HOUSE OF ASSEMBLY

Tuesday 9 November 2010

The SPEAKER (Hon. L.R. Breuer) took the chair at 11:00 and read prayers.

The SPEAKER: Honourable members, I respectfully acknowledge the traditional owners of this land upon which this parliament is assembled and the custodians of the sacred lands of this state.

MOTOR VEHICLES (THIRD PARTY INSURANCE) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 15 September 2010.)

The Hon. I.F. EVANS (Davenport) (11:02): I indicate that I am the lead speaker on this bill for the opposition. The bill that we are debating—the Motor Vehicles (Third Party Insurance) Amendment Bill—essentially deals with the insurance scheme operated by the Motor Accident Commission (MAC) in relation to motor vehicles.

The intent of the bill is to make a series of amendments that seek to restrict in some cases and clarify in others what can and cannot be claimed, what will and will not be paid out and what can and cannot be recovered by MAC against drivers involved in certain incidents, depending on the nature of the incident.

I want to make some comments in relation to the consultation process because I am a little surprised as to what has happened, as I understand it, in regard to this bill. This bill was introduced back in September, and, as part of the normal process, I wrote to the Law Society, the RAA, the South Australian Road Transport Association, the Motor Trade Association and the Australian Lawyers Alliance to seek their input or comment on this bill.

Regrettably, the only organisation that got back to me before I went to the party room to seek a position on this bill was the RAA. The other organisations, or at least two of them, have indicated to me some surprise that this bill was being introduced. The Motor Trade Association was not consulted until I wrote to it. It then rang the Motor Accident Commission, which understood that the MTA was on its reference group. It is not on its reference group, so the Motor Trade Association has only tried to deal with this bill since 20 September, when I wrote, and, as yet, it has not reached a final position, as I understand it. It has some concerns that it has written to MAC about in the last few days and MAC has written back in the last day or two, and I will read those letters into *Hansard* at the appropriate time.

What really surprised me was the Road Transport Association. Some of the clauses in this bill deal directly with the heavy vehicle driver fatigue scheme. The Road Transport Association told me that it has not heard anything about this bill since Geoff Vogt was still head of the Motor Accident Commission. It thought it was last talked to about this bill some four, possibly five, years ago and it was a bit surprised that a bill had been introduced in relation to this matter. That is what we were told, and I have no reason to doubt it.

The opposition comes to the debate still waiting on formal responses from the Law Society and the South Australian Road Transport Association. The Motor Trade Association emailed me at 10.40 this morning. So, 25 minutes ago I got something from the Motor Trade Association that outlines at least one concern it has. While the government has brought this on, if some of the trade and industry associations that this directly affects have not been talked to for over four years, you would have to wonder what is the rush to bring it on at this time. However, the government has brought it on, so the opposition will make its contribution and we will have to deal with a series of questions in committee. Ultimately, with anything that comes out of the committee stage, the opposition will reserve its right about amendments in another place.

Let me walk you through some issues or amendments the bill seeks to make. There are broadly nine categories of amendments, without specifically going into the details of each one. Amendment No.1 deals with the recovery from hit-and-run drivers. The Motor Vehicles Act 1959 is to be amended by this bill to make a hit-and-run offence under section 43 of the Road Traffic Act a breach of warranty under the policy of insurance, and therefore it becomes the subject of recovery action under section 116, which is the nominal defendant clause, and section 124A of the Motor Vehicles Act, which is the insured person clause.

Drivers who fail to stop and give all possible assistance to an injured person following a crash and who fail to report the accident to the police within the required time and submit to a drug and alcohol test could become liable to recovery to the Motor Accident Commission or the nominal defendant for claims cost. The amount to be recovered would be what the court deems reasonable and just in the circumstances.

Section 43 of the Road Traffic Act essentially provides that a person must abide by all three conditions, otherwise they will be guilty of an offence. In the event that all these conditions are not met, this would give rise to a potential right of recovery by MAC under part 4 of the Motor Vehicles Act. Section 43 deals with the duty to stop, to give assistance and to present to police where a person was killed or injured in an accident. You have to meet all those conditions.

If you are involved in an accident where someone is killed or injured, you have to stop, you have to give assistance and then you must present yourself to police: you have to meet all three tests. If you do not, then under this provision MAC will certainly seek to recover costs against you. I will come to what the industry groups say about this in committee, although I might do it as we go along as it might help the Treasurer, since the consultation has been a bit botched.

The Hon. K.O. Foley: It hasn't been botched; it has gone on forever.

The Hon. I.F. EVANS: The Treasurer says it hasn't been botched; it has gone on forever. That may well be true but it is not what the industry groups tell me. The RAA have opposed this particular provision. They believe that most of the drivers out there think they have 24 hours to report an accident to the police. Under this particular provision, they have only 90 minutes to report it to the police. The RAA say there are going to be a lot of people caught by this provision, thinking that they have 24 hours when in actual fact they only have 90 minutes, so if they do not report it within the 90 minutes they then become personally liable, so their house, their business, etc., will be on the line for a right of recovery by MAC because they have breached that particular provision in section 43 of the Road Traffic Act.

So the RAA are opposed to that. They also raise the issue of people not being able to get to the police within the required time, although I think the government will argue there are suitable defences in the existing acts; but the RAA did raise that particular point.

There are a number of examples in this particular piece of legislation where the government is introducing burdens of proof that are going to be on the balance of probabilities, which is the lower burden of proof, and a number of industry groups have raised concerns about the lower level of proof and not using the higher level of proof. I will not go through each example, but throughout the bill there are at least five examples where the lower level of proof is used rather than the higher level of proof.

The second line of amendment deals with the heavy road transport industry and, in particular, the chain of responsibility in that industry. Members might recall that the house has previously dealt with legislation to do with the heavy vehicle road transport industry and the fatigue laws. This links in to that particular piece of legislation. This amendment aims to make it easier for the Motor Accident Commission to recover claim costs from those higher up the chain in the transport industry who are liable for putting pressure on the truck drivers to breach driver fatigue related laws in the heavy vehicle industry.

Currently there is a limited opportunity for MAC to recover against persons within the chain of responsibility who are not otherwise injured under the CTP policy. It is envisaged that the persons who will fall within the chain of responsibility as specified in the regulations will include the employer, prime contractor, operator, scheduler, consignor, consignee, loading manager, loader and unloader. All those people will become potentially liable for recovery by MAC against them if there is a breach of the driver fatigue laws. They are seen to have some part in it, and I will come to that later during the committee stage.

The amendment intends to encapsulate anyone who has placed pressure on a driver to undertake illegal activities, and it is about control, not necessarily the employee relationship. So it is not just the employer who ends up possibly having a claim of recovery against them, but the consignee, the consignor or the warehouse manager, etc. All those people could potentially be up for a cost of recovery if they are found to have been involved in some possible breach.

The right of recovery is linked to the heavy driver fatigue regulations that were enacted in South Australia in 2008. The trigger point for recovery is the commission of an offence pursuant to the Road Traffic (Heavy Vehicle Driver Fatigue) Regulations. Regulation 6 creates the offence of

driving a regulated heavy vehicle if the driver is impaired by fatigue. However, the regulation also creates offences for parties in the chain of responsibility in relation to a regulated heavy vehicle if they do not take all reasonable steps to ensure that the driver of the vehicle does not contravene that particular regulation.

Now, for the purposes of the regulation, the following persons are parties in the chain of responsibility in regard to regulated heavy vehicles: the employer of the driver of the vehicle; the prime contractor of the vehicle; the operator of the vehicle; a scheduler in relation to the driver of the vehicle or the vehicle; the consignor of goods to be transported by the vehicle; the consignee of goods to be transported by the vehicle; the loading manager of goods to be transported by the vehicle; the loader of goods on to the vehicle; and the unloader of goods from the vehicle.

Legislation matching that particular legislation has been enacted in New South Wales, Victoria and Queensland; however, we are advised by the government that no other state is seeking to extend its right of recovery to these parties. The advice to the opposition is that this will be the only state—indeed, the first state—to seek recovery from those parties under these conditions. A significant number of bordering states have corresponding laws and offences such that moving registration to another state will not avoid exposure to a potential prosecution under the existing legislation but will avoid potential recovery under this new legislation, if passed.

The introduction of a right of recovery is intended not only to recoup the cost but also to create a further deterrent to the commission of these offences. The right of recovery proposed for these parties is limited to the amount that the court thinks is just and equitable as a stopgap measure to ensure fairness in relation to the imposition of any liability. The government argues that the ability to avoid any potential recovery is entirely in the control of the parties involved in the chain of responsibility, by ensuring that they do not commit an offence under regulations.

That particular set of amendments is primarily targeted at the heavy freight road transport industry. The Treasurer will stand up, after my contribution, and say that the consultation process was not botched, but I make this point to the house: if the consultation process was not botched, and we wrote to the South Australian Road Transport Association on 20 September about this bill, and if the consultation has been so good, why is it that, as of this morning, the board of SARTA still does not have a position on the bill? It says that it was talked about over four years ago. It did not know it was being introduced now, so, if you like, at that point it had not prepared a submission.

This is a piece of legislation that is critical to that industry, and I say that the consultation has been botched. The evidence is very clear. If the industry had been 'consulted to death' it would have had a set of documents and a position ready to go when the government introduced the bill. Clearly it would be ready, because there are some serious implications for the heavy road transport industry in this bill. For it not to have a submission ready—and I do not criticise it at all—is illustrative of the fact that the government has brought this in without actually notifying the industry that it was reinvigorating this particular bill, which was talked about four years ago.

The South Australian road transport industry does have some major concerns with this bill. At quarter to 10 this morning Steve Shearer sent me an email, on the proviso that I made it clear that the board had yet to reach a position, so it is hard for the opposition to reach a final position when the industry group that the legislation affects has not yet reached a final position. Mr Shearer wrote:

Thanks for consulting with SARTA on this Bill.

Some years ago, I had discussions with the MAC on where the concept of Chain of responsibility was discussed—I think this was in 2005 or 2006.

The Hon. K.O. Foley: He thinks.

The Hon. I.F. EVANS: That is what the industry group thinks. His email continued:

Since then I have not heard back from the MAC nor seen any proposals to apply CoR to the Recovery of Insurance payments by the MAC.

