—

Members interjecting:

The Hon. P.F. CONLON: Sir, it is their time. I can wait for them.

Mr Hamilton-Smith interjecting:

The Hon. P.F. CONLON: We'll talk about balancing the budget. What I will say is that there will be a significant increase.

Members interjecting:

The Hon. P.F. CONLON: I will talk over them because it is the only way I will be able to. There will be a significant increase in the cost, but what will continue is this: we will have budget discipline on our investing budget. We will have budget discipline in our recurrent budget. We will continue to balance the budget, as it has been balanced for four years and how it had not been balanced for eight years before that. We will continue to do that. We will continue, in that environment, to deliver more infrastructure than has been delivered in this state for decades.

Eight and a half years, and what did they deliver? A one-way expressway and a tunnel fully funded by the commonwealth. That is what they did in 8½ years. In our first four years we have deepened Outer Harbor to world-class standard—14.2 metres. We have relocated and delivered a deep-sea terminal. We are building two bridges over the Port River. We have delivered their expressway, and we took out their traffic lights, put in bypasses and delivered capacity-building infrastructure. We are upgrading the rail, and we are upgrading the roads on the peninsula. We are building and have built in the last four years more infrastructure than they built in 8½ sorry years—one one-way expressway.

What we have set out is the most ambitious infrastructure program this state has ever seen. We have had the courage to do it. We are going to deliver the Bakewell Bridge at the cost I have indicated. We are going to deliver the South Road underpass. We are going to continue with our program. But we will do something you could never do—we will deliver with budget discipline.

Members interjecting:

The Hon. P.F. CONLON: Sorry, I forgot! I am reminded that they did build something else—they built a wine centre and they built a soccer stadium. Well, I will take our costs, our programs and our infrastructure and put them against your one-way expressway, your wine centre and your soccer stadium any day of the week.

Members interjecting:

The SPEAKER: Order! There has been far too much interjecting from members on my left—not even interjecting but, rather, heckling of ministers when giving their answers.

The Hon. P.F. Conlon: They are a rabble, sir.

The SPEAKER: I do not require the help of the Minister for Transport, thank you. I remind members of the precedent that has been set by other Speakers with regard to their ability to call to order members who persistently defy the chair. It does not just involve naming: there are other avenues available to the chair to call to order members who refuse to follow the Speaker's calls to order. The member for Hartley.

AUSTRALIAN CERTIFICATE OF EDUCATION

Ms PORTOLESI (Hartley): My question is directed to the Minister for Education and Children's Services. What effect does the federal government's release of the Australian Certificate of Education Report have on the South Australian government's plans for a new SACE certificate?

The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services): I thank the member for her question, because it is an important one that has received some debate within the media and it is something that needs to be cleared up at the earliest opportunity. People would know that the ACE report, as I will call it, was released on 4 May and was a series of guidelines and a framework, and a way that we might look at a national certificate at some time in the future. It is quite clear that the report expects there to be considerable consultation and ongoing work and, in the scheme of things and with the knowledge of how these things progress across the federation, it is quite clear that there will not be implementation any time soon, perhaps not even in the lifetime of this parliament or the next.

The reality is that the report itself states that the state curriculum and assessment agencies will continue to function as they do at present, including the development of local curriculum, development and administration of examinations or assessments, and the provision of certificates and statements of results. It is interesting that, whilst this debate will go on probably for many years and there will be some areas of dispute, our SACE report and the ACE report have several elements in common, and there are congruent requirements in their recommendations. Both push the requirement of having a single certificate that is broad enough for students to be able to pursue multiple pathways and have a variety of

post-school destinations—that is, not one certificate for university, leaving the others out and having a view that other pathways are of lesser value. There is also the requirement and the recognition that many students now would complete their education, say, to 17 years within a school setting, but increasing numbers of young people are involved in school-based apprentices, part-time work and vocational training, and those non-school settings are of equal value to young people.

Both reports also talk about high standards of curriculum and achievement in these ranges of environments and, importantly, identify core essential items that make young people job-ready or employable, and both reports push the requirement to have these elements as well as local flexibility. In addition, the SACE report talks very strongly of the maintenance of standards and the way we moderate the results. In fact, it is quite clear that, in order to have young people with the capabilities to equip them for a productive life, it is important that the certificates they get, whether for a university or employers in the workplace directly, identify those core skills that make them employable already for particular courses.

I know those opposite have attributed many motives to our discussion of increasing the school leaving age, and they are generally far from the mark, but the central fact remains that those opposite, when in government, did not want to do anything to alter the senior secondary curriculum or schooling, and they were happy to leave young people to flounder out of school, out of work and out of training. It was not tenable for us in 2002 to leave school retention as an issue that was not regarded as important to the government, and we acted not only to increase the school leaving age but also to invest $28.4 million in strategies to engage young people—because then, as now, we knew that the worst brain-drain in our state is not people leaving to move but people not fulfilling their potential.

Indeed, it was not an option to ignore these students who go into training and school-based apprenticeships, because we need to value that work and retain them within the system, and it is certainly not possible for us as a government to ignore the skills shortage. Again, it is untenable that our employers should be desperate for job-ready employees and for us to have young people who leave school early who are out of work, out of school and out of training. It is essential that, with our boom in the mining industry, in air warfare destroyer defence industries, bioscience, manufacturing and advanced technology, we upskill our own young people.

Members opposite seem not interested in the fact that only 55 per cent of year 8 students reach a SACE certificate. This is an outrage. Keeping young people employed in learning is essential.

Mr WILLIAMS: On a point of order—

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Might I suggest that the opposition—

The SPEAKER: No, you have a point of order, not a suggestion.

Mr WILLIAMS: The point of order is that we are putting up with debate in question time.

The SPEAKER: The minister is not debating. The minister is in order.

The Hon. J.D. LOMAX-SMITH: As part of this reform in senior secondary education involving the SACE certificate but also reflecting the recommended changes within the ACE system, it is essential that we increase the compulsory education age to 17 because, unless we can have young people engaged in meaningful careers and courses, we will never meet the strong targets for growth in employment by delivering young people job-ready to those opportunities. As I have said, the very worst brain drain for South Australia is young people not moving interstate but failing to reach their potential.

TRANSPORT PROJECTS

The Hon. I.F. EVANS (Leader of the Opposition): Has the Minister for Transport received advice that the estimated cost of the South Road/Port Road/Grange Road tunnel project has almost doubled to $250 million? The government announced the South Road/Port Road/Grange Road tunnel project at a cost of $122 million. Senior transport sources have advised the opposition that the latest estimates indicate a cost of around $250 million.

The Hon. P.F. CONLON (Minister for Transport): I am going to be very careful and check *Hansard* because the honourable member seems to be asking a question about the same project with different numbers this time. Not only has he been hearing voices, he has been hearing multiple voices! To explain it to the Leader of the Opposition, I have been told a range of numbers about projects according to a range of different scopes. What I will do—

The Hon. I.F. Evans: Don't hold back: share them with the house.

The Hon. P.F. CONLON: I will share them with the house. When the scope is decided for a particular project and we have a best estimate, I will bring it back. I know that members opposite are agitated about not bringing down a budget until September, and that pesky little election, but what the Leader of the Opposition will get if he waits in patience is a new budget and a new set of out years, because we keep no secrets. We balance the budget, we invest in infrastructure, and we will keep doing it. It has been outstanding. I am a very delicate creature and having to shout over members opposite is very difficult for my voice, which I like to save for my singing.

If the Leader of the Opposition waits for the budget, he will see an investing program. As I have indicated to the Leader of the Opposition, there are significant cost increases. If he wants to know whether I enjoy significant cost increases, no, I do not: not in the least; not in the slightest, but they are inescapable and real. The question is whether the investment is an important one, and it is. The question is whether we invest in a sensible and sustainable fashion, and that is what we will do. When the budget discloses the figures for the out years and investment, that is what will be disclosed.

UNIVERSITIES, MEDICAL PLACES

Ms THOMPSON (Reynell): My question is to the Minister for Health. What action is the government taking to secure more university medical places for South Australia?

The Hon. J.D. HILL (Minister for Health): I thank the member for Reynell for this important question. One of the greatest threats to our health system is the worldwide shortage of medical staff, and that is a threat to all health systems in Australia and indeed in the west. We are, of course, actively recruiting overseas. Already about 25 per cent of our doctors in public hospitals are overseas trained, but in the longer term that is obviously not ideal. South

Australia needs to train sufficient doctors to meet its own needs.

This issue was discussed at the COAG meeting in February this year and at that meeting the leaders agreed on the need to work on reforms to Australia's health workforce and to address workforce shortages. Since then this government has been urging Canberra to allocate extra medical places to South Australia. In April of this year the Prime Minister announced an extra 400 medical places across Australia and he announced at that time 160 of those places would go in to Victoria. He has yet to announce where the other 240 places will go. On Monday, the Premier took our case for an extra 60 places direct to Canberra, and he mentioned that yesterday during question time I think.

South Australia's campaign is, I am pleased to say, a united approach and we are joined in this campaign by the South Australian branch of the AMA, the University of Adelaide—and that is seeking 40 extra places—and Flinders University which is seeking an extra 20 places, or building up to that over the next few years. The South Australian government is also committed to providing extra clinical placements in our public hospitals for these students, and that is important as well. We have already announced that an extra 30 existing medical places at Adelaide and Flinders Universities are being targeted to local students. On the weekend, at the inaugural Medical Careers Expo I announced a new incentives package to keep medical graduates in South Australia, including a small upfront payment and greater support. I want to pay tribute to the AMA, particularly for coming up with the idea of the medical expo, the Department of Health and the hospitals, and everybody else involved in the success of that expo. It was truly significant. I think there were close to 400 young medical students who went through.

Since the state government, the universities and the AMA are all behind this campaign, I would urge the opposition to join in our support.

Ms Chapman interjecting:

The Hon. J.D. HILL: I was most surprised to hear the Deputy Leader of the Opposition on the radio yesterday being critical of the Premier's trip to Canberra to fight for more university places. Bipartisanship does not exist on the other side. We have a monopoly on bipartisanship, Premier, I'm afraid. The member for Bragg told listeners yesterday, 'The Premier's really gone to the wrong place. He shouldn't be in Canberra; he should be actually out there meeting with the fellow Labor premiers around the country.' That is an extraordinary statement, sir, because who makes the decision about the extra places is of course the Prime Minister. It is Canberra. It is not the premiers of the other states; it is the Prime Minister and the federal government who make these decisions. This is a decision that lies entirely with the commonwealth government. So, it is no wonder—to quote the words of a famous broadcaster: 'How did that politician get it so wrong?' What was her motivation?

TRANSPORT PROJECTS

Mr HAMILTON-SMITH (Waite): My question is to the Minister for Transport.

Members interjecting:

The SPEAKER: Order!

Mr HAMILTON-SMITH: They've all gone to hear about your latest mess-up, Pat.

Members interjecting:

The SPEAKER: Order! The member for Waite has a question.

Mr HAMILTON-SMITH: Has the minister received advice that the estimated cost of the South Road/Anzac Highway project has in fact increased from $65 million to almost $150 million? The government announced a South Road underpass under Anzac Highway at a cost of $65 million. Yesterday the minister told the house that the cost of the project was now in excess of $100 million. Senior transport sources have advised the opposition that the cost for the project is $150 million.

The Hon. P.F. CONLON (Minister for Transport): I refer the member for Waite to the statement yesterday when I indicated that there were significant increases in the cost of the project, that it would be in excess of $100 million and that the very strong advice of the department dealing with the contractors at this point is that we shouldn't put the other estimates out there, because what will happen if we do that is that the contractor will have no obligation to get below that price, no obligation at all. So, can I indicate to the member for Waite, if he will listen, or read, that that is what I will be doing. I will be protecting the taxpayer against the foolishness he would suggest. It is not the first time for the member for Waite. The member for Waite was on radio this morning talking about how terrible last year's Auditor-General's Report was on the Department of Transport. What did the Auditor-General say?

Mr Hamilton-Smith: Read all of what he said.

The Hon. P.F. CONLON: Yes. He said:

> Matters arising during the course of the audit were detailed in management letters to the chief executive. Responses to the management letters were generally considered to be satisfactory.

He stands by it—

An honourable member interjecting:

The Hon. P.F. CONLON: He stands by it—it was an awful report—does he? Was it an awful report? Yes or no?

Mr Hamilton-Smith: It was a terrible report.

The Hon. P.F. CONLON: It was a terrible report! How many questions did the opposition ask about this terrible report when it was brought down last year—20? Was I grilled for hours? Was it 10, was it five, was it one? No, not a single question on this terrible report. It is a terrible report, of course, but it did take six months to sink in with the opposition. It is not a terrible report. It compares favourably with every auditor's report given to the Department of Transport during their time.

Mr Hamilton-Smith: If you think that, you shouldn't be a minister.

The Hon. P.F. CONLON: If I think that I should not be a minister? If the member thinks it is bad and did not ask a question, he should not be picking up his salary as an opposition frontbencher.

Mr Hamilton-Smith interjecting:

The SPEAKER: Order! I warn the member for Waite.

WORK FORCE DEVELOPMENT

Mr BIGNELL (Mawson): My question is to the Minister for Employment, Training and Further Education. What indications are there to suggest that the state government's work force development strategies are leading to better training results for South Australia?

The Hon. P. CAICA (Minister for Employment, Training and Further Education): I thank the member for Mawson for his question and acknowledge his interest in

training and education across this state. The latest trend estimates from the National Centre for Vocational Education and Research for the December 2005 quarter were released this morning. The figures show that South Australia has been outperforming national average growth rates for apprentices and trainees. The NCVER summary shows that there were 33 500 apprentices and trainees in training in South Australia, which is a 1.2 per cent increase on the 33 100 recorded 12 months earlier. This compares with a 0.4 per cent decrease in the number of apprentices and trainees in training for the nation over the same period.

I am heartened by these latest figures, which show that the state government's strategies and initiatives with respect to boosting the number of people taking on training in areas of industry skill needs are, indeed, working. This builds on the answer to the Premier's earlier question (and, indeed, that of the Minister for Education), that is, the links between these great results. The government's strategies are vindicated by a range of key indications in the NCVER training and apprentice summary, one of which is that 21 700 people commenced their training over the year ending 31 December 2005, which is an increase of 1.3 per cent on the previous year. This compares with a national decrease of 3 per cent over the same period.

Completions were also up, with an increase of 11 per cent in the number of apprentices and trainees completing their training in the previous year. This figure was more than five times higher than the national increase of 2.1 per cent. Of the 33 500 apprentices and trainees in training, some 10 020 (or 29.9 per cent) were undertaking traditional apprenticeships. This figure is 1.4 per cent up on the previous quarter and 8.9 per cent above the 9 200 number at the quarter ending 31 December 2004. South Australia continues to achieve better than national growth in the number of female apprentices and trainees, with a reported 12 400 females in training, which is up 3.3 per cent from a year earlier. This compares to a 1.7 per cent decrease Australia-wide.

As Minister for Youth, I am particularly heartened by a 12.2 per cent rise in the number of young people in South Australia completing their training: some 5 500 finished and completed their qualification. This equates to an additional 600 young people having completed training over the previous year's figure. As a state, we need to firmly establish direct links between schools and work, particularly in areas of acute industry skill needs. To this end, the government is committed to establishing 10 new trade schools across South Australia, involving collaboration between business, TAFE SA and schools. While South Australia has experienced sustained growth in apprenticeships and traineeships over the past four years, this government will not be complacent.

The Rann government is directing $16 million over four years to provide at least 2 000 additional training positions that align with the needs of new industry growth sectors. The need to address the challenge of South Australia's ageing work force remains with us, as does the need to fill the skilled occupations that will be created by the expansion of key industries in our state. In collaboration with the education sector and industry, the government will strive to ensure that all South Australians, both young and mature aged, will have more opportunities to learn and develop skills that will be much in demand. The evidence shows that the government's strategy is capable of meeting these challenges.

TRANSPORT PROJECTS

Mr HAMILTON-SMITH (Waite): My question is to the Minister for Transport. Following the announcement of hundreds of millions of dollars worth of major capital works projects, including the Northern Expressway and the South Road projects, what processes did the minister put in place to receive regular briefings about the projects and what directions did he make to personally ensure due diligence, probity and sound management of the projects within his portfolio?

The Hon. P.F. CONLON (Minister for Transport): The projects that are ongoing, I get regular briefings on; the projects that have a timeline out, I expect to be briefed upon. I expect to be briefed by officers of the department when something relevant comes to their attention, because it should be brought to mine. That is the process I use. It is a process you would have used. It is a process that all ministers use.

AFFORDABLE HOUSING

Ms FOX (Bright): My question is to the Minister for Housing. How is the government increasing the supply of affordable housing in the inner southern suburbs?

The Hon. J.W. WEATHERILL (Minister for Housing): I thank the honourable member for her question, and I also thank her for representing me at an opening ceremony on Monday for 21 new affordable housing units in her electorate, or nearby, in the Mitchell Park area in the southern suburbs. The new development supports this government's commitment to affordable housing and in expanding the supply of high needs housing for people with disabilities. These dwellings have been constructed by Normus Homes, and they are a mix of both community housing and social housing providers, including the community housing association Spectrum and the Slavonic Life Housing Co-operative, who will manage the tenancies. The new development will provide affordable housing options for a range of South Australians who have low incomes and a disability. It is on former Housing Trust land, and it will also include a mix of three separate titles through these three housing organisations. It will involve housing some former Housing Trust tenants who are awaiting—

The SPEAKER: I am sorry to interrupt the minister. I should not have to remind the cameraman in the gallery of the rules about filming only the members on their feet.

The Hon. J.W. WEATHERILL: The development involves nine Housing Spectrum tenants from their urgent waiting list, including people with intellectual disabilities who were in urgent need of housing. Three units have been allocated to the Slavonic Life Housing Cooperative for a majority of their tenants who are Polish-speaking and who are either elderly or single parents. Nine of the units will be allocated to Housing Trust customers who are either waiting for accommodation or have been relocated through the Better Neighbourhoods program. This development is an important contribution to increasing the supply of affordable housing. It is one of the early outcomes of our new affordable housing unit, and we expect many more such outcomes in the days and weeks ahead.

TRANSPORT PROJECTS

Mr HAMILTON-SMITH (Waite): Will the Minister for Transport advise the house whether, prior to the 2006 elec-

tion, he received any advice about any blow-outs at all in the Northern Expressway or the South Road projects and, if so, will he tell the house of that advice?

The Hon. P.F. CONLON (Minister for Transport): The only advice provided to me prior to the election, in terms of the cost of those projects, was advice of the nature that changes in the scope of projects would change the cost—nothing more than that.

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: Not in other words. But I have to say this: this guy—this officer and a gentleman—is very good at sliding around, especially in corridors, making allegations. What will happen—and I am quite happy for it to happen—is that the Auditor-General will have a look at all of the management of this, and I am prepared to bet that I will not get a report like the opposition's former deputy premier and its former minister for tourism did on the handling of projects, because we do not do that.

Mr Koutsantonis interjecting:

The Hon. P.F. CONLON: No; my car won't be broken into in a hotel car park, okay—and documents won't be stolen out of my car. We have a watchdog in this state, and I am quite happy for him to look at what we have done on this. The specific answer to the member's question is that the only advice I can recall at any time prior to the election was general discussions about the fact that if you change the scope you change the cost. Nothing more than that.

EYRE PENINSULA WATER SUPPLY

Ms BREUER (Giles): Will the Minister for Administrative Services and Government Enterprises advise the house on the progress of the Eyre Peninsula water supply upgrade?

The Hon. M.J. WRIGHT (Minister for Administrative Services and Government Enterprises): I thank the member for this important question. In May last year, cabinet approved the first stage of the Eyre Peninsula water supply upgrade. This includes a 90 kilometre pipeline extending the Morgan-Whyalla pipeline to Kimba at an estimated cost of around $48.5 million. This has been welcome news to the Eyre Peninsula community.

Detailed design for the pipeline commenced in August 2005, and the first tender package to purchase pipes for the 90 kilometre pipeline was let in early December 2005. Contracts for the supply of the pumps for the Iron Knob pump station and for construction of the pipeline have been let. The delivery of the pipes to the site commenced in February this year, and I am pleased to report that construction of the pipeline has now commenced. I am advised that at this stage we are on track to meet the original targeted construction completion date of around February 2007, with operational completion expected around June 2007.

During the construction period, there will be some traffic delays and restrictions along the Eyre Highway between Iron Knob and Kimba. The community is being kept informed of the progress of the project and any traffic delays. The pipeline will initially deliver up to 1.4 gigalitres of water to the region each year and will supplement local water resources.

TRANSPORT PROJECTS

Mr HAMILTON-SMITH (Waite): My question is again to the Minister for Transport. What are the new commencement and completion dates for the South Road/Port Road/Grange Road tunnel? The government has announced a completion date of 2010 for the South Road/Port Road/Grange Road project. However, yesterday the minister warned the house that the project timing would be adjusted.

The Hon. P.F. CONLON (Minister for Transport): Yes; that is exactly what will happen.

Ms Chapman interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: My throat is getting sore yelling above these raucous people. You know, it's not in my nature to do that all the time. As I said yesterday, the key factor is this—and this is something they could never understand in government: you must maintain budget discipline. That is why we have balanced the budget every year we have been in government. So, the answer is simple: investment projects will be timed to fit within a sensible investment program. What we will not do is—just to pluck an example out of the air—take an $80 million radio network and turn it into $350 million and keep imposing it on agencies. What we will do is set out a sensible and intelligent investment budget, and we will maintain the discipline in our out years, and it will be timed accordingly with that. I again explain that scoping of the second project is not completed. Scoping and timing will be advised to the house in due course.

MONKEY BIKES

Mr O'BRIEN (Napier): Will the Minister for Consumer Affairs explain what action was recently taken in relation to monkey bikes and why it occurred?

The Hon. J.M. RANKINE (Minister for Consumer Affairs): I thank the member for Napier for his question. I know that he has a particular interest in this matter.

Members interjecting:

The Hon. J.M. RANKINE: Members opposite may laugh, but this is, in fact, quite a serious issue. It is not jovial, and I think there are some family and friends who are currently not laughing about it. Monkey bikes, or pocket rockets, as they are sometimes referred to, have been the subject of concern for Australian road safety and product safety authorities for some time. These bikes are miniature versions of road-going motorbikes, and are powered by 50cc engines that make them capable of travelling up to 70 km/h.

Some but not all of them have faults which make them dangerous to ride. The faults relate to the strength of the foot pegs, the throttle, the braking systems, excessive handlebar free play and the location of the engine kill switch. These bikes cannot be registered and are not allowed to be ridden on public roads, footpaths or shared paths. The Consumer Products Advisory Council convened a working party to investigate potential safety issues with these products. As a result, it was agreed to introduce identical banning orders. In South Australia a dangerous goods declaration was gazetted in respect of these bikes on Monday, 15 May 2006. This means non-compliant bikes can no longer be lawfully sold in South Australia.

The Office of Consumer and Business Affairs has been visiting premises of known suppliers to make them aware of the ban and the need to remove non-compliant bikes from sale. If suppliers sell a bike that contravenes the ban, the sale will be illegal. The offence has a penalty of up to $10 000. Other states have either introduced banning orders or are in the process of doing so. The Office of Consumer and Business Affairs advises consumers who purchased a monkey

bike prior to 15 May to have the bike checked by a qualified mechanic, and that, if the bike is non-compliant and therefore deemed unsafe to ride at the time it was sold, consumers can approach suppliers to repair the defect or give a refund. Consumers who are considering buying monkey bikes should ask the trader to give them evidence in writing that the bike has been checked and is not banned.

TRANSPORT PROJECTS

Mr HAMILTON-SMITH (Waite): Can the Minister for Transport advise the house whether the Sturt Road/South Road underpass, promised just over 14 weeks ago to start in 2009, will now not commence until after 2010? On 1 March 2006, the state government announced a $140 million South Road underpass under Sturt Road. The commencement date was 2009, but media reports today advise that the commencement date for the project has been delayed well out to 2010. Is that correct?

The Hon. P.F. CONLON (Minister for Transport): Is that correct? I have a slightly longer attention span than the member's; he does not have to repeat it at the end. The truth is that the comment that I made, as I recall, when announcing that project, was that it would commence after the completion of the other two underpasses, and that remains the case.

Mr HAMILTON-SMITH: Does the Minister for Transport stand by his statement on ABC Radio this morning that the first time he was aware that 2003 land values were used for the land acquisition cost estimates for the South Road projects was last week?

The Hon. P.F. CONLON: Yes.

TRANSPORT STAFF

Mr HAMILTON-SMITH (Waite): Did the Minister for Transport criticise the performance of senior transport departmental staff in a loud outburst about leaked correspondence which was overheard by a member of the public, and which is now reported in the local press, in the Qantas club lounge in Darwin Airport on Friday, 19 May after a ministerial council meeting? As part of that public outburst, did he threaten to 'end the career' of a senior manager and director within his department?

The Hon. P.F. CONLON (Minister for Transport): I must say that I did read that story with some interest. It contained phrases like 'heads will roll', which is what I apparently said. I can assure you that it is not a phrase I can ever remember using in my entire life; it is not like me. I never threatened to end anyone's career. I must say that I have taken some pride in some careers I have ended over the years. Wilson Tuckey was a special one for me. He never writes any more—very disappointing! There were a few others I did not take such joy in. I end the careers usually of people on that side of the chamber, and sometimes when they were on this side. I know that you were a minister for a very short time and that you may well have forgotten, but there is only one executive in a department I have direct control over, and that is the chief executive. That is the only one.

Ms Chapman interjecting:

The Hon. P.F. CONLON: Yes, the member for Bragg is right up with breaking news: he was transferred somewhere else. He was offered that. She is right across it. She is right up to date. She has stirred from her slumber. Can I say that that report was inaccurate. I was unhappy—very unhappy—about one thing, and I told that to the newspaper; it was no secret.

This matter arises from problems identified in the transport department before I became minister, but they were communicated—

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: What happened was that they were communicated to the university. What I was unhappy about was not the leaking of the document. It was on a web site—even you could find it; even the member for Waite could have found it. I was not in the least bit unhappy about leaking it onto a web site. What I was unhappy about was that the officer should communicate with the university without having briefed me on these matters at any point since I became a minister. That did make me unhappy, and it still makes me unhappy. As to threatening to end anyone's career, can I assure you that, as much as on occasions I might enjoy such a fantasy, it is not within my power. It is only within the power of a chief executive.

TRANSPORT, EXECUTIVE DIRECTOR

Mr HAMILTON-SMITH (Waite): My question is again to the Minister for Transport. Has Mr Jon Steele been moved from his position as Executive Director of the Transport Services Division within the minister's department? What are the circumstances of the move?

The Hon. P.F. CONLON (Minister for Transport): They have got me this time. I stand to be corrected but, as I understand it, he retired. People do that as they get older.

Mr HAMILTON-SMITH: Given the very short notice retirement of Mr Steele, who is presently acting in the role, is there any connection between this move and the departure of Dr James Horne?

The SPEAKER: I take it that the question is to the Minister for Transport.

The Hon. J.W. WEATHERILL: On a point of order, Mr Speaker, he may feel as though he is in a courtroom cross-examining, but there is a usual protocol about addressing a minister as the preface to a question.

The SPEAKER: Yes, there is. I take it that was a question to the Minister for Transport.

The Hon. P.F. CONLON: He's new. There were a couple of questions, and the last one was whether the retirement of Jon Steele had anything to do with the removal of James Horne; absolutely none that I can think of. I cannot imagine how one person's retirement could have any relationship to it at all. What was the other question?

Mr HAMILTON-SMITH: Who is acting in the role?

The Hon. P.F. CONLON: I will have to check. From memory, I think David Fitzsimons is. I am not certain. I will have to check that but, for the life of me, I do not understand what the relevance is of it.

NORTHERN EXPRESSWAY

Mr HAMILTON-SMITH (Waite): My question is to the Minister for Transport. Will the minister advise the current estimated cost of the Northern Expressway based on exactly the same project details as announced by the government on 17 July 2005, when the cost was $300 million? On 17 July 2005, the government announced the Northern Expressway project at a cost of $300 million. The government described

the project as a 22-kilometre, six-lane freeway that would save 20 minutes in travel time.

The Hon. P.F. CONLON (Minister for Transport): He might want to throw in a little more relevant information, such as the number of different routes as required by DOTARS. So the question itself is an absurdity and, as I have indicated—

Mr Hamilton-Smith: What does it cost?

The SPEAKER: Order!

The Hon. P.F. CONLON: What does it cost? How long is a piece of string? We do not know until such time as the road is scoped and the route chosen, and all those sorts of things. For the benefit of the member who does not think the choice of route makes a difference, land acquisition is a very expensive part of these processes. I have breaking news for the member for Waite, who lives somewhere in Mitcham: some land is more expensive (such as land in Mitcham) and some land is cheaper (such as land in the northern suburbs).

Ms Chapman: Land hasn't changed.

The Hon. P.F. CONLON: Land has not changed, she says. I wish that were true. Those 2002 figures would be a lot more bloody useful if land had not changed! I thank the member for Bragg. She is always reliable for some completely inane comment. The land has not changed, that is right. Ashes to ashes, and all that.

The truth is the road needs to be scoped and the project finalised. I also indicate to the member for Waite that his friends in the commonwealth have not just an interest but also a majority interest in this road. It is, after all, a commonwealth project. When all of those things are done and when we have had discussions with the commonwealth, it will be costed, but the question itself is an absurdity.

ROADS, DIAGONAL AND MORPHETT

Mr HANNA (Mitchell): What plans has the Minister for Transport to improve Diagonal Road and Morphett Road to cope with the additional traffic to be generated by the aquatic centre and community health village proposed for Oaklands Park?

The Hon. P.F. CONLON (Minister for Transport): This matter was raised by the member for Mitchell, and some others, at a public meeting, and I think I can say that, for once, we had bipartisanship that the best way to deal with that would be a grade separation, but it was not in the forward estimates of this government and would not have been in the forward estimates of the opposition had it won government. That was the indication from both sides of the house. There is no doubt that at some point in the future, as we work through priorities, works will be done there, but I do not think either party has offered the member the joy he would have liked.

ISOLATED CHILDREN'S PARENTS' ASSOCIATION

Dr McFETRIDGE (Morphett): Will the Minister for Education and Children's Services support the Isolated Children's Parents' Association in utilising the Hawker Childhood Services Centre and other rural and remote preschool sites for the purpose of child care? At the annual conference of the South Australian Isolated Children's Parents' Association held recently in Peterborough, the following motion was carried by the members:

That the SA State Council of ICPA write to the Minister for Education and Children's Services requesting that the Hawker Childhood Services Centre, and other rural and remote preschool sites, be utilised for the purpose of child care.

The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services): I did not attend the isolated children's parents' meeting this year. Occasionally I attend, and they always have some fascinating and important insights into looking after children under remote and difficult conditions. I am very happy to look at their proposals. Clearly, there are locations at which facilities have been used for play groups, family centres and child care, but these matters often relate to federal and state funding issues and we have to look at the other facilities in the neighbourhood. But I am very happy to look at their proposal.

SCHOOL BUSES

The Hon. G.M. GUNN (Stuart): I direct my question to the Minister for Education. Will the minister guarantee that all rural school bus routes will continue without change until the end of 2006? The minister would be aware of my interest in school buses. At the annual conference of the Isolated Children's Parents' Association in Peterborough, the matter of the school bus services was raised in detail and, in particular, the need to ensure that children can get to school. The fact that the minister wants to keep children at school until they are 17 will mean that they are going to need more school buses, not fewer, as is the policy of the government.

The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services): As the honourable member knows, school buses are the reason that we come together so often, because he often speaks to me about the problems with school buses. They are often contentious and debated at great length by local communities. Clearly, there are schools of right, where a child has an expectation of receiving transport. Many children go past schools to get to another school and therefore put pressure on buses, and the rules surrounding them are there to provide equity and consistency across many communities. I am not sure what the honourable member is referring to and I think it will be a good idea if he and I discuss this matter to work out how best to accommodate his problems.

MINISTER'S REMARKS

Ms CHAPMAN (Deputy Leader of the Opposition): I seek leave to make a personal explanation.

Leave granted.

Ms CHAPMAN: On 2 May 2006, the Minister for Education and Children's Services in a contribution made to the house entitled 'Schools, Ceduna Area' made the following statement:

. . . it is also worth noting that the Australian Press Council upheld complaints and pointed out that much of the information given to *The Advertiser*—which was found to be faulty and which the editor confirmed—came from the shadow minister as one of its sources of information on which the articles were based.

The adjudication published as No. 1313 adjudicated in March 2006 and issued by the Australian Press Council is a document of a page and a half and makes no reference whatsoever to the sources of the article in question, the subject of

complaint about *The Advertiser* to the Australian Press Council, and the only reference in it was in relation to quotes in the story. I refer to the judgment, which reads:

It quoted the state's education minister, the opposition's education spokesperson, the school's principal and others.

Furthermore, I advise that at 12.40 p.m. on 12 May 2006, I had a telephone conversation with Mr Melvin Mansell, who at all material times was and remains the editor of *The Advertiser*, in which he confirmed that he had a conversation with the Minister for Education and Children's Services and that he had not disclosed any source, including myself.

GRIEVANCE DEBATE

ASBESTOS, BURNSIDE PRIMARY SCHOOL

Ms CHAPMAN (Deputy Leader of the Opposition): On 10 May 2006, a very serious matter was raised by the member for Morphett in a question to the Minister for Education and Children's Services in relation to a load of soil that had been delivered to the Burnside Primary School to fill in a disused swimming pool, which soil was later found to be contaminated with asbestos. That was confirmed, and an assurance was sought by the minister in relation to ensuring that that would never occur again in any school. The Minister for Industrial Relations answered the question as follows:

Small samples of foreign material were found some time after the soil was placed and raked in the disused pool. The samples were found in a small, localised area. Spotless immediately notified the school and DECS of the find. The topsoil was replaced. Independent reports confirmed the soil was free prior to delivery and further testing found no trace of asbestos in the removed topsoil.

He goes on to say that he will take advice on the matter and inform the member. We have not yet had a response on that, but that is not the issue of concern that I raise in the house today. What is of concern is that the minister, in detailing that information, has clearly set out to imply that it was the school that was advised of this matter by some other third party, that in some way Spotless had contacted the school, and in fact DECS, to alert them to this. The reality is that the work had begun on demolition of the swimming pool on or about 6 February. There had been funding allocated by the department, and Spotless Services were engaged to manage the project.

In fact, it was on 27 February that a load of soil had been delivered and was subsequently spread on the site, and it is an employee of the school who has observed this. It is the school that has found this. It is the school that raised the alarm. It is the school that alerted the department to this concern and raised this issue, and in no way should this matter be left to rest, to allow there to be any kind of assertion that this was a matter to which the school reacted. They found the problem. They alerted the department. They are the ones who called for the testing. They are the ones who have acted to protect the children at Burnside Primary School. They are the ones who are members of the board who see this as a very serious matter: that any school at any time should have any product containing asbestos delivered, deposited, dumped, whatever, into their school.

So, that is a very grave misrepresentation, I suggest, in relation to the accuracy of the events of what has occurred in a presentation to this house. I know that the board of the Burnside Primary School, the governing council, the staff and the parents want this matter clearly on the record: that they are the ones who have raised the alarm, they are the ones who are seeking an answer and they are the ones who have acted at all material times to protect the children at this school, and to ask of the government—which has occurred through questioning in this house—what the government is going to do to ensure that this never happens again and that children in any other schools are not exposed. We are waiting for that answer and they are entitled to know that. Every parent who has children in government schools, or non-government schools, across this state needs to have that assurance and we need some answers promptly.

REGIONAL SERVICES, ADELAIDE AIRPORT

Ms BREUER (Giles): I rise today to speak on a matter of great concern to country people, which I know has been brought up in this place in recent months but nothing seems to have been resolved. I still believe it is a major issue for country people. It is the issue of the Adelaide Airport and the situation concerning regional passengers flying in to the Adelaide Airport. We have an absolutely ludicrous situation there concerning the amount of time people spend getting off their flights and getting out of the airport and the distances that are involved in travelling from their aircraft to their exit.

I have been very reluctant to fly in the time since the Adelaide Airport was opened. In fact, I have only flown three times in that time from Adelaide Airport, whereas I regularly used to fly at least once, probably twice, a week prior to that. But I had been so scared off by the stories of people who had come in to my office and the media reports I had heard and read about concerning the amount of travel that was involved from the aircraft, the amount of walking—and it is no secret that I do have a disability and that I find it very difficult to walk great distances, and this is the reason I have not done the trip.

However, last week I was obliged to travel by air as I had no other means of transport. I flew Rex Airlines in this instance. I alighted from my aircraft and found that we had to walk backwards back to an entrance. We had to walk along the walkway that they have built there (which is covered) and I imagine in summertime it is extremely hot and stuffy. There was a considerable walk—I would say at least 500 metres—along that and back into the terminal. We were then forced to undergo security checks—and I don't have a major problem with being checked for security. The reason for that is because we are in-going we may mingle with other passengers, so that is not a major issue for me.

Then there are four flights of stairs, if someone takes the stairs. Luckily, there is a lift, so I was able to use that. From there, people have to walk from one end of the terminal virtually down to the other end to collect their baggage, which is at least another 500 or 600 metres—probably more-and then down to the end of the terminal. Then people have to walk back, and they finally reach the front exit. It took me a good 20 or 25 minutes to do this, and it confirmed all the stories I had heard from other people—and I have received a considerable number of complaints about this over the last few months.

An article appeared in the *Port Lincoln Times* on 16 May in which a fellow named Harold Babski was reported as complaining about this matter (of course, Port Lincoln people are frequent users of Rex airlines and the Adelaide Airport). Mr Babski came forward to share what he described as the 'undignified experience' faced by elderly, disabled and sick passengers. He said that, after a 35-minute flight from Port Lincoln, it was not unusual for him to take another 35

minutes to get from the plane to a taxi or the Red Cross pick-up service. I can quite understand that. He said it is a 10-minute walk to the luggage turnstile if someone is fit, or a 20-minute journey if they are elderly and ill. That is my concern. As Mr Babski said, there are many people who travel on Rex airlines (and O'Connor also had a similar experience, although it is not quite the same distance). It is certainly an unreasonable walk for the elderly or disabled, or people who have recently had surgery, which is the case with respect to many people who travel on those airlines. It is an incredible distance for them to walk.

I cannot understand why nothing is happening. I have seen correspondence, and I know that a ridiculous situation exists between the airport manager, Phil Baker, and the managing director of Rex, Geoff Breust. They have exchanged considerable correspondence and had discussions and meetings, and nothing seems to have been resolved. I know that I am biased, but I feel more inclined to support Rex on this, because I believe it has taken a reasonable approach. I am not sure that the management of the airport is taking a reasonable approach: it seems to be attributing a lot of the blame and cost to Rex airlines. I know that Rex airlines has lost business. As I said, I used to fly at least once a week with it and I no longer fly, and I know that there are many other people in a similar situation.

I am not sure what we as a state government can do about this, but it concerns me greatly. I believe that we need to intervene. I think the Minister for Tourism has to look at this situation, because Rex is used considerably by tourists travelling to Kangaroo Island, Port Lincoln, and so on. I think that the Minister for Transport also needs to look at this situation and see whether we can intervene. I believe that the only way of resolving this problem is to move the airline counter closer to the terminal or to provide a bus service for passengers.

Time expired.

TRANSPORT,INFRASTRUCTURE AND ENERGY PORTFOLIO

Mr HAMILTON-SMITH (Waite): The house should note that the portfolio of transport, energy and infrastructure is in chaos and that it is being poorly led by the minister. The startling revelations that have emerged in the last two days are simply striking. We had the admission yesterday that the Bakewell Bridge has blown out by $11 million to a staggering $41 million. We also had the admission yesterday that the Anzac Highway/South Road underpass has blown out from $65 million to at least $100 million, and today we discovered that it looks like being $150 million. We then heard the news today that the combined South Road tunnels project could head towards $400 million, and then there was an admission from the minister that the Sturt Road/South Road underpass that was promised—a $140 million project—has been pushed back to the never-never; beyond the budget purview. It will never happen—and that was a promise made just 14 weeks ago.

These projects are in chaos. The Northern Expressway, the house has heard, could touch $900 million if it remains as presently scoped. This is massive bungling, totalling hundreds of millions of dollars, involving billions of dollars worth of assets, under the management and care of this minister, who has taken his eyes off his portfolio and not managed it correctly. It is bungling on a major scale.