The major concern that we have with this proposal is that it will be based upon acceptance of a court 'finding' regarding whether or not a person committed an offence against Section 43 or a relevant offence against a Heavy Vehicle driver fatigue scheme, as determinative in any action by the Insurer.

The problem is that under the CoR [chain of responsibility] laws for managing Driver Fatigue, which the industry supports, the relevant parties are Guilty at the outset, under the Reverse Onus of Proof principles that applies under those laws.

So one walks into Court Guilty and must be able to prove that they are innocent through a Reasonable Steps Defence.

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Hence, an operator or driver or other party who was actually innocent, may be treated as guilty because they have failed to [simply] gather and record the evidence that would have proven their innocence.

To automatically consider such a court 'finding' (which really is a finding that either the party did prove a Reasonable Steps Defence or that they did not and it is NOT a finding of guilt but an absence of finding of proof of innocence) is very concerning because it could lead to massive financial penalties in the form of MAC recovery against a person/party whose crime was that they failed to keep good records.

Whilst the trucking industry supported the CoR laws in relation to Driver fatigue, it was because this was the only way to effectively rein in the parties that are one or two steps removed from the problem. Our agreement was also based upon the level of penalties and sanctions involved.

The Third Party Insurance extension of this concept without any requirement of a more appropriate standard of proof...would seem both unjust and unreasonable.

One would have thought that if the authorities are able to defend their case against a Party in a Driver Fatigue related matter in court—and win—then the MAC ought to be able to access relative evidence and mount a case based upon the more conventional balance of probabilities—

I am not convinced he doesn't mean beyond reasonable doubt but he uses the words 'balance of probabilities'—

perhaps using the CoR matter but NOT taking it as determinative.

That was at quarter to 10 this morning. As I say, Mr Shearer made it clear to me that, as of this morning, their board still had not reached a position on the legislation.

So, that is the second set of amendments which deals with rights of recovery for breaches of the fatigue legislation to do with the heavy road transport industry. The South Australian Road Transport Association—the peak body for that industry—have some concerns with it and have yet to reach a position at their board level.

The third amendment deals with excess recoveries. There is an excess provision within the existing act which, from memory, has been fixed at around $300 since the early 1990s. This particular bill seeks to increase the excess to $460 and then have it increase by CPI. It also seeks to introduce a 5 per cent discount if it is paid within a certain time frame.

The RAA actually have some concerns about that particular matter as well. They argue that the $460 excess benefits the financially well off. The excess will penalise those who are not financially well off. The RAA say that the government would get a far better response to payments to MAC on this issue if they advertised how the excess works, because there is confusion.

The way the RAA spoke to me about it, there is confusion that, when someone is involved in an accident, they pay their normal insurance excess and that claim is settled, then MAC recovers, there is another excess, and the average punter out there is saying, 'Hang on a minute, I have already paid my excess,' and there is a confusion about the double excess. The RAA argues that they would get a far better response to this excess matter if they actually ran some form of public education system about it.

The fourth set of principle amendments in the bill deals with recovery for blood alcohol content offences, which for the purposes of this debate I will broadly call drunk-driving offences. Currently, the alcohol reading threshold for pursuing a recovery for breach of the policy of insurance is 0.15 per cent. It is proposed to amend the Motor Vehicles Act, to reduce the threshold to allow recovery of claim costs where the insured has a proven blood alcohol certificate of 0.1 per cent or more.

The legal blood alcohol content limit is .05 per cent, and the recovery level that is to be set in this bill will be reduced from .15 to 0.1, which is still a doubling of the blood alcohol content before there is a right of recovery for the Motor Accident Commission.

We are told that in Victoria and the Northern Territory a recovery is possible where the driver has been convicted of an offence as a result of the collision and the offence involves driving with a blood alcohol content of .05 per cent, .08 cent or more respectively. There are rights of

recovery in those particular jurisdictions. Western Australia does not have a prescribed minimum blood alcohol content level but, rather, allows a recovery where the driver is under the influence of alcohol. Queensland, Tasmania and the ACT do not require a minimum blood alcohol content for recovery against an intoxicated driver; instead, it is necessary to establish the driver was either incapable of or unable to exercise proper or effective control of the vehicle.

I requested some extra information from the government related to the number of accidents and claims over the last two or three years and the loss, if you like. The number of accidents in 2008 was 4,370; in 2009, it was 4,960; and in 2010 it was 4,681. The number of claims in 2008 was 5,660, and the total net incurred was approximately $297 million. The number of claims in 2009 was 6,450, and the total net incurred was about $260 million, and in 2010 there were 5,985 claims, and the total net incurred was about $175 million.

I asked the question about the number of accidents claimed and the total net loss incurred where the driver is over 50 per cent responsible and has a blood alcohol content reading of .05 and the number of accidents between .05 and .08. The number of accidents in 2008 was eight; in 2009, it was four; and in 2010 it was two. The number of claims in 2008 was 10; in 2009, it was six; and in 2010 it was two. The point of the question was the low-level numbers of accidents that fall into those categories.

In relation to higher levels, if we look at where the new threshold will kick in, which is 0.1, the number of accidents in 2008 was 16; in 2009, it was seven; and in 2010 it was 13. The number of claims in 2008 was 28; in 2009, it was 10; and in 2010 it was 23. The net costs incurred were $8 million in 2008, only about $500,000 in 2009, and about $1 million in 2010. Again, low figures but, MAC would argue, all have an impact on their premium level and their payouts. So, that is the nature of that group of amendments.

The fifth set of amendments deals with the principle of how people who are subject to a claim need to cooperate with MAC about providing information—their address, their name and those sorts of things. I do not intend to go into that in any great detail. There is an increase in penalty from $250 to $5,000, so there are some pretty big incentives for people to cooperate with MAC in that regard. There is also a set of amendments to do with the provision of evidence which is pretty self-explanatory, and I do not intend to debate it in my contribution.

The seventh set of amendments is in relation to the exposure of the CTP fund to international forum shopping. The Motor Vehicles Act is to be amended to limit the liability of the South Australian compulsory third-party scheme in the event of an enforceable foreign judgement being made against the motorist insured by MAC. It should also be noted that several interstate schemes have similar legislation—for example, Queensland and New South Wales.

Should the compulsory third-party scheme in South Australia not have similar protection, it could potentially be exposed to substantial risk which will undermine the solvency of the scheme. One example is a tourist being in a car accident here in South Australia taking action in a court in their home jurisdiction and getting a court order for money and recoveries that an Australian resident would not necessarily get. It is a case of a foreign jurisdiction imposing, if you like, a decision on the South Australian scheme. This particular amendment will prevent international forum shopping.

The eighth set of amendments deals with the assessment for non-economic loss and damages. Section 52(2)(a) of the Civil Liability Act is to be amended to reinforce the proportionality intention of the non-economic loss point scale and to provide an example to the courts to serve as a constant guide on the application of the scale. The amendment is intended to remind all stakeholders of the need for there to be proportionality in the application of the zero to 60 point scale, where 60 points reflects the gravest conceivable kind of injury.

In MAC's view, there have been very few instances of there being a need for an adjustment of an award for non-economic loss by the courts. In one example, an award of 40 points has been made for the early onset of a serious psychiatric illness due to a vehicle collision. The judge found for economic loss or care and treatment. Forty points, which is just 20 points less than the gravest conceivable kind of a psychiatric condition that was going to develop anyway, is perhaps disproportionately high.

The primary concern for MAC is to remind those who apply section 52—which I can only assume is the courts—during the course of negotiations to keep the proportionality principle in mind. In this example the decision has been appealed by the plaintiff who wishes to challenge the

judge's finding on causation. The award for non-economic loss is likely to be addressed during appeal.

What all that means is that the courts have made a decision to award some poor soul who was injured a 40 point rating out of a possible 60, where 60 is the worst rating. Then you get award damages based on the level of points. MAC wants to politely remind the courts how this scheme is intended to work by putting an example in the legislation. So, that is the intention of this particular amendment.

Amendment No. 9 deals with the meaning of the expression 'caused by or arising out of the use of a motor vehicle'. This particular clause causes concerns for the Motor Trade Association. The Motor Trade Association was not consulted on this bill until I wrote to it. So, while the consultation may have gone on for ages, the reality is that the Motor Trade Association was not consulted until after 20 September this year. We know this because the Motor Trade Association wrote to us thanking us for bringing the bill to its attention.

John Chapman rang Mr Tuffnell of the Motor Accident Commission. My understanding was that the Motor Accident Commission thought that the motor traders were on their reference group that was being consulted. They were not so, as a result, the legislation has been introduced without the motor traders' input—and they do have some concerns. There have been letters exchanged between the Motor Accident Commission and the Motor Trade Association as late as 9 November, which is today.

So, as we debate the bill today, the Motor Accident Commission and the Motor Trade Association, to which the legislation will apply, are still unresolved in their position. If the government does want to adjourn this at the end of the second reading so that the two industry groups can further negotiate and reach a position, the opposition will not criticise the government for doing that, if it so wishes.

Amendment No. 9, as I said, deals with the meaning of the expression 'caused by or arising out of the use of a motor vehicle'. The government is proposing that the Motor Vehicles Act be amended to maintain the parameters which define the scope of the compulsory third party cover insofar as deciding what injuries or death were 'caused by or arising out of the use of a motor vehicle'. The intention of the amendment is to exclude bodily injury or death being caused by the displacement of goods while a motor vehicle is being loaded or unloaded, or as a result of the unintended movement of a vehicle whilst being serviced, displayed, restored or equipped.

To put that in very plain English, the government is intending to change the compulsory third-party scheme so that if someone is injured while a vehicle is being loaded or unloaded that cost will not be worn by the compulsory third party scheme, that cost is going to be worn by that person's private insurance or business insurance, or if they do not have any insurance, by that person personally. They are transferring the cost out of the compulsory third party scheme either to the business insurance or the private resident's insurance, and if they do not have insurance, it will mean their house and assets are on the line.

It will also mean that, if someone is injured or killed as a result of 'an unintended movement of the vehicle whilst it is being serviced, displayed, restored or equipped', then again the payout for that injury or death will transfer from the compulsory third party scheme either to the business's insurance or the private resident's insurance, or if they do not have insurance, to the individual privately. The motor traders naturally, you would think, would have some interest in this matter because they do service, display, restore and equip vehicles, as do a whole range of businesses that now come to your home or business and service the vehicle on site. You can ring up and say, 'My car is going to be at work today,' and they will drive out to your workplace and service it in that car park or, indeed, in your driveway, if you wish, rather than your having to take your car to the motor vehicle servicing business.