The current minister may seek to blame the other two ministers that this government has had in that post—his predecessors, the member for Lee and the member for Taylor—or he may seek to take responsibility himself. Instead, he wants to blame his departmental officers. Of course, the context of these messy budget blow-outs is that the department is in virtual meltdown. Not only have the projects blown over, we have $36 million worth of red light cameras which are back in Germany because they do not work. We have a $10 million safety management system for the trains which are running red lights because the software does not work, putting lives at risk. That has been hauled offline. The Marion bus/rail interchange is in chaos; it looks like it will not work. We know that the trams proposed for King William Street are in trouble. He will not confirm whether that will go ahead. The trams themselves, apart from the derailments, are not working. The transport portfolio is in a mess.

Why is it so? I point to the Auditor-General's Report. The minister told the house today that he is proud of this report. Let's hear it. It is a report that any minister would be ashamed of. It was tabled last year and no action was taken. It details that the network assets in the hands of this minister are not being appropriately managed. There are a number of areas where there is scope for the department to strengthen its control environment. There is a need to formally document policies and procedures for key activities. It is recommended that reconciliations occur more often and independently. The department does not accept the advice. It wanted to argue with the Auditor-General. Audit did not consider the department's response to this recommendation satisfactory. Records cannot be relied upon. There is a need to re-engineer processes to address the problems identified by Audit.

The review identified weakness in the control arrangements and transactions in land, buildings and facilities. Audit was unable to identify controls which provided assurance that all transactions including revaluations are being conducted properly. Transactions were identified that were not recognised and not correctly accounted for. Project and contract management were areas identified for improvement. The department's failure to publish contracts on its web site was identified as a significant matter, as was its failure to seek liquidated damages where contractors did not comply with contracts. As to accounts payable and credit cards, they cannot even pay their credit cards and bills correctly. Concerns were raised by Audit about reviews and authorisations of credit cards, whether goods and services were received but not invoiced, whether there were instances where procedures were not complied with, where all sorts of probity issues had been raised. This is an Auditor-General's Report to be ashamed of, and the minister scoffs. There is the problem. He does not understand that his department is in chaos.

Time expired.

MONKEY BIKES

Mr O'BRIEN (Napier): I can confidently speak for the electors of Napier when I say I am delighted that the Minister for Consumer Affairs recently signed an order banning the sale of monkey bikes. Monkey bikes are an absolute nuisance in the Elizabeth area. In fact, one of my constituents and a good friend, Mr Shaun Barby, of Davoren Park is attempting to buy the walkway beside his house to overcome the enormous disturbance caused by these bikes zooming up and

down at all hours of the day and night. Many of the walkways in the Peachey Belt area were designed to encourage residents to walk through the area and to allow children to walk to school. These walkways have now been invaded by monkey bikes.

Monkey bikes are miniature versions of larger motorcycles. They are usually about 1 metre in length and stand less than a metre off the ground. They are powered by a 50cc petrol engine and are capable of speeds in excess of 70 km/h. Monkey bikes were largely sold as toys for big boys, in contrast to conventional bikes designed for use by children. My understanding of the manufacturing specifics is that minibikes are essentially well-designed miniature dirt bikes that are safe for use in appropriate circumstances such as on farms or purpose-designed race tracks, whilst monkey bikes are made on the cheap and cut corners where safety is concerned. Restrictions on the use of monkey bikes have always been in place. They were classified as motor vehicles but could not be licensed because they did not comply with vehicle standards regulations and Australian Design Rules. This meant that the bikes could be sold, but their use was restricted to private property. In reality, however, users of these monkey bikes have not complied with the restrictions, either through ignorance of the rules or, as I believe, blatant disregard of the rules.

The use of these monkey bikes has posed two major problems. First, these bikes are blatantly unsafe to use in public places. Tragically, as many members of the house would be aware, a young man died in an accident on one of these bikes in Parafield Gardens only days after the minister had issued the ban. The key safety faults on these bikes have been associated with the throttle, brakes, foot pegs and steering. The Office of Business and Consumer Affairs has made five safety recommendations, which have been addressed in the banning order. Until manufacturers demonstrate that the monkey bikes comply with these standards, the bikes will remain prohibited. It should be noted that this ban also applies to the on-selling of any second-hand bikes already in private ownership. Secondly, monkey bikes in public places are, quite frankly, a nuisance. The bikes have an extremely loud and high-pitched timbre.

My electorate office and, I believe a large number of other offices, receive calls from people at their wits' end regarding the use of these bikes in their neighbourhoods. On my recommendation, my constituents call the police, but the bikes disappear through alleyways, footpaths and parks and gardens at the first sign of a patrol car. The ban on these bikes will help alleviate the safety concerns and will stop the spread of this urban menace and source of noise pollution. My constituents are delighted with this ban, and I again congratulate the Minister for Consumer Affairs on taking this action.

CLAYTON, WATER SUPPLY

Mr PEDERICK (Hammond): I want to speak today about Clayton, a lovely spot in the south-western corner of the electorate of Hammond.

An honourable member: It used to be in mine.

Mr PEDERICK: Absolutely. It is situated opposite Hindmarsh Island, with 420 properties and about 176 permanent residents. Currently, Clayton does not have an adequate water source to supply the town year round for domestic use. The town is serviced by a local aquifer filling a storage tank. In times of high demand for water, the local supply cannot keep up. Clayton is in a rain shadow and only receives 350 millimetres of rain per annum. This means that people need to get water trucked in from Tooperang Springs, which is not a long way away, but it can take three hours to load a truck in peak demand times.

The back-up supply from Tooperang Springs is vital to back up not only the supply in Clayton but the crumbling water infrastructure as well. The local water supply is not filtered, so there are issues with washing clothes and toilet inlet lines blocking up with sediment. There is also a major safety issue, with low water pressure for the CFS to fight fires effectively when connecting to hydrants. Another issue is the crumbling asbestos pipes, which is not just an issue in Clayton but which will become an issue throughout the state. A question I ask is whether there is any liability on the government to make sure that there is a suitable supply of drinking water for the town. This lack of a suitable water supply is an issue not just for Clayton but also for the whole eastern Fleurieu Peninsula. I believe there needs to be a feasibility study and then action to ensure a decent water supply is available to residents.

In regard to Clayton, a pipe connected to the Milang supply would be an option, but we need to look at the bigger picture. The Woodchester area does not have an adequate water supply, let alone filtered water. Also, with Strathalbyn expanding and large housing developments proposed for Hindmarsh Island, further water is needed. Another issue will be that, if the Strathalbyn Angas zinc mine project goes ahead, water supply infrastructure will have to be upgraded to facilitate the mine operation. I realise that new pipelines do not come cheap, with one quote at $3 million for a new supply from Milang to Clayton, but we need action to progress development and to enhance people's wellbeing in the area.

AUSTRALIAN-GERMAN FELLOWSHIPS

Ms CICCARELLO (Norwood): Today I rise to inform the house about an educational and cultural initiative made possible by South Australia's and this government's continued commitment to multiculturalism and the benefits and rewards it brings to South Australia. Since 1991, the Australian German Association and the Goethe Institut, supported by Lufthansa German Airlines, have sponsored a fellowship which offers young Australians up to the age of 35 years the opportunity to spend three months in Germany and undertake eight weeks of intensive language and cultural study with full accommodation, and it also provides their return airfare and travel allowance.

Applicants need to have an excellent tertiary qualification and the prospect of a promising career in law, business, science, political science or the arts, and I am sure that there is no shortage of such talent in South Australia. I am told that the Hon. Michael Atkinson, Minister for Multicultural Affairs, asked Multicultural SA to tell South Australia's tertiary education sector about this fellowship so that it can be promoted as widely as possible amongst the student body. The fellowship is an exciting development opportunity for South Australian students, especially those with German language skills, or those willing to take up the intensive German language training that the fellowship holds.

This government works hard to promote the benefits of learning a second language in the South Australian community, and the AGA Goethe Institut Fellowship is but

one of those benefits offering travel and further education and development opportunities for young South Australians. I have always believed that our embrace of multiculturalism brings mutual awards, and this fellowship program, with all the potential rewards it offers to young South Australians, reinforces the essential truth of that belief. This government's support of multicultural organisations such as the Australian German Association and the Goethe Institut and the work they do in cross-cultural education and understanding as well as in promoting contacts and good bilateral relations is repaid many times over when these organisations respond by establishing these fellowship programs.

Imagine the possibilities of such exchanges and experience and the new skills and benefits they will bring to government, trade, business, social, economic, educational and cultural development. The AGA Goethe Institut Fellowship will also help further relations between Germany and South Australia. German culture has old and long links with South Australian history, of course because German migrants fleeing religious persecution in Europe began arriving in the fledgling colony in search of freedom as early as 1836. Since then, German South Australians, both migrants from the second half of the 20th century and the descendants of early German settlers, have made immense contributions to our state; and their heritage, achievements and contributions are reflected today in institutions and place names.

Mr Goldsworthy interjecting:

Ms CICCARELLO: As the member for Kavel said, Pastor Kavel was here in the late 1830s. In my electorate of Norwood there is a strong history of German settlement in the early village of Klemzig and also in Stepney. A little-known fact is that the original Schützenfest was held in Stepney behind the Maid and Magpie Hotel, because Stepney also had a very large German population in the 1800s. The AGA Goethe Institute Fellowship continues that fine tradition of German contribution to South Australia, and this government is happy to promote it in our South Australian universities. I encourage all members of the house to promote the activities of this great institute and also the Australian German Association.

CONSTITUTION (LEGISLATIVE COUNCIL REFORM) AMENDMENT BILL

The Hon. R.B. SUCH (Fisher) obtained leave and introduced a bill for an act to amend the Constitution Act 1934; and to make a related amendment to the Subordinate Legislation Act 1978. Read a first time.

The Hon. R.B. SUCH: I move:

That this bill be now read a second time.

The reason for the bill is simple. There has been a lot of talk about the Legislative Council and the role it fulfils or, in some people's minds, does not fulfil. Some view the upper house as obstructive. I do not think that denigration is helpful, and I think that it is very unfair on those members, both present and past, as they have been elected under the constitution of the day and seek to fulfil their obligations as they are required to fulfil them. I am well aware that the government intends to put a referendum to the people initially seeking, as I understand it, to abolish the upper house. I believe that, since that first announcement, the Premier may well have indicated that, on behalf of the government, he will put a range of propositions—not simply abolition but also reform. I trust that is the case.

I also point out that the member for Mitchell has a bill currently before the house that deals with one aspect of my bill. My bill goes beyond what he proposes. His bill focuses purely on the term of members of the upper house; my bill does that and also looks at the issue of dealing with the allegation that the upper house obstructs, delays or whatever. My bill provides a mechanism whereby the Legislative Council can delay a measure for 45 sitting days and, if the council does not deal with the matter, there is a mechanism for the bill to be transmitted back to the House of Assembly to be dealt with again.

I think that the upper house can fulfil a very useful role in respect of its being able to delay a measure—not indefinitely but for a period of time, that is, 45 sitting days. I think that this is a reasonable time. If the House of Assembly and the government of the day had got something terribly wrong, 45 sitting days would be enough time for the public and *The Advertiser* and other media to be up in arms and bring about some sort of possible change. I think that it circumvents the current problem, where the options for the upper house are often limited, leading, as I said earlier, to the claim that it is obstructive and hinders change proposed by the government or the lower house.

It is a very simple measure and, as members will see, there are provisions in relation to the mechanics of it. I do not need to elaborate on them, as members are quite capable of reading them for themselves. There are provisions relating to lapsed bills, subordinate legislation, and so on. One provision contained in the bill in terms of transitional arrangements provides that members elected to the Legislative Council at the most recent election (18 March this year) would not be affected in respect of their term of office. The reason I have done this is that I do not believe that it is fair to change the rules after the political process has started. They have been elected for eight years, and I do not think that it is fair or reasonable suddenly to cut their term in half.

One provision I have not included but would be interested for members to reflect on is whether the Legislative Council should go back to the old system of having a defined district that members represent. I understand that this is still part of the provision in Victoria. We had it years ago, but I tend to argue that if you try to represent everyone, in effect (and I do not mean this discourteously), you end up representing no-one. It is like multi-member electorates. It is hard to hold someone accountable because it is easy to say that someone else is doing it or should have done it. I like the idea that accountability rests fairly and squarely on an elected member. Therefore, whilst there would have to be some adjustment—because I am not suggesting single member electorates—I think the current representing-the-whole-state approach is not the best framework for the Legislative Council to operate within.

As a little digression, I mention that I recently had the privilege, funded by members through their parliamentary association (and I thank members for their generosity), to visit the Isle of Man (or, probably, in future, the Isle of Person). It has a parliament which has been going continuously for 1 000 years, so they have a bit of experience. They have a tricameral system—a bit different to some countries, which have a try-anything system—which comprises a lower

house and a upper house, and the two houses come together on a structured, systematic basis where the Speaker and the President basically sit side by side. We, in effect, have that mechanism in respect of deadlock conferences and conferences between the houses, but it is an interesting concept which they have developed, as I say, over 1 000 years. I am not advocating that, but I think it suggests that there are probably other ways in which we can help resolve some of the differences between the two houses. My bill addresses that matter in respect of having a delaying function for the upper house—limited delaying function—but its not being able to negate the will of the House of Assembly—the people's house, the house of the elected government—which is what can happen at the moment.

So, I commend the bill to members. I do not claim to have all the answers, but I think seeking to reform is a better approach than seeking to abolish. My own personal belief is that a referendum to abolish will not succeed but a well thought out referendum based on reform will be accepted by the people of South Australia and, accordingly, I commend this bill to the house.

Mrs GERAGHTY secured the adjournment of the debate.

REFERENDUM (LEGISLATIVE COUNCIL REFORM) AMENDMENT BILL

The Hon. R.B. SUCH (Fisher) obtained leave and introduced a bill for an act to provide for the submission of the Constitution (Legislative Council Reform) Amendment Bill 2006 to a referendum. Read a first time.

The Hon. R.B. SUCH: I move:

That this bill be now read a second time.

I do not need to speak at length about this. It is a mechanical procedure that follows from the bill I just introduced. Obviously, if that is carried then we must have a referendum because it relates to entrenched provisions in the constitution. So, it is a mechanical provision but a necessary one if we are seeking to change the entrenched provisions of the constitution and, accordingly, I commend the bill to the house.

Mrs GERAGHTY secured the adjournment of the debate.

CONSTITUTION (ELECTORAL REDISTRIBUTION) AMENDMENT BILL

The Hon. R.B. SUCH (Fisher) obtained leave and introduced a bill for an act to amend the Constitution Act 1934. Read a first time.

The Hon. R.B. SUCH: I move:

That this bill be now read a second time.

The reason for this bill is something very close to the heart of many members. After each election, as a result of changes made about 12 or 15 years ago, there has to be a redistribution of the electorates in order to create a theoretical 50 per cent plus one of the vote generating the new government, or the party to form a government. I have felt for quite a while that that is excessive in relation to a redistribution process. I do not believe the demographic changes are significant after four years. Many members have said to me that they get to know an area and then it is suddenly whipped away from them; electors do not know which electorate they are in because of the rapidity of change; there is little identification with an electorate; and there are the cost, the time involved, the effort required by individual MPs, by political parties and by the Electoral Commission and others to carry out this process of electoral redistribution.

Because we cannot stop the current process, as it is under way, this bill seeks, as soon as is reasonably practicable, to have the redistribution after every second state election. I do not think that negates the basic democratic principle because, as I said before, I do not think the demographics change radically in the space of four years to warrant the effort that we put ourselves through now. I think that eight years is a more reasonable time frame. We do not want to go back to the old days of malapportionment or what some people call gerrymander, which is not the same as malapportionment. I do not want a system where one member is representing 30 000 people and someone else has 8 000.

When I first came to this place I was representing twice the number of electors as were in the electorate of Elizabeth, and I remember asking the then Premier (John Bannon) if I could have some extra resources, and he kindly declined. It was something like 32 000 I had, to 16 000. That is really the key aspect. I think that the current arrangements are unnecessarily excessive. I do not believe we lose anything by considering redistribution issues after the second election, and that is the sum total of the thrust of this bill. I commend it to the house.

Mrs GERAGHTY secured the adjournment of the debate.

REFERENDUM (ELECTORAL REDISTRIBUTION) BILL

The Hon. R.B. SUCH (Fisher) obtained leave and introduced a bill for an act to provide for the submission of the Constitution (Electoral Redistribution) Amendment Bill 2006 to a referendum. Read a first tme.

The Hon. R.B. SUCH: I move:

That this bill be now read a second time.

Once again, this is a mechanical requirement given that my proposal involves the entrenched provision of the constitution—a referendum is required. So, I do not think I need to speak at length on that. It is a requirement. If you change the entrenched provision you must ask the people. I know that sounds radical but that is our system. I commend the bill to the house.

Mrs GERAGHTY secured the adjournment of the debate.

ELECTORAL (VOTING AGE) AMENDMENT BILL

The Hon. R.B. SUCH (Fisher) obtained leave and introduced a bill for an act to amend the Electoral Act 1985; and to make related amendments to the Juries Act 1927 and the Local Government (Elections) Act 1999. Read a first time.

The Hon. R.B. SUCH: I move:

That this bill be now read a second time.

This is the bill which would, if passed by the parliament, allow 16 and 17 year olds the option—I emphasise the option—of enrolling to vote in state elections and also in local government elections. The bill does not extend the change to the Juries Act—currently minors are not allowed to be empanelled—but it would allow those who wish to be to have a vote at state elections or in local council elections. If they chose to enrol they would have to vote but they would not be required to enrol.

People would ask the reasonable question: why would you want 16 and 17 year olds voting? I would ask the other question: why not? We live in a democracy and I believe there is a significant proportion of 16 and 17 year olds who do take an interest in matters affecting them in their local area, and the state, and who would like to have a say. Importantly, that age group at the moment has no political influence or power at all.

I was minister for youth affairs in the nineties and realistically there was a lot of consultation. I created the Youth Parliament here and also a lot of other youth initiatives. People say that they listen to young people. It is great to listen to someone but you really listen to them when they have a vote. I would point out that the people who are currently 16 or 17 will be voting at the next state election, so, obviously, members would be advised to consider carefully their comments about the current 16 and 17 year olds, because they will be casting a vote possibly for those members at the next state election.

Teenagers are what I would describe currently as the lepers of our society, and I am amazed and horrified at some of the hostility expressed towards young people. I must say I have had only two negative responses. One person sent me an email saying I want to give the vote to young thugs, and I thought that was a pretty outrageous comment. Most young people are fantastic. Only less than about 6 per cent get into any serious trouble. Some members here would have 16 and 17 year olds in their family, and I wish them well.

Members also would know, from having had students undertake work experience, what wonderful young people we have in our state. We should not stereotype everyone on the basis that some are anti-social and break the law. Many people over the age of 18 cannot even fill out a ballot paper and are not knowledgeable at all about state or local council elections. So, one should not generalise about or stereotype young people on the basis that some young people may not be fully aware of all the political implications.

Under our current law (and this is an issue I have taken up with the Attorney, and he is well aware of it), we allow people with dementia to vote. My dear mother-in-law, who is 90 years of age, could have voted at the last state election; in fact, my wife could have voted on behalf of her mother (it would not be breaking the law) if she wanted to go down that path. In seats such as Unley or Norwood there are quite a few people in nursing homes who suffer from dementia (which is a terrible affliction) but, in reality, in some cases, their relatives vote on their behalf. Some people say that 16 or 17-year-olds will not know what they are voting about. Currently there are people voting under our system who do not know what they are voting about, and they cannot, because of a terrible affliction. We allow prisoners to vote—and I do not support the commonwealth's initiative to take away their voting rights. We allow murderers and rapists to vote, yet we say that 16 or 17-year-olds who have not broken the law should not be able to vote at all; that they should not have any say.

We focus on the young children—the cute and cuddlies—because they are very appealing. So, they receive playgrounds and other considerations, but teenagers are often left out of the equation. We have plenty of senior citizens' clubs (and we probably need more), but one does not see too many youth clubs around or many facilities or services specifically for young people. The catchcry, 'Join the netball team or the football club', I think, is a pretty hollow response to that claim. I believe the major parties and the minor parties need to be mindful of this issue in the sense that, currently, to join the Labor Party one has to be the ripe old age of 14, and to join the Liberal Party and the Democrats one has to be 16. So, the Labor Party—

The Hon. G.M. Gunn: And to join the Independents?