What this section of the bill does is transfer that responsibility. The question the motor traders quite rightly ask is: what is actually meant by unintended movement? What risk are they taking on? There are a couple of examples just to make it clear. The legislation is so clear on this point that the government has to introduce a couple of examples just to make it clear. I draw the attention of the house to clause 4 of the bill which amends section 99 of the Motor Vehicles Act. In particular, I am dealing with clause 4(6), which deals with section 99 and which inserts the examples. One example of a situation that would not be expected to fall within the ambit of this claim is:

death or bodily injury caused by or arising out of the unintended movement of a motor vehicle while the vehicle is being displayed, serviced, repaired, restored or equipped.

So we asked some questions of the advisers about this provision. For instance, if UltraTune comes to your business to service your car and they jack it up but the jack falls over and injures a kid, that is no longer covered by compulsory third-party insurance; it is going to be covered by someone else. If you are a car seller displaying a vehicle, you drive it down a public road, you get a flat tyre and you pull over and jack up the car but it falls off the jack and injures a pedestrian walking past on the public footpath, again, that is not going to be covered by compulsory third-party insurance: it is going to be transferred to the insurance of the company, if it has it.

It talks about the 'unintended movement of a vehicle while it is being serviced'. Crawford Motor Vehicles (CMV) on West Terrace now has a three-storey entity. I will seek clarification, but I am assuming that any vehicle inside that property is being serviced or displayed for business purposes and, therefore, any unintended movement that causes an accident in that particular premises now becomes a matter for Crawford's and not a matter for the compulsory third-party scheme.

This matter goes to a lot of issues for the Motor Trade Association businesses—those in the motor vehicle industry—and it is unfortunate that they were left out of the loop until the last minute. The Motor Trade Association has written a number of letters to the MAC. John Chapman, the executive director, wrote to the Motor Accident Commission about this bill on 4 November, and a copy was sent to the Treasurer's office. It states:

Thank you for the opportunity to discuss the various amendments of concern to the Motor Trade Association with this particular bill. Since the meeting in October, and having given consideration to the aspects discussed, there is one area of proposed changes to section 52(2)(a) that could have significant consequences when compared to the current CTP cover. This is the reference to 'exclusion from cover as a result of unintended vehicle movement while being serviced, displayed, restored or equipped'. We believe the definition of 'unintended' needs to be clarified.

As you are no doubt aware, there are many people who will service vehicles, registered, for family and friends at home. It would not be unheard of for a vehicle to slip off a jack or safety stand, injuring or even killing a person or persons working underneath the vehicle. If the homeowner does not have property insurance with a personal liability cover, it would appear that this proposed amendment will leave the victims without any form of insurance cover in respect to the event.

I would appreciate receiving a response from MAC on this scenario as a significant number of employees of our members would be obligated to work on family and friends' vehicles after hours. As a courtesy to both parties we would certainly wish to make people aware of the consequences should an accident occur.

Today, Mr Tuffnell, the General Manager, Corporate Affairs of MAC wrote back to Mr Chapman stating:

Thank you for your letter of 4 November concerning the Motor Vehicle (Third Party Insurance) Amendment Bill. The amendment in question is seeking to clarify the scope of compulsory third party insurance cover insofar as deciding what injuries or deaths were caused by or arising out of the use of a motor vehicle. Ultimately, this will exclude bodily injury or death being caused by the displacement of goods while a motor vehicle is being loaded or unloaded or as a result of unintended movement of a vehicle while being serviced, displayed, restored or equipped.

You note the situation of people who service vehicles at home being injured or killed as a result of vehicles slipping off a jack or a safety stand. As we have discussed with you and your representatives on 27 October, it is MAC's view that the CTP scheme was never intended to cover situations such as these and we believe that clarity is required.

The CTP scheme currently covers accidents which occur when a vehicle is being driven, runs out of control, or a person travelling on a road collides with a stationary vehicle.

It is our view the scenario you have presented does not fall within these parameters and as such coverage to the CTP scheme could not be extended. It should be noted that the proposed amendments are not changing the definition of 'caused by or arising out of the use of' but instead seek to provide guidance through the use of examples…

Yours sincerely, Ben Tuffnell.

That is the response from the government in relation to that issue. Unfortunately, we have not had formal responses from the board of the Motor Trade Association, the South Australian Road Transport Association, the Law Society or from the Lawyers Alliance. I regret not being able to bring their formal contributions to the house in relation to this matter.

An honourable member: Sorry; what was that last bit? Are you saying the Lawyers Alliance are now saying they weren't consulted?

The Hon. I.F. EVANS: No, I wrote to them. The member for Croydon suggests we should just ignore their views on a whole range of things. The two key issues for the opposition on this bill relate primarily to the two industry associations. Quite rightly, the parliament should listen and take the opportunity to hear what the two industry associations have to say. This chamber will be denied that, because the vote will happen in this chamber before those two associations formally respond.

The opposition is reserving its position. It does support some of the provisions in the bill and, subject to what the industry associations say, currently it opposes the two clauses that relate to the two matters I have raised on behalf of the two industry associations. If it were put to both houses tonight—which it will not be, of course—we would be voting against those two provisions on the basis that we have not heard the formal responses from the associations and we see no need to change the law until we have had those.

There are some other matters in the bill that the opposition does support. I want to touch very briefly on the two industry matters a bit further. The minister's advisers may be in earshot, and they can prepare their answers for the minister for the committee stage. I want to talk about the issue with the fatigue laws and the breach of the fatigue laws being a trigger for a recovery action by the MAC against those involved in the breach of the fatigue laws.

Those members new to the house may not be aware of the point that the South Australian Road Transport Association makes that, in the legislation that deals with the heavy vehicle fatigue laws, it is an automatic reverse onus of proof. The person being charged with the offence walks into the court guilty and then has to try and prove themselves innocent by what is known as a reasonable steps test.

In other words, did you, as manager of the business (or the consignee, the consignor, the warehouse manager or whatever position you may be), take reasonable steps to make sure the breach did not occur or tried to put in policies to prevent the breach occurring? There is a reasonable steps test. Some of the breaches or potential breaches of the fatigue laws go to the issue of paperwork; if you do not keep your paperwork properly, you have breached the law.

What this provision in the bill that we are now debating will essentially say is that, if you get charged with a breach of the heavy vehicle fatigue laws, there is a cost recovery against your insurance. It transfers the cost from compulsory third party to the business insurance. The issue then becomes what happens if the charge against you in the court, under the fatigue laws, is unsuccessful. If you are unsuccessful, under this particular bill MAC will still have a potential right of recovery.

To a layperson, it reads—and I will test this out in committee—that the government is having two bites of the same cherry; that is, they can charge someone under the fatigue laws, and the owner of the business, or the person being charged, may win their case in the court on the beyond reasonable doubt test (there will possibly be a criminal charge), and then, having paid all their costs in relation to that court matter, walk out of the court and MAC can say, 'Well, just because the court didn't find you guilty on that one, we are now going to run a civil case against you, and the burden of proof will be a lower burden of proof, it will be on the balance of probabilities, and you will be up for those court costs as well.'

I want to test that out on the committee; if I am wrong, I am happy for the government to tell me that I am wrong, but that is the way I read it. Potentially—and this is the South Australian Road Transport Association's problem, I suspect—I think anyone might accept the case where it is proven that the owner of the business was knowingly scheduling the driver for unrealistic time frames that were breaching the act. That is one level of breach. There is another level of breach: the owner did not fill out the paperwork, did not keep the records properly. It is still a breach.

The Road Transport Association is saying, 'Well, if it's the lower impact breach, are we really going to claim back against the owner of the business?' In this chamber, we know that mistakes are made with paperwork all the time. The Treasurer himself, his own agency, once issued a correction and once the Auditor-General picked up another correction. Mistakes happen with paperwork, and this legislation states that if you make a mistake on your paperwork you are potentially going to be lined up for a cost recovery down the track out of your own insurance, rather than the compulsory third-party scheme.

I think we should adjourn the debate at the end of the second reading so that the two industry associations can properly inform the debate through their submissions. On the Motor Trade Association issue of unintended movement of the vehicle, I will not push that matter any further now, other than to say that I will want to go to the committee stage so that I can ask the

advisers exactly how this provision will work, because the unintended movement of the vehicle is interpretive. I think there are going to be a lot of court cases about what was unintended in relation to the movement of vehicles that may or may not cause injury to someone.

That is the suite of amendments. The opposition will want to go into committee and go through this bill clause by clause so that we can get some clarification for those industry groups we have mentioned and better inform the debate in the other place. As I say, the opposition does support some elements of the legislation. There are two principles in the legislation we have some concerns with. If it stays in its current form, in this house we will not be supporting those clauses. If the government proceeds with the vote today, we hope to be able to work with industry groups and the government between houses to try to resolve these particular issues. With those comments, I look forward to the debate.

Mr VENNING (Schubert) (11:55): I commend the member for Davenport for his very extensive appraisal of this bill, which certainly put our position very clearly. As members have heard, the bill is about third-party insurance and the government's intention, in its eyes, to improve the scheme. In particular, the government wants to ensure that nobody misses out on the benefits payable, especially genuinely injured road users.

I note what the member for Davenport said about the less than adequate consultation, especially with the RAA, the SA Road Transport Association and the Motor Trade Association, which is a bit regrettable. However, we have the bill here before the house. I think it has been a little rushed, and I am a bit concerned that we do not have the papers from these bodies. Again, as a person who, in the past, has not been altogether supportive of the upper house, I think the time between the houses could be used very advantageously to have this consultation and to have a final look at this legislation. The question is: why are we doing it today and in such a hurry? Is it because the government is running out of business, particularly after the hassle of last week, when the government ran out of business. Is that why it has been brought on today?

Mrs Geraghty interjecting:

Mr VENNING: The whip informs me that it is not, so it isn't—I will take the whip's word for that. The member for Davenport highlighted very clearly the nine areas of amendment the bill covers (and I will not go through them all). There are a couple I want to mainly pick on, particularly the hit-and-run-driver, an area we certainly support, and also people who are unregistered. If you happen to be unlucky enough to run into one of these unfortunate people, and I call them that advisedly or guardedly, your cover is put at some risk. However, under this legislation, your insurance covers right across this area.

I do not, though, support sections of the bill where it provides, in relation to these accidents, that you have 90 minutes to report the accident; that is too soon, especially in country regions. Often when there is an accident, you are the only one there, and no police officer would be able to get there within 90 minutes, let alone your being able to report the accident to them because the police station may be a couple of hours away. So, I am concerned that was ever considered for inclusion in the legislation. It is all very well for city people, but what about the people living north of Port Augusta? It is very impractical and it will not happen.

I also note in this legislation that MAC can take civil proceedings; it has only to prove the matters on the balance of probabilities. Again, the onus should not be that way: it should be the other way, especially in relation to drink and drunk driving, not stopping to assist and also, again, this 90 minute clause. Certainly, the opposition opposes this provision, as does the RAA.

Also, I have a strong interest in the heavy road transport industry, especially the legislation linking into the fatigue laws and putting responsibility on the owners or managers—and the member did list all of those. We do not support this provision and, again, I declare that I own trucks. You just trust your driver to be doing the right thing always, but sometimes they do not, unbeknownst to you. It is bad enough now with the new road laws in that, if a driver overloads his truck, the responsibility is with the owner of the truck, even though he did not load it. That is bad enough, and farmers are feeling the heat of that, but this bill is taking it even further, and I understand the opposition is not supporting this, either.

I cannot understand why the South Australian Road Transport Association was not just lobbied but also did not have briefings with the minister in relation to this issue because it certainly will vitally affect them big time, and it will bring a lot of other people into this, something of which I am very much aware.

Compulsory third-party insurance has generally worked very well over many years in South Australia, and farmers have appreciated the protection offered by this insurance. However, there has always been some conjecture about whether or not farmers on the road with tractors and farm machinery which had never been registered and therefore had no compulsory third-party insurance were at risk.

When I came into this parliament in 1990, it was an issue that I ran into early on, and when we got into government in 1993, I put it on the agenda. There was an incident back then where there was an accident on the road, MAC was the nominal defendant, a farmer had to argue his case in court, and the farmer's public risk policy didn't necessarily cover that accident. So, back in 1995, I began an investigation and eventually brought in section 25—Conditional registration, for farm machinery, purely to get this CTP cover, and now all farmers are fully covered by the CTP insurance.

There was some opposition to this because some of the farmers said, 'Why did you do this? We never had any problem. Why do we now have to register our tractors, because we've never had an accident in our lives?' But, sure as eggs, if an employee has an accident then you would be glad that the insurance cover is there, particularly now that insurance companies are being a bit dodgy with some of their policies and not quite clear on what they do cover and what they do not cover.

So, there was opposition to it, and I apologise to those farmers who thought that I went too far, but in hindsight I think we did the right thing. The protection is worth it, especially now that we have some insurance companies that categorise, or limit the cover of farmers under their public risk policies, the cover they relied on before CTP came in via farmer registrations. We always thought that we were covered, but in some cases this may not have been the case, and you do not really want it tested because in some cases these claims are $500,000, or even $1 million, where there is a fatality or long-term injury.

I also note that there is legislation coming to the house shortly on summary offences prescribed motor vehicles. That will be a debate for another day, but I would just note that it does come across this area because many farm bikes (ag bikes we call them) are not compliant for registration, for all sorts of reasons: tyres, mudguards, blinkers, horns, and, generally, because these bikes do not have compliance plates on them they are cheaper and most farmers run them on their farms. Most of these are now covered by this conditional registration which I have just spoken about for on-farm use only with this CTP cover.

It is a good scheme, but section 25—Conditional registration, has to be exempt from the new act that is coming in because farm bikes are not monkey bikes, and this is all about monkey bikes. I understand that the member for Light is one of the pushers of this legislation, but I defy anybody to tell me what the difference is between a monkey bike and a farm bike, or even, say, a Honda 80 or a Yamaha mini bike. There is little difference; you cannot differentiate. So, that will need to be clarified when that bill comes here, because neither of these categories are legally registrable.

Finally, I compliment the member for Davenport on a very sensitive speech and assessment of the situation here. At least he, through the Liberal Party, has tried to get some consultation going; it is just a shame that the minister did not do the same. Maybe the minister is a bit too busy, but I think that in this situation the South Australian Road Transport Association, particularly, would be quite horrified, as would the RAA, that this legislation was not put before them a long time ago so that they could have some input into it.

We appreciate the time between the houses, as I said, to allow this consultation to be properly administered with interest groups, and I certainly look forward to that. I commend again the member for Davenport, and with those amendments I understand that the opposition will support the bill.

Mr PEDERICK (Hammond) (12:04): Certainly, I acknowledge the extensive contribution of the member for Davenport on this bill, as well as the member for Schubert's contribution. I would just like to make some comments about a couple of the proposals that the Liberal Party is opposed to in this Motor Vehicles (Third Party Insurance) Amendment Bill.

The first one I want to discuss is the chain of responsibility in heavy road transport. As the member for Davenport rightly said, we have had this legislation in for a little while; and, if it is passed, you only need to have uncompleted paperwork and you could be breaking the law and fall under this legislation. The point of this amendment is to make it easier for the Motor Accident

Commission to recover claim costs from people higher up the chain liable for putting pressure on truckies to breach driver fatigue related laws in the heavy vehicle industry.

There is some comment that currently there is limited opportunity to recover against persons within the chain of responsibility who are not otherwise insured under the compulsory third-party policy. It is envisaged that the persons who will fall within the chain of responsibility as specified in the regulations will include the employer, the prime contractor, the operator, the scheduler, the consigner, the consignee, the loading manager, the loader, and the unloader.

What we could have here is quite a list of people who may do something very small, such as even forgetting to do a bit of paperwork halfway through that chain, and, on a technicality, breach the new amendment. If this amendment does go through, it will include a right to recover from those persons or anyone who has had anything to do with the chain of responsibility. As the bill states, it can recover from those persons who have aided, abetted, counselled, procured, induced or been knowingly concerned in, or a party to, the commission of an offence against the Road Traffic (Heavy Vehicle Driver Fatigue) Regulations 2008, for example, driving whilst fatigued and failing to comply with the driving hours.

As I indicated earlier in my contribution, the amendment intends to encapsulate anyone who has placed pressure on a driver to undertake illegal activities and who is about control, not necessarily the employment relationship. The right of recovery is linked to the heavy vehicle driver fatigue regulations that were enacted in South Australia in 2008. The trigger point for recovery is the commission of an offence pursuant to the Road Traffic (Heavy Vehicle Driver Fatigue) Regulations. Regulation 6 creates an offence to drive a regulated heavy vehicle if the driver is impaired by fatigue.

However, the regulations also create offences for the parties in the chain of responsibility in relation to a regulated heavy vehicle if they do not take all reasonable steps to ensure that a driver of the vehicle does not contravene regulation 6. I note that the introduction of a right of recovery in this scheme is intended not only to recoup costs but also to create a further deterrent to the commission of these offences.

The right of recovery proposed for these parties is limited to the amount a court thinks is just and equitable as a stopgap measure to ensure fairness in relation to the imposition of any liability. I note that we will be monitoring this through the committee stage to see where we are going with this, but I think that it is correct that the Liberal Party (and it is the right move) will not support this amendment.

The other amendment I want to discuss is amendment No. 9, the meaning of the expression 'caused by or arising out of the use of' a motor vehicle. The Motor Vehicles Act is to be amended to maintain the parameters which define the scope of the compulsory third-party cover in so far as deciding what injuries or death were caused by or arose out of the use of a motor vehicle. This will exclude bodily injury or death being caused by the displacement of goods while a motor vehicle is being loaded or unloaded, or as a result of the unintended movement of a vehicle whilst being serviced, displayed, restored or equipped.

This amendment could impact on not just hundreds but many thousands of South Australians who will not even know of its existence (if it is passed) before they get a notice in the mail that they could be up for significant costs if they do not have the appropriate extra insurance cover. I note that we oppose this amendment as well on this side of the house and will be investigating it through committee. With those few words, they are my comments on the bill.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Federal/State Relations, Minister for Defence Industries) (12:11): This bill has been a long time in preparation. I note that the first ministerial approval for these amendments to be discussed with industry go back to January 2007. I am told that some of these amendments have been discussed with industry over a period as long ago as 10 years. We should also understand from the backdrop of this that the Motor Accident Commission is a statutory authority and held in government ownership, which this government has no intention of changing.

We should remember that, because it is a government-owned insurance business under statute and is not operating as a free market insurance company, it always has pressures on it in terms of delivering decent premium outcomes with decent benefits. If the Motor Accident Commission of the day was operating in the private sector, the premiums I guess would be much higher. I accept the argument that, for a reason I cannot fathom, the MTA was not consulted on this. I am happy to adjourn the bill at the end of the second reading. In my dealings with Steve

Shearer I have always found that one should be very careful in believing everything Mr Shearer tells you.

Mr Venning: That's a bit harsh.

The Hon. K.O. FOLEY: You think? It took me forever to get it, but I am not sure whether I have more coming. When I looked at the cabinet submission and at the correspondence, guess what? SARTA has been consulted. In fact, I am happy to read an email into *Hansard* dated Tuesday 4 March 2008. I accept that this has been a long time coming, as these things are, but the situation has not changed. We must always look at ways in which we can maintain a viable Motor Accident Commission by continuous reform and continuous adjusting of the scheme. The letter begins, 'Hi Ben' (it is to Ben Tuffnell, head of Corporate Affairs), and states:

> I have consulted the SARTA board on the proposals in attachment 2 and offer the following comments: SARTA supports what we understand the intention of the MAC proposed amendment to be, but we ask that the MAC satisfy itself before proceeding that the amendment would not have the effect of holding an employer liable for recovery.

It then goes into further discussion and states:

> 1. The employer has not been found guilty of a breach under the heavy vehicle driving hours laws or any other heavy vehicle compliance and enforcement chain of responsibility laws; or
>
> 2. Where the employer, who was knowingly involved in the breach through their acts or omissions we recommend that all parties covered by the compliance and enforcement change of responsibilities and not just the employer should be held equally accountable and liable for recovery by the MAC. This includes the consigners, loaders, packer and consignees, etc., as defined in the C and E laws. We also recommend that, rather than use a completely different set of words to describe the failures of the liable parties, we should adopt the wording of the C and E laws, which refer to the action, inactions and omissions of the parties, rather than aided, abetted, counselled, procured or induced, as proposed by the MAC draft. This would significantly assist in linking the C and E laws with MAC recovery.