The Hon. R.B. SUCH: The Independents, we take anyone! The Labor Party obviously is saying that, if someone is 14, they can make a contribution to the political process and, likewise, the Liberal Party is saying that 16 and 17-year-olds have something to offer. It would be very difficult for the major parties to say that 16 or 17-year-olds are not mature enough and do not know anything about politics when they have Young Labor, Young Liberal, Young Democrats and so on. I just point that out to them, because young people are very astute, and they are watching this issue very closely.

When I raised this issue through *The Advertiser* earlier this week, I received an incredible response from the media. It was interesting that the people who embraced it most strongly were the people of Perth. For some reason—I do not quite know why—in Adelaide, in particular, we seem to have developed an attitude that if anything is innovative or new we do not want to know about it. Yet this is the state—this is the parliament—that developed the secret ballot; the so-called Australian ballot. We gave women the right to stand for parliament before almost anywhere else in the world; I think we were first on that one. We were about third in allowing women to vote, and we gave Aboriginal men the right to vote back in, I think, 1860 but, sadly, it was taken off them in 1901 because the other states would not agree to continue it. So, we have pioneered innovation in terms of the franchise.

The arguments that people put up against 16 or 17-year-olds are exactly the same arguments that were advanced against women receiving the vote: they do not understand the world; they do not have any experience of the world; they are naive; they are not mature. I do not know quite what the term 'mature' means. In the case of many people, I do not believe that, as they go through life, they necessarily gain greater wisdom—I am not sure that that is the same thing as maturity, anyway. But the arguments are the same. The classic resistance argument is: not now; can't afford it; not ready; it costs a lot of money. Well, this will not cost much at all. It will cost very little, because the existing mechanisms are there.

I do not expect to hear people trotting out the argument: they are not ready; they do not understand; they are immature. Those arguments belong where they should be kept: in the dustbin of history, because they were the arguments used against women, Aborigines and any other minority group. Teenagers, in effect, are a minority group in our community. In fact, as I said earlier, I find the hostility that extends to them rather disconcerting.

A shopping centre very close to my office played music to keep young people away, and it chose Frank Sinatra's *Come Fly with Me* (and if I ever hear that tune again, I think I will literally take off). The shopping centre was playing it loud and continuously to drive young people away. And look at the way in which people walk around teenagers. I am not sure why they are scared of them because, as I said, over 90 per cent of them do not do any harm to anyone. As I have often said, they are not just the future—which, unwittingly, is a put-down, because that is saying that the present is not important. If someone is 16 or 17, those years are just as important as if someone is 46, 56 or 96. We get only one go at life, and those years are just as important. Some people say, 'They are the future; they can have a say in the future',

and I say that they are the future but they are also the present. If we focus only on the future we devalue them and say, 'You will not be important until the future.'

Let them have a say now and let them participate and contribute. I do not accept it when people say that they are not responsible. However, I think my measure would make them even more responsible than they already are, because they would have to take an interest. Some people say that if you give them the vote, you have to treat them like an adult in criminal matters. I do not have a problem with certain aspects of that, because I think that our current approach leaves a bit to be desired. I do not believe that a 17 year old who bashes up a little old lady is a child; I do not accept that at all. I am not averse to reforming the justice system as it applies to young people who are, say, 16 or 17 and who do bad things. I think there is a special case for those younger than that, but to say that someone who is 17 years and 11 months old does not know that they are damaging property or hurting someone, I think is nonsense. I think that we need to revisit that, and I think that the community would applaud it if we did. I would not call this measure radical: I would call it enlightened.

I think it is another way in which South Australia can show that it values the few young people that we actually have. We do not have many in South Australia, surprising as it may seem, if you listen to talkback radio. We are an ageing society. It would send a message that we value young people—those young people who pay tax, who at 17 can be in the military, who can consent to operations and who can drive a car. Yet, we say that they do not understand enough about how this place or their local council works in order to cast a meaningful vote. If that is not an insult, I do not know what is. If you can drive a car at 16, you can certainly understand enough about the voting system to cast a meaningful vote.

The Leader of the Opposition raised a point about the drinking age. I do not think that is relevant. Alcohol is a drug (or a compound) that affects behaviour; it is not in the same category as casting a vote and, therefore, it requires special consideration. In the United States, you are not allowed to drink in licensed premises until you are 21. The alcohol question is another issue which I will address some time down the track. We have a madness in our society where you are not supposed to drink one day but the next day you can drink yourself silly. We need to learn from the Italian community, who have a much more sensible approach to consumption of alcohol, where wine is seen as part of the meal, if you want to partake of it, and I am not saying you have to. But we have this silly idea that suddenly, when you turn 18, you can drink yourself blind when the day before you could not go to licensed premises because somehow that was evil or wicked. That is not a very rational approach. So, I do not think that the issue of alcohol consumption is relevant.

I implore everyone to look at this issue on its merits, to talk to young people to see what they think. Talk to them in your electorate and vote for the issue on its merits. Do not worry about what other people do or do not do in other states. In some countries, they cut people's hands off; we do not have to follow suit. Let us make a decision. Let us be enlightened. Let us value our young people and have confidence in the ability of those who want to participate to have a say in a council election or a state election in a responsible manner. I commend the bill to the house.

Mrs GERAGHTY secured the adjournment of the debate.

CONSTITUTION (ELECTION DATE) AMENDMENT BILL

The Hon. R.B. SUCH (Fisher) obtained leave and introduced a bill for an act to amend the Constitution Act 1934. Read a first time.

The Hon. R.B. SUCH: I move:

That this bill be now read a second time.

This bill seeks to change the date on which the election is held for this state. I commend the good work of the member for Mitchell some years ago—I think it was in 2000—when he helped to get the ball rolling on this issue. We had significant reform in respect of having a fixed four-year cycle. I support that, and I do not want to see us move away from that, except in the sense that, if you make a change now, you have to adjust the current term, otherwise you are going to clash with local government elections. For the next state election in 2009, this term would be three years and eight months. The alternative would be to go beyond that and have a four-year eight-month term. I am relaxed either way, but I have opted to go for the three-year eight-month term initially, and that would put the state election in a different year to local government elections which, as members know, will now be held in November, starting this year. After that first election date in November 2009 on the third Saturday, they would be four-yearly fixed terms.

The reason I believe the change is necessary is that in March we now have the Festival of Arts, the Fringe and a whole range of festivals along with the 'Festival of Politics' which is the March election. That is one reason—to avoid a month full of festivals. The government might say that it suits it because people will be thinking about Don Giovanni instead of Iain Evans. So, the reality is that political parties will say, 'What is in it for us?' I understand that; I am not naive. I know how the system works. I put the challenge to the Premier, in particular, who says that he governs for all South Australians. The difference between a politician and a statesperson is that the latter puts the interests of the whole community above partisan and sectional interests. I believe this measure is correct in that it would move a very important activity—the election date event—to a time when it is not surrounded and crowded out by other activities, worthy as they may be.

Why the third Saturday in November? Well, the first Saturday is Pageant Day. I would like to have that shifted, but I do not think that is possible. I did think it would be an idea to have the Premier and the Leader of the Opposition replace Nipper and Nimble and arrive on that day, but probably that is going a bit far. Seriously, the reason for the third Saturday is that the second Saturday could be Remembrance Day, depending on where it falls—the 11th of the 11th. You would not want an election day on Remembrance Day. So, the earliest you could have it is on the third Saturday. Bearing in mind that, if you go back too far into October, students would have exams, and if you go towards December, you affect the retail sector. To have the election before the shopping season really gets under way is something retailers would welcome. I have never quite understood why, but apparently people's shopping habits are affected by the thought of an election. I have not really analysed that to see why that is the case.

However, there are other important reasons this date change is required. We have seen this year the fact that parliament has sat for only three weeks of real business, if I can use that term, following the initial sitting day. So, we are

almost half way into the year and parliament has sat so far for a bit over two weeks. Sadly, I missed those two weeks while I was overseas, and it will take quite a while and a lot of counselling for me to get over the fact that I missed those two weeks of Address in Reply speeches!

However, the more serious aspect in relation to the current date is not simply that the parliament gets off to a slow start; it is the fact that we will not get a budget now until about September, and I understand we will be having the estimates committees in about October. Obviously, there could be adjustment in respect of some aspects of that. The federal government has brought down its budget, which used to be the trigger for our budget, or our budget used to follow on because of implications from that. What we have now is a budget that will come down in the latter half of the year, when government departments and agencies should really be working on that budget right now and responding to it, and the parliament should have dealt with it by now. However, because of this March election date, we have this late start for parliament, the budget comes down late, and parliament responds late on the budget.

I remind members that the role of parliament is to scrutinise the executive government. No government, no matter what its complexion, ever likes that scrutiny, but that is our democratic system. That is what people have fought and died for, that is, to have a parliamentary system that scrutinises the executive government. It is called responsible government, and that is what is meant to happen.

In relation to this measure, I am not naive enough to think that the government, in particular, is going to embrace me in the corridor and say, 'Thanks for doing this; this is what we wanted.' I am sure that the government will probably say privately (it will not say it publicly), 'It suits us fine, because we have a lot of other things on in March,' and that may help people focus on other things, rather than on the government. I hope the government is not that cynical. I guess the opposition and people like myself would look at it in a different way. However, it comes back to the point I made earlier, and that is that we should be making these decisions in regard to what is in the best interests of the people of the state, not the best interests of the Labor Party, the Labor government, the Liberal opposition or Uncle Tom Cobley. It should be in terms of what is the honourable and ethical approach in ensuring that we have a parliamentary system, a governmental system, which is of the highest possible standard in accountability and responsibility and which delivers for the people of South Australia. That is my sole motivation.

As I have said, whether we have this particular term of three years and eight months or whether we go beyond that, I am not fussed about that. However, I think the public might say that, if we go for four years and eight months, that might be stretching things a little bit. If that was acceptable, that would be even better. Obviously, the election would not be held in 2009, because we would go longer than what I am proposing in this initial changeover period.

That basically covers the issues. I think it is worth debating and considering. As I have said, I commend the member for Mitchell and those who were involved in making that initial change to a four-year fixed term. I think that was an act of statesmanship, just as the original proposal for redistribution, in which I think Dale Baker was a key player, was an act of statesmanship, too—the fact that the leaders of the parliament at that time, the government and the opposition, were big enough to say,'Let's do something that is decent, honourable and in the interests of all South Australians. Let's put aside partisan considerations. Let's create an electoral system that is fair and reasonable.' As I said in relation to the earlier bill, I think we may have jumped in a little too hastily by having a redistribution after each term and, in the case on this election date, we may have got a bit excited and picked the wrong month. I think we got it wrong, and I have to accept responsibility for that as well, because I was in this place. I think we picked the wrong month, but we have a chance to fix it. I commend the bill to the house.

Mrs GERAGHTY secured the adjournment of the debate.

SOCIAL DEVELOPMENT COMMITTEE: IMPACT OF INTERNATIONAL EDUCATION ACTIVITIES IN SOUTH AUSTRALIA

The Hon. P.L. WHITE (Taylor): I move:

That the 24th report of the committee be noted.

International education is an important and growing industry—indeed, a business—for South Australia. Currently, more than 90 South Australian education providers offer courses for overseas students at all levels of study, from primary school to vocational training and university. Nearly 18 000 overseas students are studying in South Australia, with at least a further 8 500 studying in South Australian institutions offshore. The State Strategic Plan, released in 2004, set a target to double South Australia's market share of overseas students from 4.5 per cent in 2003 to 9 per cent by 2013. In terms of student numbers, this would mean a significant increase of offshore numbers to more than 40 000 overseas students.

The Social Development Committee believes that, with the right services in place, South Australia can and should support this. The benefits to our economy and community will be very great. International students already contribute more than $390 million per annum to the state's economy, and this would increase. The presence of more international students in our institutions will also help to internationalise our state's education system, providing a more global and multicultural perspective for domestic and overseas students alike. International students also promote future business connections and add to the cultural diversity and vibrancy of our community. They also provide an opportunity to increase skilled immigration in areas of expected future labour shortages in accordance with our state population policy.

It should be noted that, while we acknowledge the importance of offshore international education operations and the opening this month of Carnegie Mellon University's Adelaide campus, the focus of this particular inquiry of the Social Development Committee was on recommending enhancement to onshore provision by South Australian operators. Before I continue, I point out that this particular report is predominantly the work of the previous parliament's Social Development Committee, which was chaired by the Hon. Gail Gago. I acknowledge the contributions of that committee, which included the Hon. Michelle Lensink; the former member for Hartley, Mr Joe Scalzi; myself; the member for Florey, Ms Frances Bedford; and the Hon. Terry Cameron.

The committee heard from 32 witnesses and received 17 detailed written submissions, including from universities, schools, students and people supporting international students, such as homestay parents. The inquiry revealed that significant progress has already been made towards expand-

ing international education in South Australia, resulting in a market share growth of twice the national average. The committee's recommendations hope to add to what has already occurred, and make best use of existing resources and infrastructure.

Critical to our success to date has been the work of Education Adelaide, an organisation that cohesively promotes Adelaide as an education destination brand to overseas markets. I believe the recent changes to Education Adelaide have been most worthwhile. Education Adelaide represents one of South Australia's major advantages over some other states and territories; however, it needs to be said that our growth has been from a relatively poor starting point, and as a state we do face some challenges. Compared with the Eastern States, we remain a relatively unknown destination overseas. There is also increasingly fierce interstate and international competition for international students.

In response, the committee has recommended a number of marketing and recruitment initiatives, such as expansion of scholarship programs. The committee has also recommended greater promotion and clarity of pathways for overseas students graduating from high school to encourage them to take up further and higher education in this state. Expansion of articulation arrangements between TAFE SA, the private education providers and universities to enable students to receive credits for prior study is also recommended. Targeting students who are already here and encouraging them to stay through their studies is a very cost-effective marketing strategy compared with the high cost of marketing and recruitment overseas. Similarly, we do need to seize the opportunity that working holiday-makers, backpackers and tourists present to promote study in our state in a cost-effective way.

Another finding of the committee was that some sectors, in particular the vocational education and training sector, will need to expand more rapidly than others to achieve targets. There is considerable room for growth in both private VET and our TAFEs. We must take advantage of this especially in light of some staff and physical capacity restraints in our universities. We have therefore recommended the development of cooperative ventures in a range of areas, including infrastructure, staff, professional development and marketing.

The committee also found that the federal government's skilled independent regional visa is a major incentive for students choosing to study in South Australia. Under that scheme, South Australia, including Adelaide, is classed as a regional destination, and overseas students studying here receive additional migration points. It is very important that we retain that advantage.

Perhaps the most pervasive finding of our inquiry was that formal marketing and incentive schemes can go only so far. In the international education market, word of mouth is an extremely powerful marketing tool, and this means that we must ensure that our international students are happy not only with the education they receive but also with their overall experience of life here in South Australia. It is the key to sustainable growth. Mistakes have been made elsewhere, where the drive for growth has not been tempered with the need to ensure that the overall life needs and expectations of the students are met. Towards this end, we have recommended the development of a more comprehensive feedback survey or mechanism about all aspects of international students' experiences of living in our state so that problems can be identified and addressed in an ongoing manner, whichever sector those issues may fall under.

It was no surprise to the committee that housing is central to a positive experience for international students. Recent South Australian research shows that 80 per cent of international students feel that their accommodation needs are being met. However, if South Australia is to triple overseas student numbers, our student housing provision must continue to increase. The committee heard of many new initiatives that have commenced or are planned; for example, the new Adelaide University Village, which now has places for over 400 overseas students, complete with 24-hour security, internet access, computer pool and pre-tutorials. In addition, Education Adelaide has commissioned the Centre for Economic Studies to prepare a long-term accommodation forecast, and the report is due for public release shortly.

The committee found that we need more independent and semi-independent housing options for school students aged 18 and over, given the lack of Homestay placements. In addition, many older students prefer to live more independently. The Department of Education and Children's Services has implemented a highly successful pilot project to provide semi-independent housing for school students aged over 18 at Alexandra Lodge in Rose Park at a cost comparable with homestay. The committee commends this work and recommends further investigation and expansion of this kind of accommodation.

On the other end of the spectrum some international students, mainly postgraduate students, come here with their own children, and a major financial burden for them is having to pay full fees for their children to attend public schools. Parents accompanying their young children as international students in our primary schools are also often paying high fees to learn English from a private college, when many schools their children attend have existing infrastructure to provide this for a lesser fee. The committee also recommends the development of volunteer 'buddy' systems for these parents, as well as overseas students across the education system, to assist them with language issues and, at the same time, encourage social connections with local students and parents. We need to ensure that there are a range of options for overseas students to get the social as well as advocacy support they need.

Sometimes students who are struggling with language issues or having problems with their education provider need an independent outlet they are comfortable with. For example, we heard from Chinese Welfare Services here in Adelaide that many Chinese students approach them for assistance and counselling with a range of issues. However, currently the service is funded by DIMIA to provide services to Chinese migrants and not students. The role of the South Australian Training Advocate was expanded in November last year to include international students. This will assist overseas students with advice and independent advocacy when there is a grievance or dispute with their education provider. The committee supports this initiative and the ongoing monitoring of its success in utilisation by overseas students.

The committee also received a considerable amount of evidence about the crucial role played by student associations in providing support and social opportunities for international students. Many contributors expressed concern about the potentially damaging effect on services resulting from voluntary student unionism, which will come into effect in July this year. This, of course, is a policy of the federal Liberal government that will have massive implications for services provided on university campuses. Many witnesses

felt that a reduction in student association services will damage the ability of Australian universities to attract overseas students. In fact, this was the view of the academics, the staff and the students of all our universities, because of the adverse effect on the overall student experience of life on the university campus. The committee believes that these concerns are well founded, especially given the heavy reliance by overseas students on organised activities and services because they do not have the existing support networks that other students might. The committee believes that it is crucial that the services currently provided by student associations are retained, and a recommendation in the report to the federal government seeks that.

A further issue raised in the inquiry related to education recruitment agents. Around half of Australia's international students are recruited through agents, and it really is very important to ensure adequate regulation so that they place students to maximise their chances of success and good welfare and not build false expectations in those students or mistreat them in any way. Our evidence suggests that, while the vast majority of education recruitment agents provide a good service, there is still need for some greater regulation surrounding these practices. A recent review of the commonwealth Education Services for Overseas Students Act (ESOS) 2000 recommends, among other things, the development of a code of conduct for agents used by Australian institutions. Similarly, the committee recommends that Education Adelaide, in collaboration with all South Australian education providers, develop self-regulation guidelines and a code of conduct for education providers in relation to the use of recruitment agents in this state.

In conclusion, South Australia has much to offer overseas students and has made significant progress towards becoming a top education destination for all students from all over the world. We have many strengths, including quality education, affordability and additional migration points for those who choose South Australia ahead of other Australian destinations.

There is, nevertheless, room for continued improvement and development if this state is to gain and maintain a competitive edge in an increasingly competitive market. Countries are joining the international student market that have not been there before, so the competition is becoming more stark, and it is changing all the time. I believe that the Social Development Committee's recommendations, if implemented, would make a significant contribution to achieving that aim.

Motion carried.

ANANGU PITJANTJATJARA YANKUNYTJATJARA LAND RIGHTS (REGULATED SUBSTANCES) AMENDMENT BILL

The Hon. R.J. McEWEN (Minister for Agriculture, Food and Fisheries) obtained leave and introduced a bill for an act to amend the Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981. Read a first time.

The Hon. R.J. McEWEN: 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.

Petrol sniffing has been a significant problem on the Anangu Pitjantjatjara Yankunytjatjara (APY) lands for many years. Its devastating effects on sniffers, their families and the wider community have been well documented—death, serious and permanent disability, increased crime and violence, the break down of family structures, the loss of culture and community degradation.

This government has worked hard to put in place services to help sniffers and tackle the factors that contribute to petrol sniffing. This has included funding for the Nganampa Health Council for extra workers, the employment of youth workers in APY communities, activity programs to divert young people from petrol sniffing, the introduction of the 'Countering Risky Behaviours' curriculum in Anangu schools, a mobile outreach service to provide assessments, counselling and drug education, and the Commonwealth funded roll-out of Opal fuel. A residential substance misuse rehabilitation facility will also be built on the APY lands. Recent data has shown these strategies are having an impact. The Nganampa Health Council's 2005 survey of petrol sniffing on the lands found a 20% reduction in the prevalence of sniffing compared with 2004.