I think that says it all. I am told I had other correspondence, but it seems difficult to get it for some reason.

The Hon. I.F. Evans interjecting:

The Hon. K.O. FOLEY: I think we had some later letters from SARTA in relation to this bill, so I am not saying we necessarily agree with Mr Shearer, but he cannot and should not have informed the opposition that the government failed to consult or—

The Hon. I.F. Evans interjecting:

The Hon. K.O. FOLEY: Well, that is dated March 2008—that is two years, a bit over 2½ years. This bill has taken a long time to come through because of various factors in moving this legislation forward, but it is wrong of Mr Shearer to say that he has not been consulted for over four years because that is just not true. I do not know why Mr Shearer would say that, but then, as I have said, there have been many times in my experience when I have wondered why Mr Shearer has said the things he has.

I am happy to adjourn this legislation to allow the proper consultation with the MTA to occur. As I said, it would seem pretty obvious to me that you would consult the MTA, so on that point I agree with the opposition.

Bill read a second time.

In committee.

Clause 1.

Progress reported; committee to sit again.

STATUTES AMENDMENT (CRIMINAL INTELLIGENCE) BILL

Adjourned debate on second reading.

(Continued from 27 October 2010.)

Mr PEDERICK: Madam Deputy Speaker, I draw your attention to the state of the house.

A quorum having been formed:

Ms CHAPMAN (Bragg) (12:22): I advise that I am the lead speaker on behalf of the opposition on the Statutes Amendment (Criminal Intelligence) Bill 2010, which was introduced in the House of Assembly on 27 October 2010 by the Attorney-General. I say in opening my remarks that the opposition has been ably assisted in its deliberations on the assessment of this matter for the purposes of its progression by Mr Matthew Goode, who in briefings provided some elaboration of the history of this matter, and further by Assistant Commissioner Tony Harrison of SAPOL, who provided an excellent briefing as well as some follow-up information regarding the operational aspects of the processes relating to criminal intelligence, which are the substantial subject of this bill, and in particular its implementation and a number of other pieces of legislation.

Our position is that, unless there is significant amendment (and I will foreshadow those amendments shortly), this bill will be opposed. To put it in a more positive light, in the event that the government indicates its agreement to certain amendments, the opposition will support the passage of the bill with those amendments.

However, matters have been brought to our attention regarding the government's haste in dealing with this matter. Some of these are persuasive and some are not, but they have been raised. The opposition is not in any way attempting to delay the passage of this bill or deal with it other than expeditiously, so I indicate that we will consent to the expected passage of the bill in this place today and that the amendments that are currently being drafted will be tabled in another place. Copies of those amendments will be presented to the Attorney-General as soon as they are available so that he may give them due consideration. We hope that he will consider them favourably, particularly if he is keen to see the passage of this bill through both houses of parliament, to pass generally and be implemented in the expeditious manner that he specifically wants.

With that, may I outline some history of the bill that is now before us. In 2003, the government enacted a series of bills, directed to 'the disruption of the activities of organised crime'—that is the wording used by the Attorney-General in his second reading contribution. A recurring feature of these bills has been to admit evidence that cannot be challenged in judicial or administrative proceedings, commonly referred to as criminal intelligence. Broadly, criminal intelligence is information which is critical to a decision but which cannot be made public or, in particular, disclosed to the individual to whom it related because to do so: (1) could prejudice the criminal investigations; (2) would enable the discovery of the existence or identity of a confidential source of information relevant to law enforcement; and (3) would endanger a person's life or physical safety.

Once the information has been declared to be criminal intelligence, it is accepted then as evidence in a proceeding, without being first made available to the other parties to the proceedings to be able to test the reliability of evidence. A person applying for a licence, or a party to legal proceedings, is denied the right to know of, and respond to, evidence that is prejudicial to their application or their case. I think the government accepts, hence the more sparing application of the use of criminal intelligence in this manner, that it is generally in breach of procedural fairness and natural justice.

It is important to note that, on the applications under the acts to which criminal intelligence currently applies in this general 'codified manner', the party and/or their legal representatives—in different ways under these acts, but at least in general principle—usually have access to and the right of appearance at the time of argument before the judicial or administrative body on the application to even use criminal intelligence. That is where a significant amount of procedure varies, but I think it is important to note that.

I think it is also important to note that, while the use of criminal intelligence has been allowed by the courts, in the absence of reporting and assessment, it is difficult to establish how useful it has been over and above the public interest immunity—which I will refer to shortly—and what impact it is having on the rights of parties. I think it is important to remember here—and I place it on the record as I have in previous presentations on this issue—that when criminal intelligence is used it significantly adversely affects a number of important principles, potentially in a manner which tips the scale of justice.

Firstly, it can increase the risk of a miscarriage of justice. Secondly, it can increase the risk of corruption. Thirdly, it can increase the risk of political misuse. Fourthly, it undermines the standards of police investigation. Fifthly, it can undermine public trust in the judicial system. That is why it is very important that we understand that these are the principles that we put at risk in the

circumstances when criminal intelligence is used. It does not mean that it results in these things, but it increases the risk, as I have outlined.

The other matter I want to just briefly traverse is what happens under our common law system, independent of the tranche of the statutory codification and implementation that we have had of criminal intelligence in the bills that were currently under consideration. Under the common law, similar untested evidence is protected from disclosure under the public interest immunity. The government asserts that the common law does not deal with it well or sufficiently and that it is not clear that public interest immunity applied to some administrative, as opposed to judicial, proceedings. However, it is important to remember that the public interest immunity is still available and is used in South Australia.

In fact, Mr Goode gave us an excellent example during the course of his presentation to us. That example related to where a police officer may attend a public place where alcohol might be being consumed, be advised by a person that another person present on the premises is involved with drugs, the police approach that other person, they find drugs in their possession and charges are laid. In many ways it is completely irrelevant to the prosecution of the case that the first person is the person who notified or alerted the police to the likelihood that this person was breaking the law.

If there were no threat to that person's life, they might come along and give evidence about what has occurred and what they told the police, but there are certain circumstances where that person's physical wellbeing may be at risk and it is reasonable that they remain anonymous for the purpose of the exercise. An application can be made to the court to not disclose the informant's name or identity and to proceed to prosecute the matter in the absence of that. That is the remedy that is available in circumstances where, as I have said, we want to do a number of things, including ensuring that a person's life or physical safety is not endangered and not prejudicing investigations and the like.

The old argument of attempting to codify something that will result in something better, more adequate and more appropriate in its administration by putting it into statute, as distinct from relying on common law, is a bit of a chestnut and I do not propose to go into that in a lot of detail. Nevertheless, it is important to remember, as the background to the debate on this matter, that there is a common law immunity protection, and it sits there irrespective of what we are doing down here. Anyone who is interested in this debate is reminded that that is an umbrella of protection that remains.

The provision of criminal intelligence in the statutory form has been in the criminal area in the Serious and Organised Crime (Control) Act 2008; the Serious and Organised Crime (Unexplained Wealth) Act 2009; and the Summary Offences Act 1953, in particular, part 16 in respect of anti-fortification. There is another tranche of law in the licensing and regulation, and that is under the Casino Act 1997, the Firearms Act 1977, the Gaming Machines Act 1992, the Hydroponics Industry Control Act 2009, the Liquor Licensing Act 1997 and the Security and Investigation Agents Act 1995.

Of all this legislation, only the provisions in the fortification division of the Summary Offences Act in the criminal law and all of those licensing acts, except the hydroponics industry, are the subject of this bill. I think it is fair to say that, in essence, we are here today because the government is asking us to fix up what is a bit of a mess. We have ended up with three different procedures and three different lots of definition. Some have been tested in the courts; some have not; some are still being tested, and we need to tidy it up. That is a meritorious argument: when you end up with a bit of a dog's breakfast, sometimes it is important to fix it up. The request to do it in a hurry, I think, has some merit, but shortly I want to identify some other ways we might go ahead with that.

It is also important to note that in 2009 the government introduced the Second-hand Goods Bill 2009. In that bill, there was a proposal to have a codified process for the introduction of criminal intelligence on their applications, but that was withdrawn and not proceeded with. However, we do have the Summary Offences (Weapons) Amendment Bill 2010, which is currently before this house and to be debated later this week. That also proposes criminal intelligence as part of its significant raft of not just offences but in particular orders that can be issued under the application of the Commissioner of Police.

It touches quite a few areas, and what has happened is that, as these bills have become law, we have now ended up with three different models or, as some have described, three

generations of provisions. The first is what we will describe for the purpose of this debate as the original, which was used in the Summary Offences Act. That is the fortification legislation, and that sets out in many ways a codification of the public interest immunity. Personally I think it actually did quite a good job, and it was probably early days for a lot of this legislation.

I think it is worth noting here that a fortification removal order, which as members would be aware provides for the right to bulldoze the fence down, can be made only by application of the Commissioner of Police to a court if, firstly, the premises in question are fortified and then a number of other requirements are met. The fortifications have to have been created in contravention of the Development Act 1993, which means that they have proceeded against the wishes, usually, of a council determination—that is, a local government determination.

There have to be reasonable grounds that the premises are being, have been, or are likely to be used in connection with the commission of a serious criminal offence, or to conceal evidence relating to a serious criminal offence, or to keep proceeds of a serious criminal offence, or that the premises are owned by a declared organisation, and that procedure for declaration is of course outlined in our serious and organised crime legislation.

Even then there is a whole series of requirements that need to be complied with before the removal order can be implemented. Obviously, there is the usual provision as to who receives and is served with such applications, and there is an opportunity to keep confidential information whose disclosure might:

(a) prejudice the investigation of a contravention or possible contravention of the law; or

(b) enable the existence or identity of a confidential source of information to be ascertained; or

(c) endanger a person's life or physical safety.

The act goes on to provide that, if the court is satisfied (having regard to the principle of public interest immunity) that the information should be protected, the court must order that that information is not disclosed, etc.