This reduction is pleasing but more still needs to be done. A particular priority for the Government is to stem the supply of petrol and other harmful substances to Anangu. To that end, the purpose of this Bill is to crack down on the trafficking of petrol and other regulated and illicit substances on the APY lands.

The Bill introduces a new offence to the APY Land Rights Act, which substantially increases the penalties for a person caught on the lands selling or supplying a regulated substance, taking part in the sale or supply of a regulated substance, or having a regulated substance in his or her possession for the purpose of selling or supplying the regulated substance, knowing or having reason to suspect that the regulated substance will be inhaled or otherwise consumed. The maximum penalty for a person or persons caught committing this offence is a $50 000 fine or 10 years imprisonment. This is a severe penalty, however it is in keeping with the provisions of the Controlled Substances Act. It sends the clear message that this Government believes the trafficking in petrol and other substances on the APY lands is no less serious than the trafficking of illicit drugs. The Bill also includes provision for the forfeiture of the vehicle used to traffic the regulated substance.

The APY Executive Board, the elected representatives of Anangu, and the Australian Government support the new sanctions.

This is the second time the Government has introduced this Bill. It was first introduced into the Legislative Council in May 2004, where it was passed with amendments introduced by the Hon. Nick Xenophon MLC. These were not agreed to in the House of Assembly, which restored the original Bill. The Legislative Council rejected the restored Bill and the Government subsequently withdrew it.

Two amendments were introduced by the Hon. Nick Xenophon MLC and passed by the Legislative Council. The first was that news media should not require a permit to enter the APY lands. The second was a requirement for the mandatory referral to an assessment service for any Anangu aged 14 years or over who is alleged to have committed an offence of inhaling or consuming a regulated substance on the Lands.

The Government does not support these amendments. Nor does the APY Executive Board, which endorses the original Bill introduced by the Government in 2004, support them.

The purpose of the permit system is to ensure controlled access to the APY lands. It was introduced for good reason. There are areas of the lands that are sacred sites and which only Anangu may visit. At particular times of the year certain areas may be off-limits because they are being used for traditional ceremonies. It is therefore essential that Anangu are able to regulate access. The APY lands can be a harsh and unforgiving country. In the event of an accident or an emergency breakdown it is vital to know who is on the lands and their location. Lastly, it needs to be remembered that the APY lands belong to Anangu—the South Australian Government vested ownership in 1981. It is therefore a basic courtesy to obtain the permission of the traditional owners before entering their land, just as it is a basic courtesy to obtain permission before entering anyone's home or property.

For these reasons, the Government can see no good argument for the media to be above the permit system. In any case, obtaining a permit is a simple and straightforward process. In 2005 nearly 2 200 applications were handled. Requiring the media to obtain a permit cannot be seen as restricting access but as a proper process that is courteous and respectful of the traditional owners.

With respect to the second amendment introduced by the Hon. Nick Xenophon, at the time it was considered in 2005 there was no assessment function available on the lands. Agreeing to the amendment would have meant the Government would have been in

breach of its own legislation. A mobile outreach service has recently been established on the lands and one of its functions will be to provide substance misuse assessments. The service is currently staffed by one nurse, with the recruitment of other nursing and support staff underway. The next phase in the roll-out will be to link the service with the Australian Government funded Police Drug Diversion program. Once this has been done, the amendment sought by the Hon. Nick Xenophon will be unnecessary because the referrals he is seeking will be able to occur through the Drug Diversion program.

This Government has worked harder than any other to tackle petrol sniffing on the APY lands. The sanctions introduced by this Bill are a further and essential step in ridding the lands of its devastating effects.

I commend the Bill to Members.

EXPLANATION OF CLAUSES

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981*

4—Amendment of section 4—Interpretation

This clause inserts a definition of ***motor vehicle*** and ***regulated substance*** into section 4 of the principal Act. The definition of motor vehicle is consistent with that in the Motor Vehicles Act, while a regulated substance is defined as petrol, or any other substance declared by the regulations to be a regulated substance.

5—Repeal of section 38

This clause makes a consequential amendment.

6—Insertion of section 42D

The clause inserts a new section 42D into the principal Act, which provides that—

- it is an offence to, on the lands, sell or supply, or take part in the sale or supply, or have in your possession for the purpose of sale or supply, a regulated substance. The maximum penalty for contravention is a fine of $50 000 or imprisonment for 10 years;
- a police officer may seize and retain a motor vehicle that the officer suspects of being used for, or in connection with, an offence against the clause, or which affords evidence of such an offence;
- the mechanism for dealing with a motor vehicle seized under the clause, including its forfeiture upon conviction of the offence charged to which the motor vehicle's seizure relates, and the payment of the proceeds of the sale less costs to Anangu Pitjantjatjara Yankunytjatjara. The Minister may, however, permit the release of the motor vehicle on such conditions as the Minister thinks fit.

7—Amendment of section 43—Regulations

This clause makes amendments consequential upon clause 5 of the Bill. To preserve consistency, the clause mirrors the seizure and forfeiture provisions found in proposed section 42D of the principal Act in relation to a contravention of a by-law relating to the sale or supply of alcohol on the lands.

The Hon. R.G. KERIN secured the adjournment of the debate.

STATUTES AMENDMENT (DISPOSAL OF HUMAN REMAINS) BILL

The Hon. J.M. RANKINE (Minister for State/Local Government Relations) obtained leave and introduced a bill for an act to amend the Births, Deaths and Marriages Registration Act 1996; the Coroner's Act 2003 and the Cremation Act 2000. Read a first time.

The Hon. J.M. RANKINE: I move:

That this bill be now read a second time.

The Statutes Amendment (Disposal of Human Remains) Bill 2006 amends the Births, Deaths and Marriages Registration Act 1996 to address an anomaly that prevents the lawful disposal of human remains by means other than cremation where the necessary medical certificates have been lost or destroyed. The bill also amends the Cremation Act 2000 to authorise the Registrar of Births, Deaths and Marriages to issue a cremation permit in a small number of cases where the certificates necessary for a permit under section 6(2) of the act cannot be produced. In addition, the bill contains consequential amendments to the Coroner's Act 2003 to make it clear that the State Coroner may issue an authorisation for the disposal of human remains for a reportable death, irrespective of when the death occurred. Other minor, technical amendments to these acts are also included in the bill. I seek leave to have the remainder of the second reading speech inserted in *Hansard* without my reading it.

Leave granted.

Currently, under section 50A of the *Births, Deaths and Marriages Registration Act*, human remains cannot lawfully be disposed of (by means other than cremation) unless the person seeking to dispose of the remains has a certificate as to cause of death, issued under either section 12 or 36 of the Act, or an authorisation for disposal issued under the *Coroners Act*. In the case of old remains that have been disinterred after many years' burial or internment, the original medical certificate as to cause of death may not be available. Where the deceased's death is not a "reportable death" under the *Coroners Act*, this precludes lawful disposal even though the deceased's death was duly registered and the original interment lawfully conducted.

To remove this anomaly, Part 2 of the Bill amends section 50A to add new subsections to provide that the Registrar of Birth, Deaths and Marriages or the Minister may authorise the disposal of remains (by means other than cremation) in the absence of the documents required under subsection (1). The Registrar may only issue an authorisation where the death is registered and she is satisfied that:

- the particulars entered on the Register record that the deceased died of natural causes; or
- the State Coroner does not require the remains for the purpose of an inquest or for determining whether an inquest is necessary or desirable.

This means that in cases where the cause of death is recorded as being other than from "natural causes", the Registrar must consult with, and be satisfied that, the State Coroner has no interest in the remains before authorising disposal.

In exceptional cases, where the requirements of subsection (1) or (3) cannot be satisfied, the Minister may authorise the disposal of human remains. New subsection (4) provides that such authority may be given by the Minister on such conditions as the Minister considers appropriate.

Part 3 of the Bill contains consequential amendments to section 32 of the *Coroners Act* to clarify that the State Coroner may issue an authorisation for the disposal of human remains for a reportable death, irrespective of when the death occurred. Currently, section 32 authorises the State Coroner to issue an authorisation for disposal of human remains. . . *[w]here a reportable death occurs*

To remove doubt that the State Coroner may issue an authorisation for the disposal of human remains for a reportable death, irrespective of when the death occurred, the Bill replaces the words *Where a reportable death occurs* with: *Where there has been a reportable death*.

Part 4 of the Bill amends section 6 of the *Cremation Act*.

In cases where the deceased's death is not reportable under the *Coroners Act*, section 6(2)(a) of the *Cremation Act* prohibits the Registrar from issuing a cremation permit unless the application is accompanied by either—

(1) certificates from two doctors (one of whom was responsible for the deceased's medical care immediately before death or who examined the body of the deceased after death); or

(2) a certificate from a doctor who has completed a *post mortem* examination of all the vital organs of the deceased, certifying that the deceased died from natural causes

The strict requirements of section 6(2)(a), although entirely appropriate, mean that cremation of old or incomplete remains is generally not possible in non-coronial cases. This will be so even where there is no suggestion of foul play, the deceased's death has been certified by a treating or examining doctor as having been from "natural causes", such details having been duly recorded in the

Register of Deaths in accordance with the law applying at the time and cremation of the remains would otherwise be entirely appropriate. Where the remains of the deceased have been disinterred inadvertently, it can be distressing (not to mention expensive) for the family to have to inter the remains in a grave or mausoleum, which are the only choices for disposal within the State where cremation is not possible.

The Government believes that, in such cases, and provided the Registrar is satisfied that it is appropriate for the remains to be cremated, the Registrar should be able to issue a permit, subject to some safeguards, thereby allowing the family of the deceased to cremate the remains rather than bury or inter them.

As such, Part 4 of the Bill amends section 6 of the *Cremation Act* to insert a new subsection (3)(b) that authorises the Registrar to issue a cremation permit where the certificates required under subsection 6(2)(a) cannot be obtained. To ensure that an applicant for a cremation permit cannot use the new provision to circumvent the evidentiary requirements of subsection 6(2)(a), the issue of permits by the Registrar under the new provisions will only be permitted where the Registrar is satisfied that—

- there are good reasons why the certificates required under subsection 6(2)(a) cannot be produced; for example, because of the age or condition of the remains or because the certificates have been lost or destroyed;
- the deceased's death has been recorded in the Register, in accordance with the legislative requirements applying at the time of the deceased's death, as having been from "natural causes";
- the State Coroner does not require the remains for the purpose of an inquest or for determining whether an inquest is necessary or desirable, and
- there is no other reason why the permit should not be issued.

It will be up to the Registrar to determine what evidence she requires to be satisfied of the relevant matters in any particular case. To this end, the Registrar may, if she considers it appropriate, require the applicant to verify information on statutory declaration or by some other method.

All other relevant provisions of the *Cremation Act* will apply to permits issued under these new provisions. Relatives will retain the right to object to a cremation under section 7 and the Attorney-General, the State Coroner or a magistrate may prohibit a cremation under section 8.

The matters about which the Registrar must be satisfied will ensure that the new provisions will not become an alternative means by which relatives of deceased persons can obtain cremation permits in a way that circumvents the evidentiary requirements of section 6(2). That provision will remain the primary avenue by which cremation permits will be issued.

Furthermore, these provisions will not give people the ability to change their mind about the method of disposal of a relative's body once remains have been buried or interred in a mausoleum. As Members of this place would be aware, non-cremated human remains may only be removed from the place of burial or interment with the written approval of the Attorney-General. To ensure that appropriate standards of public health and decency are maintained, and the wishes of deceased persons respected, approval for exhumations are granted only where there are cogent and compelling reasons for doing so.

The passage of this legislation will not change the approach taken by the Attorney-General when considering exhumation applications.

It is important for members of the public to understand that, should they wish to have the remains of a deceased family member cremated because, say, the deceased had, before his or her death, expressed a desire to be cremated, the application for a cremation permit should be made at the time of death.

Parts 2 and 4 of the Bill also contain minor, technical amendments to the relevant provisions of the *Births, Deaths and Marriages Registration Act* and *Cremation Act* to clarify that certificates and authorisations issued under repealed legislation can be used to satisfy the relevant statutory requirements.

I commend the Bill to Members.

EXPLANATION OF CLAUSES

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Births, Deaths and Marriages Registration Act 1996*

4—Amendment of section 50A—Documents to be provided before disposal of remains

This clause amends section 50A(1) to enable a person to dispose of human remains if that person has received a certificate issued under the current Act or a corresponding previous enactment.

The proposed amendment to section 50A(1)(b) will enable an authorisation for the disposal of human remains to be issued under either the *Coroners Act 2003* or a corresponding previous enactment. This addition of the phrase "or a corresponding previous enactment" will allow for the disposal of old remains where the required documentation was issued under now repealed legislation.

This clause further amends section 50A by redesignating current subsection (2) as subsection (5) and by inserting new subsections (2), (3) and (4).

New subsection (2) will allow a person to dispose of human remains, in the absence of documents required by subsection (1), if an authorisation for the disposal of human remains has been issued by the Registrar or the Minister.

New subsection (3) will prevent the Registrar from issuing an authorisation under subsection (2), unless the deceased's death has been registered under the Act or a corresponding previous enactment and the Registrar is satisfied that the particulars entered into the Register record that the deceased died of natural causes or that the State Coroner does not require the human remains for the purposes of the *Coroners Act 2003*.

Proposed subsection (4) provides that an authorisation issued by the Minister may be subject to such conditions as the Minister thinks fit.

5—Amendment of section 55—Regulations

This clause amends section 55 by deleting and substituting subsection (2). The proposed amendment would allow the regulations to impose a penalty not exceeding a fine of $1 250 for a contravention of a provision of the regulations, to fix fees and provide for the payment, recovery, waiver or refund of fees.

Part 3—Amendment of *Coroners Act 2003*

6—Amendment of section 32—Authorisation for disposal of human remains

The proposed amendment to section 32 will broaden the authority of the State Coroner to authorise the disposal of human remains where there has been a reportable death (irrespective of when the death occurred).

Part 4—Amendment of *Cremation Act 2000*

7—Amendment of section 4—Interpretation

The proposed amendment to section 4 will insert a definition of ***Register*** so that it has the same meaning as in the *Births, Deaths and Marriages Registration Act 1996*.

8—Amendment of section 6—Issue of cremation permit

This clause amends section 6(2) to enable the Registrar to issue a permit if an authorisation for the disposal of human remains is issued under the *Coroners Act 2003* or a corresponding previous enactment.

It is proposed to delete subsection (3) and substitute new subsections (3) and (3a). New subsection (3) will provide for exceptions to the general rule stated in subsection (2) that a cremation permit may not be issued by the Registrar unless the application for the permit is accompanied by certain documents.

Current subsection (3) provides that a person may apply for a cremation permit in relation to a person who died out of South Australia without the documents required by subsection (2) if the application is accompanied by the equivalent documents obtained from the jurisdiction in which the deceased died. That subsection is to be re-enacted as paragraph (a) of new subsection (3).

New paragraph (b) of subsection (3) is an addition and will allow for permission to cremate in other cases where the documentation required under subsection (2) cannot be supplied. The Registrar will have the authority to issue a cremation permit if satisfied that—

- the deceased's death has been registered under the *Births, Deaths and Marriages Registration Act 1996* or a corresponding previous enactment; and

· the particulars entered in the Register record that the deceased died from natural causes; and

· there is good reason why the documents cannot be produced (a note is added to provide examples of what might constitute good reason for the non-production of documents); and

· the State Coroner does not require the human remains for the purposes of the *Coroners Act 2003*; and

· there is no other reason why the permit should not be issued.

Proposed subsection (3a) will give the Registrar power to require that information supplied to establish why documents cannot be produced to be verified by statutory declaration or some other means.

9—Amendment of section 9—Regulations

This clause amends section 9 by deleting and substituting subsection (2). The proposed amendment would allow the regulations to prescribe penalties, not exceeding $2 500, for breach of, or non compliance with, a regulation, to fix fees and provide for the payment, recovery, waiver or refund of fees.

Mr HAMILTON-SMITH secured the adjournment of the debate.

SUPERANNUATION (ADMINISTERED SCHEMES) AMENDMENT BILL

The Hon. K.O. FOLEY (Treasurer) obtained leave and introduced a bill for an act to amend the Superannuation Act 1988 and to make related amendments to the Superannuation Funds Management Corporation of South Australia Act 1995. Read a first time.

The Hon. K.O. FOLEY: 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 establish the legislative framework that will enable a superannuation scheme that is wholly or substantially funded by money provided by the South Australian Government, to have its administrative functions transferred to Super SA which is the administrative branch of the Department of Treasury and Finance specialising in the administration of the government's mainstream superannuation schemes. The legislation will also enable the trustees of these 'qualifying schemes', as they are described in the Bill, to elect to have the assets of the superannuation fund invested and managed by the Superannuation Funds Management Corporation of South Australia (known as Funds SA), and the responsibility for the fund and scheme taken over by the South Australian Superannuation Board (often referred to as the Super SA Board).

The principal provisions contained in this Bill, that is those that will establish the legislative framework for dealing with schemes that become 'administered schemes', will amend the *Superannuation Act 1988*. The 'administered schemes' provisions will be contained in a new schedule–Schedule 3–to be inserted into the *Superannuation Act*. The Bill also seeks to make some consequential amendments to the *Superannuation Funds Management Corporation of South Australia Act 1995*, as a result of the arrangements proposed in the Bill. The Bill also contains some minor technical or operational amendments to the *Superannuation Act*.

The legislative framework to be established by this Bill will enable any 'qualifying scheme' to be declared by the Minister as being a superannuation scheme:

· taken to be established under the *Superannuation Act*;

· administered by Super SA;

· with Funds SA as its fund manager; or

· the Trustee of which is the South Australian Superannuation Board.

A 'qualifying scheme' is defined in the legislation to be one where the operations of the employer of the members of the scheme are wholly or substantially funded by money provided by the Government of the State, an agency or instrumentality of the Crown, or some other public authority prescribed by regulations.

There is already one superannuation scheme that has indicated to the Government that it wishes to transfer its administrative functions to Super SA, and have the trustee responsibilities transferred to the South Australian Superannuation Board. The scheme is the South Australian Ambulance Service Superannuation Scheme. Whilst the SA Ambulance Service Scheme is the only scheme at this stage where the trustees have already made a decision about wishing to have the scheme transferred to the government administrator as soon as possible, it is likely that trustees responsible for other schemes will consider taking similar action.

The trustees of the SA Ambulance Service Superannuation Scheme and the SA Ambulance Service Board have already made a decision to hand over the responsibility of administering the scheme because of the ever increasing complexity in dealing with superannuation by trustees who are not full time superannuation professionals. The ever increasing costs of administering a scheme in the Commonwealth regulated environment has also had an impact on the trustees' decision.

The South Australian Superannuation Board and Super SA administer the State Pension Scheme, State Lump Sum Scheme, and the Triple S Scheme, which provide superannuation benefits for government employees. The South Australian Superannuation Board and Super SA have developed considerable expertise in scheme administration, and have a scale of operation that enables extremely competitive superannuation services to be provided to scheme members. It is expected that by moving the administration of the SA Ambulance Service Superannuation Scheme over to Super SA and the South Australian Superannuation Board, there will be a considerable reduction in the taxpayer money currently spent on administering the scheme.

The Bill provides for the possible staged or phased transition of a 'qualifying scheme' in moving over to be administered by Super SA and the South Australian Superannuation Board. The reason for this is to provide the maximum flexibility in handling the transition. For example, the current plan is to have the SA Ambulance Service Superannuation Scheme administered by Super SA as from 1 July 2006. With the planned transfer to Super SA of a scheme with around 1000 members on 1 July 2006, Super SA would not have the resources necessary to handle the transfer of any other large scheme at the same time. However, a scheme may still wish to have a declaration made by the Minister in terms of clause 2 of Schedule 3 under the Bill, declaring that as from 1 July 2006, the scheme and its associated fund will be a fund and scheme established under *Superannuation Act*. Whilst a declaration in these terms will not in itself transfer the administration of the scheme to Super SA nor the Superannuation Board, it will bring immediate benefits in that the scheme will be an 'exempt public sector scheme' in terms of the *Superannuation Industry (Supervision) Act 1993* (Cth). As an 'exempt public sector fund', the trustees will not have to be licensed in terms of the *Superannuation Industry (Supervision) Act*, and will not have to pay the high fees associated with being licensed. One of the conditions of a scheme or fund being declared as being established under this legislation, is that it will be required to be audited by the Auditor-General.

The extent of the transfer will be a matter to be determined by the relevant trustee board in conjunction with the Minister. The trustees are of course bound by their trust law responsibilities to always act in the best interests of scheme members and to operate within the provisions of the trust deed and rules of the particular scheme. Accordingly, a board of trustees will always seek to ensure that their members and the employer support being declared an administered scheme before seeking such a declaration from the Minister.

The Bill will also establish a facility for the transfer of the scheme assets to Funds SA, the manager of State Government superannuation investments, so that Funds SA can manage the scheme assets. The transfer of the fund assets to Funds SA will be subject to a decision of the relevant trustee.

In line with the proposal that Super SA be able to provide the full range of administrative services to any scheme that is transferred to it, the Bill also provides the legislative power, subject to the Minister's approval, for Super SA to provide death and disability insurance arrangements for members of an administered scheme. Super SA already has established insurance arrangements, which includes an insurance pool for members of the Triple S Scheme. Any proposed insurance arrangement for an administered scheme under this legislation would however, not necessarily be part of the established Triple S insurance pool, and in any case, would need to take into account the actuarial experience of the particular scheme.

The Bill will require Super SA to maintain proper financial accounts in respect of each scheme that is declared by the Minister to be administered or managed by Super SA. Any administered scheme will be required to have its financial accounts and operations audited by the Auditor General on an annual basis. The legislation also requires Super SA to submit an annual report to the Minister on the operation of the legislation in relation to any administered scheme. The report will be required to be tabled in the Parliament.

The Bill also provides for some minor technical amendments to be made to the *Superannuation Act*. In particular, some amendments are being made to the provisions of Section 56 of the Act, which was intended to give the SA Superannuation Board the power to resolve any doubt or difficulty that arises in the application of the Act to particular circumstances. There have been difficulties for the Board in using the Section 56 as originally intended as the Crown Solicitor has advised that the provision does not give the Board any powers to deal with a matter in a manner that may cause conflict with an express provision of the Act. The proposed amendments to Section 56 will address the current technical and legal issues associated with the current provision. The new provisions will enable the Board to address issues and particular circumstances that may arise and are not dealt with in the Act, and also extend a time limit or waive a procedural step under the Act in certain circumstances. A further minor amendment is being made to the confidentiality provisions of the Section 55 of the Act to make it clear that information of a personal or private nature is also protected by the confidentiality provisions.

I commend the Bill to Members.

EXPLANATION OF CLAUSES

Part 1—Preliminary

1—Short title

This clause is formal.

2—Amendment provisions

This clause is formal.

Part 2—Amendment of *Superannuation Act 1988*

3—Amendment of section 4—Interpretation

A number of definitions in section 4 of the *Superannuation Act 1988* are amended so that the defined terms do not include administered schemes or members of administered schemes.

4—Amendment of section 20B—Payment of benefits

Section 20B, which says that benefits or entitlements under the Act must be paid out of the Consolidated Account, is amended so that it does not apply in relation to administered schemes.

5—Amendment of section 43AB—Purpose of Part

Section 43AB provides that the purpose of Part 5A of the Act is to facilitate the division under the *Family Law Act 1975* of the Commonwealth of superannuation interests between spouses who have separated. The section as amended by this clause will make it clear that the purpose does not extend to interests arising under administered schemes.

6—Amendment of section 55—Confidentiality

This clause amends the confidentiality provision of the *Superannuation Act 1988* to take into account the addition to the Act of Schedule 3 (Administered schemes). The section presently prohibits the divulgence of information as to the entitlements or benefits of any person under the Act. An additional amendment expands this prohibition to include information of a personal or private nature.

7—Amendment of section 56—Resolution of difficulties

Section 56 provides that the South Australian Superannuation Board may give directions to resolve any doubt or difficulty that arises in the application of the Act to particular circumstances and that the Act will apply subject to such a direction. The first amendment made by this clause gives the Board the power to give such a direction where the provisions of the Act do not address particular circumstances. A direction made by the Board under the provision will have effect according to its terms.

This clause also inserts a new subsection that allows the Board to extend a time limit or waive compliance with a procedural step. New subsection (3) lists matters that the Board should have regard to in determining whether to extend a time limit or waive compliance with a procedural step.

8—Amendment of section 59—Regulations

This clause amends section 59, which provides for the making of regulations, so that a regulation may provide that a specified provision of the Act does not apply in prescribed circumstances. Such a regulation may be expressed to be subject to conditions.

9—Amendment of Schedule 1A—Provisions relating to other public sector superannuation schemes

Clause 1 of Schedule 1A provides that the Governor may make regulations in respect of certain matters pertaining to public sector superannuation schemes. This clause substitutes a new subclause (2), removing the existing requirement in clause 1(2)(b) that the Governor may not make a regulation under subclause (1) unless the relevant employer is one of a specified group of employers.

10—Insertion of Schedule 3

Clause 10 inserts a new Schedule. Schedule 3 provides for administration under the Act of certain superannuation schemes.

Clause 1 provides definitions of a number of terms used in Schedule 3. A ***superannuation scheme*** is a public sector or private sector scheme that is established for the purpose of providing superannuation or retirement benefits. Schemes established under another part of the *Superannuation Act 1988* or under another Act are excluded from the definition. ***Super SA*** is the agency or body designated from time to time by the Minister by notice in the Gazette as being the entity primarily involved in assisting in the administration of public sector superannuation schemes within South Australia. An ***administered scheme*** is, for the purposes of Schedule 3, a superannuation scheme that is within the ambit of a declaration under clause 2.

Clause 2 provides that the Minister may, by notice in the Gazette, declare that Schedule 3 applies to, or in relation to, a superannuation scheme in one or more of the following respects:

- that the superannuation scheme and its associated fund will be a scheme and fund established under the Act;
- that the superannuation scheme will be administered by Super SA;
- that the superannuation fund will be invested and managed by Funds SA;
- that the superannuation scheme and its associated fund will have the South Australian Superannuation Board (***the Board***) as its trustee.

A declaration may not be made by the Minister unless the superannuation scheme is a qualifying scheme and the Minister is acting on the basis of an application by the trustee of the scheme. A superannuation scheme is a ***qualifying scheme*** if the operations of the employer of the members of the scheme are wholly or substantially funded by money provided by the Government, an agency or instrumentality of the Crown or a prescribed authority.

An application made by the trustee of a scheme must be made in a manner and form determined by the Minister. If the trustee of the scheme is a body corporate with three or more directors, the application must be made pursuant to a special resolution of the directors. If the trustee of the scheme has three or more trustees, the application must be made pursuant to a special resolution of the trustees.

A declaration that a superannuation scheme and its associated fund will be taken to be established under the Act has the effect of establishing a new scheme in place of the scheme to which the declaration relates. The new scheme has the same assets, the same trustee or trustees and the same members and benefits (subject to other provisions of Schedule 3 and future variations or changes in membership).

Under **clause 3**, each administered scheme is to have a trust deed and a set of rules. The trust deed and rules will be contained in instruments recognised by the Minister by notice in the Gazette. A trust deed or rules may be varied in accordance with the terms of the deed or rules.

Clause 4 provides that after a declaration has been made by the Minister under clause 2, the trustee of the relevant superannuation fund may, by instrument in writing, transfer any assets of the scheme to Super SA so that the assets may be administered or managed under Schedule 3. A monetary asset received under this clause must be paid into a fund established for the purposes of the administered scheme under Part 3 of the Schedule.

Clause 5 provides that the Superannuation Funds Management Corporation of South Australia (***the Corporation***) must for which it is to be the fund manager establish a fund for the

purposes of an administered scheme. The assets of a fund established under the clause must be held for the benefit of the relevant superannuation scheme and the beneficiaries of that scheme, and will not belong to the Crown.

A fund will be subject to management of the Corporation. The trustee of the scheme will be responsible for setting risk/return objectives and the Corporation will be responsible for strategic asset allocation policies. Any disagreements will be determined by the Minister. The Corporation may enter into transactions affecting the fund for the purposes of investment or for purposes incidental, ancillary or otherwise related to investment. However, the Corporation must not act in a manner that is inconsistent with any determination of the trustee of the relevant superannuation fund with respect to the management, control or investment of the fund.

Superannuation SA must pay into a fund established under the clause all contributions received for the purposes of the relevant superannuation scheme. All interest and accretions arising from the investment of the fund must be paid into the fund. All benefits paid under the relevant superannuation scheme must be paid from the fund.

The Corporation is required to pay from a fund established under the clause administrative costs and other expenses related to the management and investment of the fund by the Corporation and administrative charges payable under clause 11 (Fees).

The Corporation is also required to determine the value of a fund established under the clause at the end of each financial year.

Clause 6 provides that the Corporation must, at the request of the trustee of an administered scheme, divide a fund established for the purposes of the scheme into two or more distinct divisions, and further divide a distinct division into subdivisions. Different divisions or subdivisions of a fund may be invested in different ways, and different rates of return may apply to different divisions or subdivisions.

Clause 7 provides that Super SA may establish and maintain contribution accounts in the names of members of an administered scheme and in the name of the employer of the members of the scheme. Super SA may credit and debit contribution accounts in accordance with the terms of the relevant superannuation scheme or otherwise to reflect the operation of Schedule 3. Super SA may also provide for rates of return to be reflected in contribution accounts on the basis of a determination of the trustee of the scheme.

Clause 8 provides that Super SA may establish and maintain arrangements that provide members of one or more administered schemes with death, disability or other forms of insurance.

The terms and conditions of insurance established under this provision may be included in the rules of an administered scheme or prescribed by regulation.

The clause also provides that Super SA may, in establishing and maintaining insurance—

- establish a pool of funds or other assets that relate to more than one administered scheme;
- invest any funds or other assets as it thinks fit;
- enter into insurance or re-insurance arrangements with other entities;
- establish arrangements, provide or offer benefits, or set premiums or other terms or conditions, that vary between different administered schemes, or different classes of members of administered schemes;
- undertake any activity through the Minister (as a body corporate), the Board, the Superannuation Funds Management Corporation of South Australia, or any other entity determined by Super SA after consultation with the Minister;
- take such other action that is necessary or expedient for the purposes of providing insurance.

Under **clause 9**, Super SA is required to do the following in respect of each financial year and in relation to each administered scheme:

- maintain proper accounts of amounts paid to Super SA for the purposes of the scheme;
- maintain proper accounts of payments to, on behalf of, or in respect of, members of the scheme;
- maintain proper accounts of any other associated receipts or payments;
- prepare financial statements in relation to those receipts and payments.

The Auditor-General will audit the accounts and financial statements prepared by Super SA, and the accounts of other administered schemes, on an annual basis, or will be able to arrange for an auditor to act in his or her place. The clause also provides that the Auditor-General may, at any other time, audit the accounts and financial statements of Super SA under Schedule 3, or of an administered scheme within the scope of Schedule 3.

Clause 10 requires Super SA to provide a report on the operation of Schedule 3 in relation to any administered scheme declared under clause 2 to be a scheme that will be administered or managed by Super SA. A report is to be prepared in conjunction with each annual report of the Board under the Act and must include the following:

- a copy of any accounts or financial statements that are required to be audited under Schedule 3 in respect of each relevant scheme for the financial year to which the annual report relates;
- if a fund established under Part 3 Division 1 of Schedule 3 has been in existence in respect of any part of that financial year—a copy of the audited accounts and financial statements for that fund provided by the Corporation.

The trustee of an administered scheme that is within the ambit of a declaration under clause 2 that does no more than declare that the superannuation scheme and its associated fund will be taken to be established under the *Superannuation Act 1988* must, on or before 31 October in each year, furnish to the Minister the trustee's annual report for the scheme for the financial year ending on 30 June in that year.

The Minister must have copies of any report received under this provision laid before both Houses of Parliament within six sitting days after receiving the report.

The provision also requires Super SA to report in accordance with any requirements imposed on Super SA under the rules of an administered scheme, or under the regulations.

Clause 11 provides that the Minister may establish and impose an administrative charge in connection with Super SA acting as manager of an administered scheme. Also, the Board may, after consultation with the Minister, establish and impose an administrative charge in connection with the Board acting as trustee of an administered scheme.

The Minister or the Board may—

- fix different charges with respect to different funds or different circumstances;
- recover charges imposed under clause 11 from any fund of an administered scheme or, if the trust deed of the administered scheme so provides, from any employer of any members of an administered scheme;
- arrange for contribution accounts to be debited to reflect charges (if any) imposed under clause 11;
- vary charges from time to time.

Clause 12 provides that the Minister may, by notice in the Gazette, revoke a declaration relating to an administered scheme, and may transfer the assets of any relevant fund in order to give effect to this change in circumstances.

Under **clause 13**, no stamp duty is payable in respect of a transfer of assets connected with, or arising out of, the operation of Schedule 3. There is no obligation under the *Stamp Duties Act 1923* to lodge a statement or return relating to a transfer of assets connected with, or arising out of, the operation of Schedule 3, or to include in a statement or return a record or information relating to such a matter.

Clause 14 provides for the making of regulations of a saving or transitional nature in relation to a declaration by the Minister under Schedule 3. Such regulations may modify the provisions of the Schedule in their application to a particular scheme and may operate prospectively or retrospectively from a date specified in the regulation.

Schedule 1—Related amendments and transitional provision

Part 1—Amendment of *Superannuation Funds Management Corporation of South Australia Act 1995*

1—Amendment of section 3—Interpretation

This amendment to section 3 of the *Superannuation Funds Management Corporation of South Australia Act 1995* substitutes a new definition of ***the funds***. The new definition

refers to "the funds (if any) established by the Corporation for the purposes of Schedule 3 of the *Superannuation Act 1988*".

2—Amendment of section 5—Functions of the Corporation

This clause amends section 5 to provide that it is a function of the Corporation to invest and manage funds established by the Corporation for the purposes of the operation of any Act in accordance with strategies formulated by the Corporation.

3—Insertion of section 20B

New section 20B provides that the Corporation must prepare a plan in respect of the investment and management of any fund established by the Corporation for the purposes of Schedule 3 of the *Superannuation Act 1988*. The Corporation must consult with the trustee of the relevant superannuation scheme when preparing a plan, or when preparing an amendment to a plan.

4—Amendment of section 26—Accounts

This clause amends section 26 of the Act to require the Corporation to keep proper accounts of receipts and payments in relation to each fund established by the Corporation for the purposes of Schedule 3 of the *Superannuation Act 1988* and must prepare separate financial statements in respect of each fund in respect of each financial year.

Part 2—Transitional provision

The transitional provision applies in relation to proposed new section 56(2) and (3) of the *Superannuation Act 1988*, inserted by clause 7. Under section 56(2), the Board will have the power to extend a time limit or waive compliance with a procedural step. In determining whether to do so, the Board should have regard to certain matters listed in section 56(3). As a consequence of this transitional provision, section 56(2) and (3) are not to apply with respect to a matter where a relevant time limit expired, or a procedural step was required to be taken, before the commencement of the transitional provision unless the Board is satisfied in a particular case that the failure to comply with the time limit or procedural step was attributable to a person's physical or mental disability.

Mr HAMILTON-SMITH secured the adjournment of the debate.

MURRAY-DARLING BASIN (AMENDING AGREEMENT) AMENDMENT BILL

The Hon. K.A. MAYWALD (Minister for the River Murray) obtained leave and introduced a bill for an act to amend the Murray-Darling Basin Act 1993. Read a first time.

The Hon. K.A. MAYWALD: 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 Murray-Darling Basin Act 1993 requires amendment to reflect changes agreed to by the South Australian Government through the *Murray-Darling Basin Agreement Amending Agreement 2002* as part of corporatisation of the Snowy Mountains Hydroelectric Scheme.

The *Murray-Darling Basin Agreement 1992*, provides the process and substance for the integrated management of the Murray-Darling Basin. The purpose of this Agreement is:

> "to promote and co-ordinate effective planning and management for the equitable efficient and sustainable use of the water, land and other environmental resources of the Murray-Darling Basin". The Agreement is a schedule to the *Murray-Darling Basin Act 1993*.

The corporatisation of the Snowy Mountains Hydroelectric Authority was a component of the reform of the National Electricity Market. The Australian Government and the Governments of New South Wales and Victorian Parliaments passed the initial corporatisation legislation in 1997. South Australia was not a party to this initial corporatisation legislation.

The Snowy Scheme was corporatised on 28 June 2002 following the signing by the relevant Governments and where necessary by the corporatised entity, Snowy Hydro, of more than 30 separate agreements.

These documents were a mix of intergovernmental and commercial licencing contracts. They reflected the long standing, uncodified, arrangements which ensured minimum annual water releases to the Murray and Murrumbidgee systems. South Australia and other States depended on these arrangements for the provision of water from the Snowy Scheme.

Additional generating flexibility was granted to Snowy Hydro by reducing water release obligations in years when Murray and Murrumbidgee water requirements were already ensured. Rules were also adopted to properly account for reduced water entitlements to Victoria and NSW as a consequence of Government funded water savings which, in turn, enabled Snowy Hydro to make environmental releases to the Snowy River.

In order to provide enduring safeguards to the water entitlements of South Australia it was necessary to enshrine these new arrangements in the Murray-Darling Basin Agreement. This provides a superior form of protection, above contracts and licences, by incorporation in an Agreement endorsed by each of the Parliaments of the Australian Government and the Governments of South Australia, New South Wales and Victoria. It also ensured that whilst NSW and Victoria were making changes to their water entitlements, South Australian entitlements were afforded the highest protection.

The changes to the Murray-Darling Basin Agreement 1992, are detailed in the Murray-Darling Basin Agreement Amending Agreement 2002 and, following lengthy negotiations, that Agreement was approved by the Murray-Darling Basin Ministerial Council and later by First Ministers of the Australian Government and the Governments of New South Wales, Victoria and South Australia on 3 June 2002. South Australia did not sign the document until all necessary changes had been made to ensure an appropriate outcome for this State. The South Australian Premier signed the Amending Agreement on 14 April 2002.

Following discussions leading to South Australia signing the Murray-Darling Basin Agreement Amending Agreement 2002 a separate bilateral agreement between South Australia and Victoria was negotiated, resulting in the River Murray Environmental Flows Fund being established by Victoria and South Australia to improve the health of the River Murray in those two jurisdictions.

As part of the corporatisation process the Australian Government and the Governments of New South Wales and Victoria agreed to progressively restore up to 282 GL environmental flow; 212 for the Snowy River and 70 GL for River Murray. In the first seven years, and based on the contributions already committed by Governments, the intention is to get 140 GL of the Snowy River commitment and the full 70 GL commitment for River Murray; this latter amount being funded by the Australian Government's contribution. South Australia is not a signatory to this particular Snowy agreement and will not contribute financially to this goal. As a consequence, no specific funds are required as a direct consequence of the Murray-Darling Basin Agreement Amending Agreement 2002 although there are tangible benefits including returning flows to the river and the environment.

South Australia is however financially committed to other River Murray initiatives that include The Living Murray – The First Step, which work towards retuning 500 Gigalitres of water to the river system.

Clause 6 of the principal River Murray Agreement, the Murray-Darling Basin Agreement 1992, requires that amendments to the Agreement be submitted to their respective Parliaments for ratification. This has occurred in the New South Wales, Victorian and Commonwealth Parliaments, and is now to be done in South Australia.

The continuing health of the River Murray is vital to the well being of all South Australians and the economic health of the State. It is also significant for the protection of certain endangered flora and fauna, wetland systems and heritage sites. Satisfactory progress and resolution of basin-wide river health issues with the other jurisdictions that have representation on the Murray-Darling Basin Ministerial Council will benefit South Australia, the downstream State by ensuring that the State's water interests are protected.

South Australia continues to work with the other Governments of the Murray-Darling Basin to prevent further decline in river health that will potentially impact adversely on the River Murray and the riverine environment, and subsequently the South Australian community that either directly or indirectly, that are dependent on the river and the riverine environment for social and recreation pursuits as well as for water for domestic, industrial and agricultural purposes.

This Government is endeavouring to ensure a sustainable future for the Murray-Darling River system, a catchment that covers one seventh of Australia and includes five States or Territories. The Murray-Darling Basin Agreement and the South Australian Murray-Darling Basin Act 1993 are important examples of the cooperative arrangements that are required to progress this catchment wide issue across State borders.

I commend the Bill to Members.

EXPLANATION OF CLAUSES

Part 1—Preliminary

1—Short title

This clause is formal.

2—Commencement

The measure will be brought into operation by proclamation.

3—Amendment provisions

This clause is formal.