It is quite a tidy example of the whole process and, again, in the same procedure, there are very severe penalties, including up to three years' imprisonment or a $60,000 fine in respect of disclosing the information that is the subject of an order under these procedures. I think, on balance, a pretty well thought out process existed at the time of the advancing of the fortification provisions (commonly known as the anti-fortification provisions).

We then have the second generation of the codification. This was evident in what we call the K-Generation case, which has been the subject of the High Court's consideration. It was a model which was upheld by the High Court. It related to a liquor licensing court application. In essence, my understanding of the facts of that case is that criminal intelligence had been used. The applicant for a liquor licence challenged the constitutional validity of what was then section 28A of the Liquor Licensing Act 1977. So that stood its test, I suppose. As we cannot go to the Privy Council anymore, the High Court is about as high as you can get and it stood the high threshold test to survive.

There was a lot of nervousness around at the time as to how these codifications were going to stand up, stack up or survive challenges in superior courts, and so, at that stage, the government decided that it wanted to reduce the risk of future challenges and protect itself against what could sometimes be seen as fairly embarrassing when things go wrong and very inadequate given the seriousness of the level of the crime. For example, from a public point of view, when such people are facing prosecution, it can be very embarrassing publicly, humiliating even, if the government gets it wrong, or there is a stuff-up (if I can be as frank as that) and bad people get away with things.

I accept, given the seriousness of the matters which we are dealing with, that it was probably reasonable for the government to get some advice about making sure that what it was presenting to the parliament for enactment was going to stack up and stand up, and be able to be relied on. It got some advice, and just in case there was going to be a further challenge, the bills were drafted to reflect a third generation model which had been prepared by the then solicitor-general, Mr Kourakis QC (now judge). He advised the government to revise the formulation of criminal intelligence and to try to predict what would be more amenable to the High Court to make sure that these things were not challenged in the future.

What has happened overlapping this—it is a bit of pre-emptive strike, I suppose—is that the K-Generation case model was upheld, and so the government effectively dealt with some of the

new third generation models by simply not proclaiming parts of the acts, in particular the Liquor Licensing Act 1977 and the Casino Act 1977, so that they would not come into effect. In other words, we had a model that was upheld in the High Court. We introduced new laws—but we did not need them in the end—and the way to deal with not having them implemented was just simply to leave some paragraphs out at the time of proclamation so that they did not come into effect.

The problem with all this is that another lot of law is sitting alongside this under the Acts Interpretation Act 1914, which prescribes, pursuant to section 7(5), that where the proclamation is delayed it will automatically be proclaimed after two years has expired since they were enacted. So we have a time frame that needs to be accommodated.

I think, from memory, 4 December is when these unproclaimed sections will come into effect. The government clearly does not want that to occur and, hence, they are asking us to expedite the matter. It is worth noting that all the other aspects of those bills as amended have already been fully proclaimed and are operational.

I want to briefly mention the K-Generation principle, in light of the fact that there is now another case before the High Court, and how it affects what we are dealing with today. The Serious and Organised Crime Act 2008 (SOCA) is legislation that relates to dealing with serious and organised crime. It has a number of declaration procedures to outlaw criminal gangs and the like, and it uses criminal intelligence provisions with the capacity to be able to use them in those applications.

I think it is fair to say that South Australia took a leading role in making sure that this type of legislation came to fruition, and it did so with the support of the opposition. Subsequently, some other states have followed suit and introduced similar legislation to enable the use of criminal intelligence. It is interesting to note that it appears, on the information we have received, that no other state has followed this procedure or the codification of this principle into registration and licensing legislation. We seem to be unique in that regard. We have gone from bending the rules, I suppose, for good reason in serious and organised crime matters, to allowing it to be applied in legislation for licensing—and in an ever-expanding way, as I note that there is still some legislation on foot.

I might say, as an aside, that I do not doubt that, as with other legislation that will transfer a whole lot of consumer protection rules (another COAG initiative) to the commonwealth (I think that is another bill which is in the course of being passed through this parliament), there will be much left for OCBA to do in South Australia. I am starting to wonder what it is going to be occupied with, whether it might meet some demise. Will people be redirected into other jobs and what will happen with the residual jobs—will they stay with the Office of Consumer and Business Affairs or be transferred to the police or some other body? Who knows?

However, it seems as though other states have not followed the South Australian initiative of bringing in provisions to use criminal intelligence in legislation for registration and licensing purposes. I will go back to these cases so that we place this on the record. At present, as I think would be well known to members, the Serious and Organised Crime Act 2008 is currently being defended by the government in the case of Totani in the High Court. It is always hard to say what the High Court is going to do with these cases, but if they dismiss the appeal, at least in part, this is likely to trigger the need for the government to revisit the act, and we will obviously have to do that.

I am advised today that judgement in the Totani case is proposed to be handed down on Thursday this week. The expectation of that judgement being handed down is because in New South Wales there has been a challenge to its bikie law. The High Court is scheduled to commence hearing that case, known as Wainohu, later this month on, I think, 30 November. The general prediction, at least, is that the High Court would want to deliver its judgement in Totani before it commences that case.

I do not know why we have had such a delay in the introduction of this legislation—because we are still being asked to deal with it on the basis of the proclamation date of 4 December—and why we could not have been briefed on it. I suppose it raises some questions which may ultimately be embarrassing, that is, whether, in fact, the High Court in Totani is going to in some way change its view from the determination it made in the K-Generation case. Who knows?

Every indication that we have had from the government is that this is unlikely, but we also have every reason to believe that it could well be the case. We do not know what the High Court

will do because, irrespective of what submissions have been put to it, it may take the view that it is all a complete red herring and that it does not need to deal with it at all.

It is all conjecture. If the judgement were to be handed down later this week and we could tidy up everything together, that would be one option, but the government seems to be insisting that it progress before we get that judgement. If there is anything in that judgement which is embarrassing to the government, ultimately, by determination of the High Court, it is going to be public anyway.

I also place on the record that, so far, the application of these laws has been very limited from the briefings that we have had. I mention that because the government has said that it's principal reason is: 'We don't want to have a situation where 4 December comes and goes and these provisions come into effect, because we then may receive challenges which we could otherwise avoid if we pass this legislation.'

Therefore, the Hon. Stephen Wade in another place and I sought and received advice from Assistant Commissioner Tony Harrison as to how often these provisions have even been used. Certainly, the Assistant Commissioner was very helpful in providing some data and explanation of that. I will not be indicating a good bit of the information that he provided, because I think it is important for the purposes of operational matters that it is not made public, and I will not be doing so. However, in the number of applications he confirmed that, under the use of criminal intelligence files since 2008 and K-Generation, five criminal intelligence reports in total had been prepared in relation to liquor licensing and three relating to security investigation and the investigation agents act. I am assuming they have all been on the basis of supporting the contention that the applicant should not be either given a licence to a hotel or public place or be able to become a private detective.

There have been only two applications at the criminal level under the Serious and Organised Crime (Control) Act. One has been completed, and was successful in respect of declaring an organisation, namely the Finks Motorcycle Club (made on 14 May this year), and there is a current application before the Attorney-General in respect of the Rebels Motorcycle Club (submitted on 9 December last year).

I think it is fair to say that, on the information provided, of all the applications that are made, particularly in relation to registration licensing, this would have to be seen as minimal. We do note that the successful applications were in K-Generation, which I have referred to. There were three applications all of which were successful; two were security based criminal investigation reports and one was a security criminal investigation report.

The other aspect which we received a briefing on, but which I will not be particularising, was to be able to identify the standards of the classification and management of intelligence. It is important that we at least be satisfied that if we allow for the collating and presentation of criminal investigation reports by the Commissioner of Police, or anyone else for that matter, we are sure that they are of a high standard.

In brief, we have been provided with confirmation that the South Australian police have relied on an international standard that was commonly used in other commonwealth jurisdictions, which has now been replaced by a new process. I am not sure that this new process has been applied to the preparation of any reports that have been presented for inclusion, but it is a new UK model, which is apparently of a very high standard. We certainly hope it is, because we need to maintain a high standard. Certainly, I appreciate the information that has been provided.

I think it is also important to note the level at which access to information is given. The question was raised—and I think it is a very legitimate one—of how you know, if you are the applicant or legal representative of an applicant, whether a criminal intelligence report is even being used or is going to be presented. How do you even know that that application is going to be presented and what opportunity do you or your nominated counsel have to put in a submission in relation to that? With that, I seek leave to continue my remarks.

Leave granted; debate adjourned.

[Sitting suspended from 13:00 to 14:01]

STATUTES AMENDMENT (ARTS AGENCIES GOVERNANCE AND OTHER MATTERS) BILL

His Excellency the Governor assented to the bill.

VISITORS

The SPEAKER: We have two special groups here today. We have a group of years 8, 9 and 10 students from St Michael's College, whom I have just had the pleasure of meeting and talking to. They are guests of mine but also, of course, come from the electorate of the Minister for Environment and Conservation. Welcome today: it is lovely to see you here. We also have some guests from the English Language Centre, who are guests of the member for Adelaide. Welcome to you, also, and we hope you enjoy your time here.