Part 2—Amendment of *Murray-Darling Basin Act 1993*

4—Amendment of section 4—Interpretation

This amendment—

(a) substitutes a new definition of ***Agreement*** so that it includes the Agreement as amended by the Amending Agreement; and

(b) inserts a definition of ***Amending Agreement***, being the agreement the text of which is to be set out in new Schedule 2.

5—Insertion of section 5A

This clause inserts a new section 5A into the Act providing that the Amending Agreement is approved by Parliament.

6—Substitution of heading to Schedule

This is a consequential amendment.

7—Insertion of Schedule 2

This amendment inserts a new Schedule 2 into the Act. Schedule 2 contains the text of the Amending Agreement.

Mr HAMILTON-SMITH secured the adjournment of the debate.

CITY OF ADELAIDE (REPRESENTATION REVIEW) AMENDMENT BILL

The Hon. J.M. RANKINE (Minister for State/Local Government Relations) obtained leave and introduced a bill for an act to amend the City of Adelaide Act 1998. Read a first time.

The Hon. J.M. RANKINE: 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 amends the City of Adelaide Act 1998.

The Bill proposes to delay the Adelaide City Council election that would otherwise take place in October and November of this year. It proposes to delay the election but only for as long as necessary to conduct a comprehensive review of the Adelaide City Council's representation structure, and implement the results of that review before the election is held.

In April 1997, the then Premier, John Olsen, appointed a Governance Review Advisory Group to report to the Government about the governance of the City of Adelaide. The Advisory Group's final report was submitted to the Premier in January 1998. Among other things, it recommended abolition of wards and that the City Council be comprised of no more than ten elected members, including the Lord Mayor.

Despite these recommendations, the *City of Adelaide Bill 1998*, as it was introduced by the then Liberal Government, provided (in addition to the Lord Mayor elected at large) for 8 members elected from 3 wards:

- 3 members from a northern ward, named "Light" in recognition of Colonel William Light, taking in the area north of the Torrens
- 3 members from a central ward, named "Kaurna" in recognition of the original inhabitants of the Adelaide area, taking in the area south of the Torrens, with an uneven but broadly horizontal southern boundary dissecting the City right to left along Wakefield Road, Wakefield Street, Hutt Street, Halifax Street, Sturt Street, around the top of Whitmore Square, Wright Street, West Terrace and Burbridge Road
- 2 members from a southern ward, named "Mitchell" in recognition of Dame Roma Mitchell, consisting of the remainder of the Council area.

During debate on the *City of Adelaide Bill* the Bill was amended so that it provided for:

- elections at large, and
- returning to the Council the capacity to choose its own composition and ward arrangements after a period of time.

The result of this 1998 debate is reflected in the current wording of subsection 20(5) of the *City of Adelaide Act 1998*.

That subsection prevents the Adelaide City Council reviewing its representation structure until after the 2006 periodic election. The 2006 periodic election was originally scheduled for May 2006, but the *Statutes Amendment (Local Government Elections) Act 2005* introduced 4 year terms for Local Government and shifted Local Government elections from May to November. Subsection 20(5) also requires the Adelaide City Council to conduct a representation review after the 2006 periodic election. The intention in that provision therefore, is that changes made after the 2006 election would be implemented at the following election, in 2010.

The North Adelaide Society and the South-East City Residents Association have been campaigning to re-introduce Adelaide City Council wards, that is the re-division of the City Council district into separate electoral areas to be represented, in future, by councillors elected from each of those defined areas. Those two associations raised the matter as a State election issue for the electorate of Adelaide.

At a meeting on 27 February 2006, the ACC resolved to support the re-introduction of wards. Subsequently, on 14 March 2006, the ACC decided to approach the State Government to seek the repeal of sub-section 20(5) of the City of Adelaide Act, to permit an immediate review of the ward system.

Soon after my appointment as Minister for State/Local Government Relations, I received the City Council's request. I immediately sought further clarification from the Lord Mayor on several matters. My questions were considered by the City Council on 24 April 2006 and the Lord Mayor wrote on 26 April:

> In response to your specific queries, the Council resolved to support;
>
> (a) a full comprehensive review pursuant to Section 12 of the *Local Government Act 1999*;
>
> (b) a 12 months delay in the Adelaide City Council periodic elections till November 2007 to provide sufficient time for the comprehensive review to be completed;
>
> (c) that the new Council would sit for a term of three years so the Adelaide City Council could be brought back into line with the rest of Local Government regarding timing for periodic elections; and
>
> (d) that the next Representative Structure Review takes place one year prior to the 2014 elections.

The Bill that I have introduced gives effect to the Adelaide City Council decision. The Bill does not propose the re-introduction of wards to the Adelaide City Council. There are arguments for and against wards but it is not necessary for present purposes for the Parliament to form any opinion on the respective merits of these arguments.

Rather, the Bill proposes that the arguments for and against wards, or any other form of representative structure be dealt with in the manner prescribed for all councils by section 12 of the *Local Government Act 1999*.

Some commentators have expressed criticism that the Adelaide City Council election should not be delayed to accommodate this process of review. I have seen the view expressed that it should take no more than a couple of weeks to determine whether or not to introduce wards and implement that decision.

However, the Adelaide City Council has requested, and I have agreed that the review of its representative structure should be a comprehensive one, as envisaged by section 12 of the *Local Government Act 1999*. Neither the Government nor the Adelaide City Council wishes to see a review that is less than thorough or comprehensive. A comprehensive review, as section 12 makes clear, involves considering more than simply one option. It requires, at a minimum:

- preparation, by a qualified person, of a *representation options paper*;

- a period of public consultation on the representation options paper, including the chance to make written submissions and appear personally before the council or a council committee;
- finalisation of a council report to be referred to the Electoral Commissioner along with copies of all public submissions;
- a determination by the Electoral Commissioner that the requirements of section 12 have been satisfied; and
- publication of a notice in the *Gazette.*

The Electoral Commissioner has advised that a period of six to eight months is required to carry out this process.

It is not simply a matter of determining whether or not wards are appropriate. There are many related questions. For example, a review needs to determine how many councillors are required to adequately represent the ratepayers of Adelaide, and secondly how they should be elected. It is possible to have both councillors elected from wards, and others elected at large, as representatives of the entire City.

I am sure that both residents and commercial landowners will have views on these matters, and it will take time to adequately seek out and consider their views, as section 12 of the *Local Government Act 1999* requires.

If the proposed representation review report were to propose the re-introduction of wards, it would be necessary for the Adelaide City Council to seek the assistance of the Electoral Commissioner to draw up maps to reflect the proposed new ward boundaries. Finally, the Electoral Commissioner would need some time to adjust the electoral rolls to reflect any new boundaries.

It also takes much more preparation time to conduct a postal ballot than it does to conduct an election for the State Parliament. The Electoral Commissioner advises that a period of three months is required, between the close of electoral rolls for a local government election and the conclusion of voting.

For the local government elections scheduled to conclude in November 2006, the Electoral Commissioner would be closing the rolls, thereby commencing the process, on 11 August 2006.

For these reasons it is impossible to have the Adelaide City Council review its representation structure in 2006, in sufficient time to permit the Adelaide City Council election to be held at the same time as other local government elections in October and November 2006.

The Adelaide City Council has asked me to delay its election for a full 12 months to enable the representation review to proceed. However, it is probably not necessary for the delay to be as long as that. Provided that the Parliament approves this Bill before rising at the end of June, I am advised and expect that the election should need to be delayed only eight months, not twelve.

If the Parliament approves this Bill, and the Adelaide City Council can commence a representation review as early as July 2006, then that review should be finalised in January or February 2007. After allowing time for the Electoral Commissioner to update the electoral roll, the process of conducting a postal ballot based on a new representation structure should be able to commence no later than April and be finished by July of 2007.

It is possible, however, that some of the processes may take longer than I have just described. The Electoral Commissioner will not certify a representation review as complete unless the Electoral Commissioner is satisfied that the requirements of section 12 have been met. The Electoral Commissioner may, for example, require a council to revise its final report, and undertake a second round of public consultation.

To guard against that possibility, this Bill does not set the date for the close of voting at the earliest and most likely achievable date. Rather, it requires the Electoral Commissioner to set a date for the close of voting, with the proviso that the date must be no later than the last business day before the second Saturday of November in 2007. As I have explained, it is likely that a date much earlier, in July 2007 will be achievable, but November 2007 will be the very latest the election may be concluded.

Well before that time, it will be the responsibility of Adelaide City Council to satisfy the Electoral Commissioner that all the requirements of section 12 of the *Local Government Act 1999* have been satisfied and that the Council has conducted a thorough representation review.

I commend the Bill to Members.

EXPLANATION OF CLAUSES

Part 1—Preliminary

1—Short title

2—Amendment provisions

Clauses 1 and 2 are formal.

Part 2—Amendment of *City of Adelaide Act 1998*

3—Amendment of section 20—Constitution of Council

Clause 3 proposes amendments to section 20 of the Act which deals with the constitution of the Adelaide City Council. It removes the requirement that there be 8 members other than the Lord Mayor and the requirement that each member be a representative of the area of the Council as a whole.

Clause 5 also proposes to alter the provisions requiring the Council to conduct a comprehensive review under section 12 of the *Local Government Act 1999*. The current section 20 provides that no change can be made to the composition or representative structure of the Council prior to the conclusion of the 2006 Council periodic election, and that the Council must conduct a review as soon as practicable after the conclusion of that election. The proposed amendment provides that such a review must be conducted as soon as practicable after the commencement of this measure, with the proposal resulting from the review taking effect from the polling day for the next periodic election for the City of Adelaide.

4—Amendment of Schedule 1—Special provisions for elections and polls

Clause 4 proposes to insert a new Part into Schedule 1 of the Act as follows:

Part 2—Special provision for next Adelaide City Council election

2—Election date

This clause provides that despite section 5 of the *Local Government (Elections) Act 1999*, the next periodic election for the City of Adelaide must be held as soon as practicable after the returning officer is satisfied that the representation review processes under section 12 of the *Local Government Act 1999* have been completed, with such date being no later than the last business day before the second Saturday of November 2007.

5—Expiry of certain provisions

Clause 5 provides for the expiry of the proposed new provisions in clauses 3 and 4.

Mr HAMILTON-SMITH secured the adjournment of the debate.

GOVERNMENT FINANCING AUTHORITY (INSURANCE) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 10 May. Page 223.)

Mr HAMILTON-SMITH (Waite): The opposition will be supporting the bill. We understand that its purpose is the amalgamation of the South Australian Government Financing Authority (SAFA) with the South Australian Government Insurance Corporation (SAICORP). We note that the proposal to amalgamate SAFA and SAICORP is consistent with government policy to reduce the number of statutory authorities, advisory boards and committees and boards operating within the South Australian public sector and that the government intends that this measure will eliminate one board and one committee. We note that the amalgamation was first raised in the 2004-05 budget papers, and it is mentioned in the annual report of SAICORP and I think also of SAFA as business pending.

The opposition does have some questions in respect of the measure and we will raise those very briefly in committee—I do not expect that we will be here very long this afternoon—just to get them on the record. We are interested in how much the government thinks this measure will save. We note that it will save a board and a committee and we will be interested in what the dollar value of that will be and whether there will be other savings or efficiency measures from staff rationalis-

ation or efficiencies of scale once the two entities are brought together.

We would be interested to know whether the Auditor-General has been consulted about the measure, whether he has expressed any concern about whether it will reduce the level of public scrutiny of the operations of both entities once they come together, and whether there are any other issues that might be of concern in regard to probity and public affairs in general on which the Auditor-General might have a view. We are interested to know whether there will be any job losses and we would like to get on the record, although the briefings have covered this, who will lead the new organisation and how management of the new organisation will be undertaken.

We would like a further explanation, as I have mentioned, of the reasons why we are doing this. We note the view that there will be a general efficiency to government but we would like to be reassured. I am assuming that now instead of getting two annual reports we will only get one, and I would like to be assured that the coverage of the new annual report and the public accountability of the new entity will be at least as thorough and as detailed as that provided by two boards and two separate reports.

We would like to be assured that the government sought sound legal advice from the Crown before entering this measure and whether that legal advice raised any issues that the government might wish to make the house aware of, and what other professional advice the government may have sought before undertaking the measure, particularly in regard to any cross-overs in respect of the Public Finance and Audit Act, or any concerns that may have been raised in respect of that act. We would certainly like to know how this will work administratively once the new entity is created. So, there is a range of concerns that the minister might like to touch on when he closes the second reading debate, and we might need to revisit a couple of them in committee, just to seek clarification, though I emphasise it is our wish to be brief.

These are two entities that are highly valued by the parliament and by the opposition. We note that SAFA in particular has had a big year. We note that its role is central for the South Australian government and that it is responsible for developing and implementing borrowing investment and other financial programs for the government and delivers a range of services that include debt financing to the state government and its instrumentalities, asset and liability management services, cash and liquidity management services, currency and commodity exposure management, financial and risk advisory and reporting services and Treasury administration support services.

We note SAFA's strategic initiative is to position itself as the corporate treasury to the South Australian public sector and that, guided by SAFA's strategic initiative, SAFA's primary business objectives are to improve and extend services to current clients, diversify and expand the client base and business activities and maintain a culture of continuous improvement in business operation systems and processes. I will talk in a moment about SAICORP, but I am interested in how the cultures of the two organisations will come together to create a new culture and a new entity that we are assured will be effective and highly workable.

The opposition notes that SAFA's strategic direction was reinforced by the government's decision during the year to mandate the use of SAFA's services across the public sector. This mandating requires public sector entities to utilise SAFA's services for fundraising, leasing, debt advice and management, liquidity management and foreign exchange hedging. An exemption from the mandate can be granted where an agency can demonstrate to the Treasurer that it possesses the skills and has the necessary controls to manage a particular function. SAFA's performance in delivering a broad range of service to the government has been, in the view of the opposition, quite pleasing and satisfactory and we are delighted with its performance and we hope this merger will not diminish in any way that effectiveness.

In October 2004 we note that SAFA issued a new major line of stock in the domestic capital market for an amount of $500 million with a maturity of June 2011. The new issue provided more flexibility in meeting the funding needs of government. From July 2004 SAFA significantly expanded its services provided to its major clients, and we also note that during the past year SAFA completed a review into the funds management model operating within the public sector and that a report was submitted to the Treasurer on the effectiveness of those activities.

SAFA also assumed responsibility for administering the Industry Investment Attraction Fund (the IIAF) and a number of other industry assistance schemes on behalf of the Treasurer. The IIAF comprises conditional grants and loans provided to private sector corporations and is aimed at encouraging the development of business within South Australia. SAFA also commenced providing Treasury support services to the Department of Education and Children's Services. That entailed the administration of a deposit arrangement involving 940 schools via the South Australian Schools Investment Fund. The services now provided by SAFA are significant services, previously offered by the department in terms of quality and timeliness. In terms of financial performance we note that SAFA generated a surplus of $22.7 million and made payments of $44.3 million to the Treasury and to the consolidated account, covering both distribution and surplus and tax equivalent payments. We will be having a particularly close look at these activities when the budget finally comes to the house some time later in the year.

We note that during the year Standard & Poor's and Moody's Investment Services raised the credit rating of South Australia and SAFA to triple A, and the house, no doubt, would want to commend the former Liberal government for its outstanding performance in reducing about $11 billion worth of debt that we inherited when Mr Rann was last in government and when the Treasurer was last an adviser to the government. We note that in those reports from those agencies themselves they made that point, that debt reduction was the main cause of their upgrading, and in particular the sale of the state's electricity assets was the major enabling event which caused those upgradings to occur. Had they not occurred, quite simply, we would still be floundering trying to work out how to pay off that mountain of debt that we last saw when Labor was in government. Having said that, because of those achievements of the former Liberal government, the state government and SAFA now find themselves in a far more comfortable place than they have ever been.

The state budget forward estimates indicate a very small net debt position for the general government sector, which is another testament to the achievements of the former Liberal government. This government, of course, is awash with cash, and no wonder there are balanced budgets. I think Bill Gates and Treasurer Foley are the two people who probably have the most balanced budgets on the planet, given the plentiful amount of cash that is collapsing over the counter at them. Anyone who could not balance a budget in these buoyant

times of government revenue would certainly be wanting, to say the least.

This good position that we are in has the potential to impact on the debt management framework for the Treasurer. The review of the framework that was commenced in 2004-05 will be finalised, we understand, by the end of this financial year, if it is not already. Other initiatives for the year include working with agencies to implement the government's mandated decision to utilise SAFA's services, developing a framework for a revised funds management model for the public sector and integrating the insurance operations of SAICORP into SAFA. I make that point because, clearly, this is a takeover by SAFA of SAICORP (if I can put it that way) rather than the reverse. That is wholly appropriate, in the opposition's view, and I think it should lead to the efficiencies that the government seeks. However, we would like to be assured of exactly what they are.

The organisational structure of SAFA includes its manager, Kevin Cantley, whom I thank for his briefing on the bill, along with the adviser from the minister's office who came along to most thoroughly brief us. The Director of Financial Markets Client and Advisory Service, I think, is still Andrew Thompson. I believe the position of Director of Finance has been filled, and perhaps the government would like to let us know who is filling it. The Director of Corporate Governance and Planning is still David Posaner, I think, and there are various subfunctions in that regard.

I am very interested (and I will talk in a moment about SAICORP) to know how that organisation will come together with SAICORP—whether SAICORP, effectively, will operate almost as an administered item of SAFA or whether there will be a far more comprehensive coming together of the two organisations. I am also interested in whether or not the amalgamation will in any way impact on the trust structure of SAFA. I doubt it, but I would be interested to know whether it will, given that the South Australian Finance Trust Ltd (SAFTL) is linked to a 50 per cent interest with SABT Pty Ltd, and then SAFA itself, with an involvement with the Hong Kong resident company South Australian Finance Hong Kong Ltd. I would be interested to know whether that trust arrangement is in any way impacted on by this amalgamation or whether there are any unforeseen issues of which we need to make the public aware.

SAICORP is a quite different entity. During the briefings and the government's second reading explanation it made the point that, increasingly, insurance and financing operations of entities are coming together, and I take that point. Nevertheless, this is a new step for government. The opposition recognises the achievements of the board of management of SAICORP, and I assume that, by and large, the board of SAICORP will, if you like, fold, although I gather that some membership will come over. Perhaps the minister can clarify that issue.

I note the achievements of the current chairman, who, the house probably needs to be reminded, just happens to be Kevin Cantley, who is also the manager of SAFA. So, there is obviously an overlap and a commonality of involvement. The previous chairman was Brett Rowse, who made a considerable contribution to SAICORP over two years. The opposition should also note the achievements of Christa Marjoribanks for her contribution as a director of SAICORP for six years, ending in December 2004.

From a financial point of view, SAICORP has seen significant changes, as well as SAFA, with an operating profit after tax, I understand, in 2004-05 of about $9.137 million and an end of year net assets position of $72.3 million against a free reserves target of $71.6 million. During the year 2004-05, the government reinsurance program was successfully renewed at 30 December 2004, with increased cover and at reduced cost. That was a good result, which the opposition notes, and is a clear demonstration of the benefits of the relationships built up over the years by SAICORP with the Australian and international insurance markets. I am sure the house would not want those relationships to suffer in any way as a consequence of this coming together, so we would seek an assurance that those relationships, which are largely about people, will be maintained and that governance arrangements within the new entity will not get in the way of those arrangements.

The opposition notes that, in July 2005, cabinet approved in principle this amalgamation that we are debating today. As I said, we are confident that will be a good step, because SAICORP has quite a history and that history, in a sense, will either be coming to an end or taking a new direction once this measure is passed.

I have mentioned some of SAICORP's major achievements—and there are many—and I have mentioned, in particular, its financial achievements. I think it is worth adding that payment of compensation to the majority of residents affected by the flooding of the Patawalonga lake in June 2003 and the successful recovery of $1.8 million from Baulderstone Hornibrook in relation to that incident ought to be noted by the house as an achievement of SAICORP. Insurance cover to government portfolio groups, agencies and authorities included a range of tasks: underwriting, claims management, direct insurances and the provision of insurance advice, all of which was most effective. We need note that whole of government catastrophe reinsurance was also brokered during this period.

Although the government itself is fundamentally a self-insurer of most of its own risk, it is appropriate and desirable that the state's finances be protected against the financial consequences of a catastrophic event—for example, a very large property loss or liability claim, or a series of large losses or claims. You only need to turn on the television to see what has happened in Indonesia and to look at the prospect of international terror to see how real those dangers can be and how unforeseen.