PAPERS

The following papers were laid on the table:

By the Speaker—

House of Assembly—The Parliamentary Service of Annual Report 2009-10
Local Government—
- District Council of Kimba Annual Report 2009-10
- District Council of Peterborough Annual Report 2009-10
- District Council of Yankalilla Annual Report 2009-10
- Renmark Paringa Council Annual Report 2009-10

By the Premier (Hon. M.D. Rann)—

Regulations made under the following Act—
- State Records—Exclusions

By the Minister for Transport (Hon. P.F. Conlon)—

Rail Regulation—
- South Australian Annual Report 2009-10
- Tarcoola—Darwin Annual Report 2009-10

By the Minister for Infrastructure (Hon. P.F. Conlon)—

Land Management Corporation—Annual Report 2009-10

By the Minister for Energy (Hon. P.F. Conlon)—

Energy Consumers' Council—Annual Report 2009-10
Power Line Environment Committee—Annual Report 2009-10
Technical Regulator—
- Electricity Annual Report 2009-10
- Gas Annual Report 2009-10

By the Minister for Health (Hon. J.D. Hill)—

Controlled Substance Advisory Council—Annual Report 2009-10
Health Service—
- Balaklava Riverton Health Advisory Council Inc Annual Report 2009-10
- Bordertown and District Health Advisory Council Inc Annual Report 2009-10
- Ceduna Koonibba Aboriginal Health Advisory Council Inc Annual Report 2009-10
- Country Health SA Board Health Advisory Council Inc Annual Report 2009-10
- Country Health SA Hospital Inc Annual Report 2009-10
- Eastern Eyre Health Advisory Council Inc Annual Report 2009-10
- Hawker Memorial District Health Advisory Council Annual Report 2009-10
- Hills Area Health Advisory Council Inc Annual Report 2009-10
- Kingston/Robe Health Advisory Council Inc Annual Report 2009-10
- Lower Eyre Health Advisory Council Inc Annual Report 2009-10
- Lower North Health Advisory Council Inc Annual Report 2009-10
- Mount Gambier and Districts Health Advisory Council Inc Annual Report 2009-10
- Naracoorte Area Health Advisory Council Inc Annual Report 2009-10
- Northern Yorke Peninsula Health Advisory Council Inc Annual Report 2009-10

Quorn Health Services Health Advisory Council Annual Report 2009-10
Southern Flinders Health Advisory Council Annual Report 2009-10
Waikerie and Districts Health Advisory Council Inc Annual Report 2009-10
Yorke Peninsula Health Advisory Council Inc Annual Report 2009-10
Occupational Therapy Board of South Australia—Annual Report 2009-10

By the Minister for Mental Health and Substance Abuse (Hon. J.D. Hill)—

Death of—Sofija Dobrijevic Report 31 August 2010

By the Minister Assisting the Premier in the Arts (Hon. J.D. Hill)—

Carclew Youth Arts—Annual Report 2009-10
State Theatre Company of South Australia—Annual Report 2009-10

By the Minister for Police (Hon. M.J. Wright)—

Hydroponics Industry Control Act 2009—Annual Report 2009-10

By the Minister for Education (Hon. J.W. Weatherill)—

Children's Services—Annual Report 2009-10
Non-Government Schools Registration Board—Annual Report 2009-10

By the Minister for Families and Communities (Hon. J.M. Rankine)—

Regulations made under the following Acts—
Liquor Licensing—
Dry Areas Short Term—
Alexandrina Council Area 2
Spalding Area 1
Stirling Area 1

By the Minister for Housing (Hon. J.M. Rankine)—

HomeStart Finance—Annual Report 2009-10

By the Minister for Environment and Conservation (Hon. P Caica)—

Coast Protection Board—Annual Report 2009-10
Dog and Cat Management Board—Annual Report 2009-10
Upper South East Dryland Salinity and Flood Management Act 2002—Annual Report 2009-10
Vulkathunha-Gammon Ranges National Park Co-management Board—Annual Report 2009-10
Water, Land and Biodiversity Conservation, Department of—Addendum Annual Report 2009-10
Witjira National Park Co-management Board—Annual Report 2009-10
Zero Waste SA—Annual Report 2009-10
Regulations made under the following Act—
Workers Rehabilitation and Compensation—Regulation 16

By the Minister for the River Murray (Hon. P. Caica)—

River Murray Act 2003—Annual Report 2009-10
Save the River Murray Fund—Annual Report 2009-10
South Australian—Victorian Border Groundwaters Agreement Review Committee—Annual Report 2009-10

By the Minister for Correctional Services (Hon. A. Koutsantonis)—

Correctional Services Advisory Council—Annual Report 2009-10

By the Minister for Agriculture, Food and Fisheries (Hon. M.F. O'Brien)—

Primary Industries and Resources SA—Annual Report 2009-10

Regulations made under the following Acts—
Aquaculture—Interpretation
Livestock—General

TELEVISION CAMERAS

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (14:04): On the last sitting day, I asked you about another camera that was in the gallery. It appears that my suspicions were well founded and that the camera was, in fact, placed there by the Premier's department. I ask you—

The Hon. P.F. CONLON: Point of order, Madam Speaker. I would like to know what the member for MacKillop is actually doing. Is he asking a question? Is he taking a point of order? We do not have free rambling speeches in our standing orders.

Members interjecting:

The SPEAKER: Order! The member for MacKillop, are you asking me a question or are you waiting until question time?

Mr WILLIAMS: No, I am asking for some information from yourself, Madam Speaker. I am asking: what permission did the Premier's office have for operating the camera from the gallery? What was the purpose of the filming from the gallery by the Premier's office? Will all of the footage taken by that camera be available to all members of the house? Can the house now be assured that such blatant political abuse will no longer be accepted? Madam Speaker—

The Hon. P.F. CONLON: Point of order, Madam Speaker—

Members interjecting:

The Hon. P.F. CONLON: Well, for the benefit of you people there—

Members interjecting:

The SPEAKER: Order! Minister, your point of order?

The Hon. P.F. CONLON: On a point of order, Madam Speaker, in order to be able to speak, you have to be pursuing some item of government business or you have to be taking a point of order. This is not an opportunity for the member for MacKillop to make a long speech on whatever happens to occupy his mind at present.

Mr Williams interjecting:

The SPEAKER (14:06): Order! The member for MacKillop, sit down! Minister for Transport, I did give him the indulgence of trying to find out what he was actually trying to do, so I will respond to his question now. There was an issue, of course, on that last sitting day. There was a member of the Premier's office in the house for the purposes of recording, but I am advised by the Manager of Communications from the Premier's office that he will not be seeking further approval for this to continue. He assures me that in the short period the office had a presence in the gallery, he had at all times abided by the rules of the house. Further, he had only recorded statements made to the house by ministers for replay on the Premier's website.

Members interjecting:

The SPEAKER: Order! You will listen to my response. You can ask questions later. I am assured that at no time has any recording been made in the house of the Leader of the Opposition or any member of the opposition. I am also assured that no recordings have ever been used, nor will ever be used, for party political purposes. The purpose of this activity was to provide enhanced content for the Premier's website and, while a video camera was used as a recording device, most of the recordings made were reproduced only as audio.

There have been occasions, however, where video of the statements made by the Premier were forwarded to relevant third parties; for example, in the last week there was the passing of Aboriginal elder Garnett Wilson. He made a statement on that, and that was provided to Mr Wilson's family.

I am sure that the staff member has not concealed his presence, his identity or the purpose of his attendance. Several months ago he was asked by an opposition frontbencher where he was from and apparently answered honestly and without hesitation.

When this matter was first raised in the house during the last sitting week, I was under the mistaken impression that the camera I had seen in the gallery was Sky television and naturally did not recall seeing any other camera, apart from the media stations, and did not appreciate the substance of the question. I intended to follow it up with the Clerk and find out when or if he knew of another camera in the chamber.

In subsequent discussions with the Manager of Communications, there was a genuine belief from them that permission was granted from the Speaker's office in late April or early May of this year for a representative from his office to electronically record from the Strangers Gallery in accordance with what are the longstanding guidelines of this house. I have no record of this request, because it was made prior to my election as Speaker, and I believe it may have been lost or a communication breakdown occurred in that period between the election and my election as Speaker.

I was asked a question in the house regarding the camera. I conferred with the Clerk, and it appears he was also under the same misunderstanding as myself, and I believe other members also in this place, that it was a Sky camera. However, this should not in any way be seen as a precedent, and any future request for any recording by a third party will be considered on its merits with due regard to maintaining a high standard of conduct and, ultimately, upholding the integrity of this house.

Ms CHAPMAN: Point of order, Madam Speaker. I seek clarification of your ruling. Whilst you indicate that you will determine on a case-by-case basis applications for photographic recording in this house—and I understand that—am I to understand that, if any member were to apply to your office to seek to do a recording, provided they comply with the same conditions of the undertaking that was given to your office, that would be granted?

The SPEAKER: Each case would be looked at on its merits. There are fairly strict guidelines that we always adhere to, so it would be considered on those merits, but anybody is able to make that request to me.

Members interjecting:

The SPEAKER: Order!

WOOMERA PROHIBITED AREA

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:11): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.D. RANN: The Woomera Prohibited Area (WPA) is a 127,000 square kilometre area of South Australia that has been defence-controlled since 1947 and is a vital part of the nation's defence infrastructure. However, it also takes in about 13 per cent of the state—I am told about the size of England—and is estimated to contain about 62 per cent of Australia's known copper deposits, as well as 78 per cent of the nation's uranium deposits. In other words, there is a huge bonanza of resources that is known, as well as, of course, an area yet to be fully prospected.

There is also potential for significant discoveries of iron ore, gold and other mineral and petroleum products. In other words, the WPA represents enormous potential for the South Australian mining industry and economy. There are currently only three operating mines in the Woomera Protected Area: Prominent Hill, Challenger and Cairn Hill. The Peculiar Knob iron ore mine is expected to follow soon. However, there are more than 120 active exploration leases in the Woomera Protected Area.

The South Australian government has been strongly advocating the commonwealth to provide more certainty and clarity in the rules for exploring and developing mines within the WPA so that both the defence and mining industries can better coexist. Concern over recent decisions affecting the Prominent Hill and Hawks Nest mining projects prompted the commonwealth government to establish the Hawke Review to give more certainty to coexistence.

I am pleased to say that the interim report released last Friday by the Minister for Defence, Stephen Smith, and the Minister for Resources and Energy, Martin Ferguson, supports the central argument put forward by the South Australian government. We have always maintained that there is substantial scope to increase the capacity for coexistence between mining and defence on the WPA, and that is what the interim report recommends.

Reaching such a conclusion was critical for the future of the South Australian economy as it is estimated that some $35 billion worth of resources could now be opened up to mining. So, this is about making sure that—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —vast known deposits and potentially even greater deposits yet unknown are not locked up for all time because of the defence purposes of the WPA. The development of multiple mineral deposits across the breadth of the WPA—

Mr Goldsworthy interjecting:

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

The Hon. M.D. RANN: —could transform it into one of Australia's most significant resource provinces. The Hawke review interim findings provide us with greater certainty that much of the potential $35 billion in mining projects can be unlocked without impinging on the defence industry's ability to use the WPA for Australia's national security purposes.

The review believes that the WPA should remain a defence-controlled area but found that there is merit in making small adjustments to the south-eastern boundary to allow resources companies to explore in this known region of high metallic mineral potential, similar to the Olympic Dam deposit.