I remember attending a briefing once after the Darwin cyclone when General Stretton, the then head of the disaster organisation, was asked by us what the next major catastrophe was that he could foresee. He remarked, 'An earthquake in Adelaide.' The National Disaster Organisation, in the early 1970s, had identified an earthquake in Adelaide as a prospect that warranted its focus and attention. This catastrophe reinsurance program, which was recognised in 1991, and has been renewed each year since, is now the responsibility of SAICORP. I am sure that it will be more than ably picked up under the new arrangement.

There is also local government reinsurance and the Local Government Association Mutual Liability Scheme that was established in 1989 to provide councils and other eligible local government bodies with a range of services. I assume they have been consulted about the measure and that they are happy with the merger and confident that there will not be any detriment to that service. As at June 2005, the Local Government Association Mutual Liability Scheme successfully renewed its $20 million reinsurance program in the world market, and I am sure that the association would want to be assured that under this new arrangement they will get

the same tender loving care and attention that they have always received.

Risk management advice and assistance, of course, is another important function of SAICORP, as is providing that assistance in relation to risk management and indemnity insurance in the provision of government contracts. Requests from contractors for limitations of liability is another important role. There is a need to continue to promote and support the activities of the Australasian Society for Healthcare Risk Management, as well as to work with the Department of Health regarding root cause analysis investigations and the provision of risk management reports to the department in connection with the management of medical malpractice claims and the need to promote the involvement of government agencies in the South Australian chapter of the Risk Management Institution of Australasia. I assume that all of those entities have been consulted or that, in some way, they have been involved in this decision and that they are comfortable that there will be no diminution of SAICORP's functions. Intergovernmental relations involve meetings of government and insurance fund representatives. I understand that two of those meetings were held in Hobart in November 2004 and in Perth in May 2005. Obviously, those activities will go on unfettered.

The opposition also notes the insurance legislative reform program that the house has been involved with in the past regarding the passage of a number of bills, and that process will continue to unfold under this new arrangement along with all the steps that the house has taken in regard to builders' warranty under the Building Work Contractors Act 1995. The South Australian government became a signatory to the agreement in respect of building certificates issued relating to property located in South Australia effective from 31 December 2004. So, the building industry is yet another stakeholder in this bill. I assume that the building industry has been consulted.

On behalf of the opposition I thank the Board of Directors of SAICORP who, if you like, are being taken over. I am sure that they are quite happy about that but we want to note their service to the state. SAICORP has been governed by a board of up to seven directors appointed by the Treasurer. I think that the current board still has five members. I understand that in 2004-05, for example, apart from Kevin Cantley, who will now take over the whole organisation, the other directors included Brett Rowse, Len Foster, Rosemary Batt, Leon Holme, Yvonne Sneddon and Christa Marjoribanks. They all have made a splendid contribution to SAICORP. The present year is a busy one for SAICORP, and I hope that its activities will not be interfered with by this arrangement. A number of things are ongoing such as the monitoring of our ongoing security status of insurers and reinsurers, participating in SAICORP's insurance and reinsurance programs. There is the need to continue to populate SAICORP's web site with up-to-date data about the government's assets and associated risks. I am sure that Bevan and Abraham will be interested in that one. They seem to be quite focused on government web sites at the moment.

There is the need to review and enhance SAICORP's insurance and risk management questionnaire to improve the transfer of relevant and up-to-date information to the SAICORP web site for disclosure to reinsurers. We assume that there will now be one web site, or will there be two? Will this information still be provided as it has been? Hopefully, we will have that clarified shortly.

SAICORP's involvement in continuing to promote good risk management practices across government agencies must continue, as must the provision of risk management advice and assistance to government agencies, the monitoring of emerging trends and risks relating to claims, through formal and informal networks, the tendering of the provision of actuarial services, the tendering of the provision of insurance and reinsurance brokering services, the commencement of a review of SAICORP's IT-related systems and the implementation of the proposed amalgamation that we are debating tonight. I hope that all of those activities will not be interfered with as a consequence of the reorganisation. I cannot remember his name but there was a Roman general who once remarked that whenever things seemed to be going well, we always seem to reorganise because it gives people a sense of progress. I am convinced that this measure has merit but we want to be assured that we are not just reorganising for the sake of it, and that is why I have asked the questions I have asked.

I have talked about SAFA's organisation. SAICORP is quite a different entity, with some quite specialist people with a lot of specialist knowledge. When the minister explains how he is going to bring the two entities together, we want to be assured that the CSO legal unit, the claims management section, the underwriting section, the finance and administration section, and the risk management section of SAICORP will continue to function effectively. When we talk about people and whether any job losses will result from this amalgamation, I hope that assurance will be given.

In finishing on SAICORP, as I have mentioned, we also seek assurance that the legislative reform program will be maintained in regard to insurance. There are a number of acts the government is dealing with through SAICORP, namely, the Statutes Amendment (Structured Settlements) Act 2002; the Wrongs (Liability and Damages for Personal Injury) Amendment Act 2002, which came into operation in December 2002; the Recreational Services (Limitation of Liability) Act 2002; and the Law Reform (Ipp Recommendations) Act 2004. Indeed, SAICORP also must work with the Professional Standards Act 2004, and the Law Reform (Contributory Negligence and Apportionment of Liability) Amendment Act 2005, which came into operation as recently as October 2005. All those obligations under SAICORP will need to be picked up by this new entity.

Although SAFA is responsible for borrowing, asset and liability management, and investments, and SAICORP is responsible for insurance collectively, both organisations operate in the financial services industry, and we understand that. Rationalisation in the private sector financial industry, particularly with banks and insurance companies, has occurred in recent times and is an ongoing trend, and we recognise that. Synergies arising through an amalgamation of SAFA and SAICORP relate to government arrangements; support services, particularly accounting; administration and systems; and funds management.

This bill will amend the Government Financing Authority Act 1982 to enable SAFA to act as captive insurer for the government and to transfer SAICORP's insurance functions to SAFA. The opposition understands that SAICORP will be dissolved by regulation, with its assets, rights and liabilities transferred in their entirety to SAFA. From an operational perspective, the amalgamation will involve establishing an insurance division within SAFA, unless there is some other plan the government would like to explain today, so that the new entity can handle insurance, underwriting and claims

management operating under the SAICORP brand name. Although, from the briefing, the minister may like to cover whether both brand names will be used or whether it is the government's long-term intention for the SAICORP brand name to be done away with and replaced by something new.

The government has advised that amalgamation of SAFA and SAICORP has been discussed with SAICORP's insurance brokers and re-insurers in Australia and around the world (and I mentioned that earlier in my remarks) and that no major issues were raised with the proposal. Certainly, no major issues have been raised with us during our consultation on it. With those remarks, I commend the bill to the house. I indicate to the minister that we would like to touch on a couple of issues in committee, but we will not be very long. We thank the Treasurer for the briefings he arranged for us and for the way in which the matter has been dealt with and that we were given enough time to consider the matter. We recommend the bill's passage to the other place forthwith.

Ms CHAPMAN (Deputy Leader of the Opposition): There are a number of matters in relation to this bill about which I have some concern, and there are a number of aspects that our lead speaker, the member for Waite, has comprehensively outlined which clearly need some answers from the government in relation to what other savings that are allegedly going to be made by this amalgamation, who wants it, and whether there is going to be a delay in any of the operations that apply in relation to each of the current responsibilities of these bodies. They are matters I will not traverse, and I hope the Treasurer will give some comprehensive responses to these matters.

There are two aspects in relation to processes which will simply amalgamate bodies on the assumption that they will then continue to cover all the areas of responsibilities which they currently undertake. I am concerned about the management and monitoring of financial bodies—and I include SAFA, which is, of course, an important government financing authority—for the purposes of management of a very considerable amount of money on behalf of the government. For example, in addition to these bodies, we have a very significant work force in Treasury. Obviously, there are an extensive number of advisers to the Treasurer to ensure that, when budgets are finally issued, approved by this parliament and being applied, money is appropriately administered and, indeed, is protected and not wasted. For example, I recall in last year's Auditor-General's Report, in relation to the Department of Education and Children's Services, that in May 2005 at one point the current account operating for that department was over $100 million overdrawn. A letter of explanation went to the Auditor-General to say, 'Look; this is a bit of an oversight. We forgot how much money we were supposed to be getting transferred from the government at that point, but we will make sure it doesn't happen again.'

The reality is that, even though money is budgeted to be allocated to the departments for their appropriation during the following financial year, there must be some clear process by which this money is managed. We have various entities that hold money and transfer it to departments at certain times, and the government, through the Treasury Department, enters into contracts, for example, with the Westpac Banking Corporation, which, I think, currently holds the contract to bank, apply and hold the money on behalf of the government. We are talking about a yearly $10 billion budget. When you are over $100 million overdrawn on an account even for five minutes, that costs the taxpayers of South Australia money. I for one (and I am sure other members of parliament) want to be satisfied that this sort of amalgamation, which could otherwise be seen as a reduction of levels of accountability, is one that is going to be successful and to the benefit of the proper management of our money.

The second matter I want to raise is in relation to the South Australian Captive Insurance Corporation (SAICORP). In particular, I refer to the local government reinsurance. The Local Government Association Mutual Liability Scheme, which was established in 1989, also plays a very important function. I would like some assurance from the Treasurer that the continued operation of this scheme will be uninterrupted for a number of reasons. This entity should not be interfered with in relation to any delay in its operation that might be a result of the restructure. Let me give you an example: at present, the Burnside Council has lodged—

The Hon. K.O. Foley: That august body.

Ms CHAPMAN: We hear the mocking response from the other side. Many residents who live along Waterfall Gully Road have lodged a very substantial claim for consideration to the Mutual Liability Scheme arising out of the damage and loss incurred for the necessary repairs to property from the Waterfall Gully floods some months ago. On that occasion, 20 000 tonnes of rock that had come out of Cleland Park ended up in the bottom of Waterfall Gully, and they have their claim pending. Notwithstanding the statements by the Minister for Transport, who went up to the area at the time to claim that the Burnside Council has a lot to answer for, we now know and what has become the subject of the claim to the Local Government Association Mutual Liability Scheme is that this rock is wholly owned and the responsibility of—

The Hon. K.O. FOLEY: I rise on a point of order.

The SPEAKER: I think I know what the point of order is about.

The Hon. K.O. FOLEY: I would not normally do this, and I am not doing it with any malicious intent, the honourable member, but I have been advised that this may be the subject of legal—

Ms Chapman interjecting:

The Hon. K.O. FOLEY: No; I am being advised of that. I thought that, particularly given the member's experience as a lawyer, she may need to be careful about what I said; that is all.

The SPEAKER: If the matter is sub judice, the deputy leader must refrain from entering into debate on the matter. I am also not quite sure whether the member for Bragg's contribution is really relevant to the bill at hand, so perhaps I might draw her back to the bill.

Ms CHAPMAN: Yes; I appreciate your guidance, Mr Speaker, and the comments made by the Treasurer. I indicate that, first, in relation to the matter that the Treasurer has raised, it is my understanding that there is nothing sub judice at the moment. The statement of claim is the document which has gone to the Local Government Association Mutual Liability Scheme, which relates to your point and on which I thank you for your indication, Mr Speaker, but this is a scheme which is directly the responsibility of SAICORP, which is the organisation that is the subject of the amalgamation under this bill. This is exactly the aspect of relevance to this debate, because we are seeking assurance from the Treasurer that the conduct, work and jurisdiction of this organisation which is about to be amalgamated will not be interfered with as a result of this bill. This is a bill to join these two bodies and, ostensibly, to enable some smoother,

more streamlined and cheaper operation. In any event, I am asking the Treasurer to assure us that the workings of the best particular part of the organisation is not going to be interfered with or delayed as a result of this restructure.

I simply point out that they are claims that are pending, and I have used it as an example. Not only is the $221 000 claim from the Burnside Council, but there are residents along Waterfall Gully Road whose claims are also pending under the Mutual Liability Scheme. That is where we are looking for some assurance. So far we have had letters saying that the claims have been acknowledged, but there has been no response to them. We want them to be dealt with in a timely manner, particularly as they have now been in there for some months. In relation to that aspect, we seek some reassurance. All other matters have been raised and covered by the lead speaker.

The Hon. K.O. FOLEY (Treasurer): I will try to answer some of these matters but, if I do not, we will go to committee. The decision to amalgamate followed the EDB recommendations to government that we should amalgamate a lot of government boards. We have been through it; it is a sensible thing to do. It is not actually driven by an efficiency, cost-effective or savings rationale or motivation. We do not expect there to be job losses. The value add we see here is that SAICORP has roughly 14 people in the organisation. It has a board. SAFA has about 40, with a board. The general manager of SAFA is the chairman of the SAICORP board, and a member of the SAFA board (Yvonne Sneddon) is a member of the SAICORP board. We felt that it made good sense to amalgamate these two entities primarily because, first, we are a small government and, secondly, we are a small bureaucracy.

Ms Chapman interjecting:

The Hon. K.O. FOLEY: Well, in a relative sense in terms of other states. The view is that the work that SAFA undertakes on behalf of government has, of course, changed. The government does not have the debt levels of previous years. We could have a debate about all that, but the fact is that there are not the management issues of the debt that have been there in previous years. So, it is important that we maintain and improve the skills set and expertise within SAFA. That is why, when I came to office, I had SAFA undertake a number of projects for government, such as the review of WorkCover and the issues relating to NRG Energy when it went into Chapter 11 in the United States and, more recently of course, the management of the Basketball Association. The expertise and skills set within SAFA under Kevin Cantley's leadership is such that it gives us an opportunity to improve and expand the type of skills set and work SAFA undertakes on behalf of government. It seems sensible that SAFA also combines with SAICORP to put it into a more general financial services and insurance organisation. So, savings have not been the driving motivational force behind this.

There was no consultation with the Auditor-General because that would not be the norm, but he is aware of this move, and has been for some time, given his role in the audit committees of SAFA and SAICORP. To my knowledge, he has not expressed any concern. As we all appreciate, in these types of things the Auditor-General reports after the event and comments on these issues. It is not normal for him—indeed, very rare, if at all—to offer an opinion or a comment to government before we embark upon a particular piece of reform or restructuring.

No crown law advice was sought per se in relation to the restructuring, but it was obviously sought, received and acted upon to ensure that the functions and the legal form of the functions that have been transferred from SAICORP into the new entity could be done and to ensure that there was no problem. No other professional advice has been sought; we did not want to waste money. In terms of how this will roll out, there will be an insurance division within SAFA. The 14 SAICORP members of staff will move into SAFA, headed by Brian Daniels who, I should put on the public record, has done an outstanding job in managing SAICORP. He will report to Kevin Cantley, who has also done an outstanding job in managing SAFA. A division within SAFA will handle the claims, the underwriting and the risk management, so, effectively, the status quo will be continued. The accounting functions within SAICORP will be rolled into the accounting and administrative functions of SAFA.

We will appoint an external board member with insurance expertise. Obviously, we have not yet appointed anyone, but we are working through a few names of people with good insurance expertise. Yvonne Sneddon, of course, has been on both boards previously. We will ensure that there is some insurance expertise on our audit committee. One overall business plan and business procedures will be deployed by the management of SAFA. The annual report will have a special section on SAICORP. At this point, it is our intention to maintain the two brand names, but my guess is that over time it may be that SAFA becomes the brand. Everything that has been in SAICORP for the local government liability fund will be maintained as per the norm. We have consulted with our international underwriters, and I am advised that they are comfortable and relaxed with what we are doing. They are insuring the state of South Australia, so I would have thought that, whether it is through SAICORP or SAFA, really would not be their issue.

We do not believe that there is any impact on our trust structures. Of course, I am advised that we are going through a process of winding up a number of these trusts. We have not done a lot of broad consultation externally because, effectively, it is people engaging with government. How we choose to structure ourselves internally is not really a matter that we believe will concern the industry as such.

We will maintain our links, obviously, with our interstate counterparts, and there do not seem to be any issues there. We will ensure that we keep the web site updated. If this is a success, I will claim full credit for it. If it is a failure, the opposition will attack me politically, and I will sack Kevin Cantley. That is how it works: he is under the pump. I say that flippantly: Kevin is an outstanding officer and will ensure this goes very smoothly. I have the utmost faith, trust and confidence in him.

They are all the questions Kevin was able to scribble down. If there are any others I am happy to go into committee and deal with them. I thank members for their contributions.

Bill read a second time.

In committee.

Clauses 1 to 3 passed.

Clause 4.

Mr HAMILTON-SMITH: I wish to explore the issue of savings that it is hoped to achieve. The Treasurer said in his second reading speech that efficiencies and savings were not main reasons for doing this, but can he confirm whether there will be any job losses as a consequence of the amalgamation; and cost savings or, in fact, additional costs as a consequence of the measure?

The Hon. K.O. FOLEY: There would be some very minimal savings, obviously, with a couple of board members fewer, although that might get washed out. We will put another person on SAFA. I do not want to be anything other than upfront. I do not expect any cost savings. If there are, they will be minimal. That is not the reason. Fourteen people are transferring over and there is no intention for there to be any job reduction. However, one would assume, hope and expect that, with the efficiencies of government over time, they would be less. I would hope over time there would be efficiencies to be had. Whether that means a reduction in employment numbers is entirely a matter for the management of SAFA over time. It may be that other functions appear and more staff are needed. We think this will be a better organisation, but that in no way diminishes the outstanding work done by the board and Brian Daniels and the current team at SAICORP.

Mr HAMILTON-SMITH: Will there be, then, any additional costs as a result of the measure? For example, will there be salary increases, given the new responsibilities for any senior managers within the new entity? Will there be any costs of an administrative nature associated with the IT support contract or any accommodation issues that might cost the taxpayer additional funds?

The Hon. K.O. FOLEY: No, I do not expect there will be, and I guess we are giving Kevin Cantley more to do and not paying him any extra. It is probably a bit of a sore point. It is a bit of a bugger: he gets more responsibility and does not get paid for it.

Clause passed.

Clauses 5 and 6 passed.

Clause 7.

Mr HAMILTON-SMITH: In regard to the constitution of the board, is the Treasurer able to tell us who will be on the board? He mentioned there might be some crossover. Can the Treasurer clarify who will be relinquished (no longer required) from the SAICORP board and who will be retained on the board of the new entity, and who will head the board?

The Hon. K.O. FOLEY: At present, SAFA of course is chaired by the Under Treasurer, Jim Wright. We have on the SAFA board Claude Long, who used to be the state manager for the Commonwealth Bank in South Australia and is on a number of boards in government. There is Yvonne Sneddon, a former partner of Deloittes, who I think now is a professional director on the SAICORP board and the SAFA board, so she will be retained. Brett Rowse is deputy. Anne Howe is on it, of course, as a semigovernment representative. There is also Peter Mendo and Barry Brownjohn. The current SAICORP external director is from Melbourne, a gentleman by the name of Len Foster. He has an insurance background. We have not decided whether Len will be asked to serve on the SAFA board or we will seek another person. We have not made that decision yet, and await the outcome of this legislation.

Mr HAMILTON-SMITH: Will the Treasurer confirm the remuneration levels for the presiding officer on the board and for board members? Is there to be any change?

The Hon. K.O. FOLEY: The presiding officer gets zip, zilch, nil, because it is the Under Treasurer. We do not have the figures for board members, but we will get them for the honourable member. The $20 000 to $25 000 band is my expectation as to how the SAFA board members are remunerated. If it is any other number, we will come back to the house.

Mr HAMILTON-SMITH: At the moment, there are two annual reports from each entity. Will the Treasurer assure the house that the new annual report of the new entity will pick up all the public accountability issues and the breadth covered by the two previously separate annual reports?

The Hon. K.O. FOLEY: Absolutely not! We are going to hide and hinder any public scrutiny of the work we get up to in SAFA. Why do we have to do an annual report? We will not even do an annual report for SAFA: we might hide everything from the prying eyes of the opposition. But I say that in jest. We will ensure total openness and accountability and, whatever the honourable member currently receives in the SAICORP annual report, we will endeavour to ensure to the best possible extent that that appears in the SAFA report.

Clause passed.

Remaining clauses (8 and 9) and title passed.

Bill reported without amendment.

Bill read a third time and passed.

ADJOURNMENT

At 5.48 p.m. the house adjourned until Thursday 1 June at 10.30 a.m.