The importance of the Woomera Prohibited Area for developing and maintaining Australia's military capability is also recognised within the interim report, but it proposes the adoption of a time-share arrangement between defence and non-defence users outside the core area of the defence operations that would unlock the Woomera Prohibited Area for exploration during set periods of time. The review has found that the introduction of an integrated suite of policy measures would:

- substantially increase the capacity for coexistence on the WPA;
- preserve it as an effective defence capability;
- introduce legal protection and certainty for all users; and
- meet the South Australian government's resource development goals and targets of the Strategic Plan.

The Hawke review also acknowledges that there is scope to open up part of the previously identified highly restricted core area of operations to resources and energy exploration to allow the underlying mineral potential to be fully evaluated.

The growth of both our defence and mining industries are key factors in driving South Australia's future economic prosperity and diversifying our job creation and export potential. The government welcomes Dr Hawke's interim findings, as they clearly identify the current and future resource potential of the WPA which will unlock countless wealth for the future.

BAIL PROCESSES

The Hon. J.R. RAU (Enfield—Attorney-General, Minister for Justice, Minister for Tourism) (14:21): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.R. RAU: Thank you, Madam Speaker.

The Hon. K.O. Foley interjecting:

The SPEAKER: Order, Treasurer!

The Hon. J.R. RAU: This government is taking decisive action to provide South Australia with a new, smarter bail process from next year. I can inform the house that cabinet has approved the preparation of amendments to the Bail Act 1985 and the Summary Offences Act 1953 to achieve greater efficiencies in the way police—

Ms Chapman interjecting:

The SPEAKER: Order, member for Bragg!

The Hon. J.R. RAU: She will be able to read it in due course, Madam Speaker, so I suppose she doesn't mind. As I was saying, we will be preparing amendments to the Bail Act 1985 and the Summary Offences Act 1953 to achieve greater efficiencies in the way in which police and the courts deal with minor offenders. By streamlining the bail process we can reduce delays and free up valuable court time presently occupied—

Ms Chapman interjecting:

The SPEAKER: Order, member for Bragg!

The Hon. J.R. RAU: —on bail matters, while ensuring that police can spend more time on the beat. Importantly, this will avoid the unnecessary detention of people to whom police intend to grant bail. For example, allowing police to grant bail at the scene of an arrest would allow them to return to their duties more quickly, which is a better use of their time and will increase the police presence on our streets.

I intend to consult the judiciary, the legal profession, South Australia Police, the Courts Administration Authority, the Police Association, the Director of Public Prosecutions, the Department for Correctional Services and the Department for Families and Communities on these proposals with a view to introducing amendments to the parliament next year. The proposed amendments aim to:

- allow police to grant bail at the scene of the arrest or at the nearest police station, or hospital or treatment centre in appropriate cases;
- allow courts to vary some conditions of bail if the changes are by consent and do not substantially change the bailed person's obligations;
- remove some unnecessary and time-consuming steps in the police process for arranging for a magistrate to review bail over the telephone;
- allow the time within which a bailed person may be released to be extended where there is a weekend or public holiday preventing a bail authority accessing the necessary information; and
- achieve a consistent outcome for breaches of bail by requiring courts not only to cancel a person's liberty but also to revoke the bail agreement.

These amendments to the bail process will free up police and court resources to tackle those serious offenders who are not granted bail.

The journey of a thousand miles begins with a single step, and this government has taken a further step in a clear direction. This government is determined to free up valuable court time.

Members interjecting:

The SPEAKER: Order!

The Hon. J.R. RAU: Other measures to be announced during the coming months will demonstrate this government means business in tackling unacceptable court delays.

Members interjecting:

The SPEAKER: Order!

LEGISLATIVE REVIEW COMMITTEE

Mr SIBBONS (Mitchell) (14:25): I bring up the report of the Legislative Review Committee, entitled Postponement of Regulations from Expiry Under the Subordinate Legislation Act 1978.

Report received.

Mr SIBBONS: I bring up the report of the Legislative Review Committee, entitled Victim Impact Statements.

Report received.

QUESTION TIME

TRADE PROMOTION, PUGLIA REGION

Mrs REDMOND (Heysen—Leader of the Opposition) (14:26): My question is to the Premier. What is the total of taxpayer dollars spent on the government's special relationship with the Puglia region, including ministerial travel, the special envoy to the region, the Fiera del Levante and any other expenses; and will the Premier provide an annual breakdown of these costs?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:27): Absolutely. I would be very happy to do that. Can I just say, I have noticed with interest some of the things that have been raised.

Mr Williams: Just answer the question.

The Hon. M.D. RANN: I will.

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! The Premier is on his feet.

The Hon. M.D. RANN: On 12 May 2007, I announced in a press release:

Mike Rann has signed a special sister state relationship between South Australia and Italy's southern region of Puglia. The MOU aims to boost trade investment, science research and development, university collaboration and teacher exchanges, tourism and cultural exchanges between South Australia and Puglia. Premier Rann met President of the Puglia region, Mr Nicki Vendola, for the joint signing at the regional government headquarters in Bari, the capital of Puglia. Mr Rann also had a series of meetings with the vice-president, minister's department, heads, mayors and business and university leaders.

An honourable member interjecting:

The Hon. M.D. RANN: I know, I am getting onto that.

I am delighted to have signed this MOU between South Australia and Puglia. We already have a twinning agreement with the Campagna region. I am keen to develop the closest possible relationship between South Australia and southern Italy. Puglia and South Australia share many common and complementary strengths, particularly in the area of agrifood, manufacture of mechanical, electrical and optical devices and machines, general engineering information and communications; biotechnology, nanotechnology, food processing and automotive. We are both major wine and food producers and have big investments in aquaculture.

So it goes on. Then it goes onto the next page and it talks about—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: No, you are not going to say that somehow this was hidden. This is what we said we would do.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: This is what we announced publicly and this is what we are doing.

Members interjecting:

The SPEAKER: Order! I cannot hear the Premier. The last question time was terrible, I could not hear, and I am sure it is twice as bad for the rest of the house. You will listen to the Premier in silence.

The Hon. M.D. RANN: So, what happened is that we announced on that day publicly—and we know that the journalists know this because they would have copies of the press release—that initiatives already in the pipeline included the Fiera del Levante.

The state government plans to lead an agrifood and business delegation to attend the Fiera del Levante, southern Italy's giant expo, in September.

Mrs REDMOND: Point of order.

The SPEAKER: Point of order. Premier, sit down. Leader of the Opposition.

Mrs REDMOND: It is a question of relevance. I asked a very straightforward question about the cost to the taxpayers of South Australia of this engagement.

The SPEAKER: Premier, I think you need to get to the explanation fairly quickly.

The Hon. M.D. RANN: What was announced was that there would be $1.2 million from the state government of South Australia and $1.2 million from the state government of Puglia to actually have things going because for years we have had sister state relationships. We do not hear Martin Hamilton-Smith complaining about our special envoy to the USA because he used to go there to G'Day USA. That was John Olsen, until recently. We also had a relationship that was announced with Texas. We don't hear them attack the relationship with Shandong in China started 25 years ago.

The SPEAKER: Point of order. The member for MacKillop.

Mr WILLIAMS: The Premier is defying your ruling from only a minute ago, Madam Speaker. I think you directed him to get to the substance of the question, which is about the dollars.

The SPEAKER: I think he had started to, but I will listen very carefully. Premier, have you more to say?

The Hon. M.D. RANN: So, we have all of these relationships going; none of those state sister state relationships has been attacked by the Liberals except against Italy.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: That's why we are proud to be spending more than $1 million on that relationship because it is about getting things happening, just as we did with China.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: Nothing was happening with China until John Bannon got involved with Shandong.

Ms CHAPMAN: Point of order, Madam Speaker.

The SPEAKER: Order! Point of order, the member for Bragg.

Ms CHAPMAN: I will move the substantive motion because the Premier misled the house. He told you and the house that he was going to get to that and answer the question. We have not one answer.

The Hon. P.F. CONLON: Point of order.

The SPEAKER: One point of order at a time.

The Hon. P.F. CONLON: She is not entitled to allege that without a substantive motion.

The Hon. K.O. Foley: She just said she moved it.

The Hon. P.F. CONLON: Well, she hasn't.

The Hon. K.O. FOLEY: Point of order, Madam Speaker.

Members interjecting:

The SPEAKER: Order! Treasurer, sit down. I have not made a ruling on the member for Bragg's substantive motion because I was waiting for the substantive motion to happen, so I gather there was no substantive motion. Treasurer, do you have a point of order?

The Hon. K.O. FOLEY: I was going to ask that very point.

Members interjecting:

The SPEAKER: Order! This is getting ridiculous.

Members interjecting:

The SPEAKER: Order! Sit down, member for Unley. This is getting ridiculous. We can go out and have a cup of tea and disband question time if you don't behave. We will move onto the next question. Member for Torrens.

Members interjecting:

The SPEAKER: Order! I warn the member for Unley!

YOUTH TRAINING CENTRE

Mrs GERAGHTY (Torrens) (14:33): Thank you, Madam Speaker, on both counts. My question is to the Minister for Families and Communities. Can the minister advise the house on progress of the new youth training centre project?

The Hon. J.M. RANKINE (Wright—Minister for Families and Communities, Minister for Housing, Minister for Ageing, Minister for Disability) (14:33): I thank the member for Torrens for her question. Today, I am pleased to inform the house that one of Australia's largest privately-owned construction companies has been awarded the contract to build our new $67.2 million 60-bed youth training centre at Cavan.

Hansen Yuncken has won the contract and will start work before the end of the year. The new centre will replace the old Magill Youth Training Centre and will be in addition to the current facility at Cavan on Jonal Drive. It will accommodate 60 young people, with capacity to increase if necessary. Most importantly, the facility will allow us to care and support these young people to turn their lives around.

In the main, we are talking about teenagers, mostly boys and a number of girls, all of whom have one thing in common: they have made bad decisions and found themselves in serious trouble. One of the reasons many young people make wrong choices and end up in detention is that they do not have a sense of hope. If you ask them, many say they do not have any reason to believe that they can do better. Education can change this.

The new centre will have a strong focus on learning and training, with a range of educational and vocational facilities. The teachers working there will be specially trained, and they will have the resources they need to break through the barriers, connect with the young people and show them what they can achieve if they put their minds to it.

Members interjecting:

The SPEAKER: Order!

The Hon. J.M. RANKINE: The facility will also have an open-style campus, more recreational space and an on-site health centre. As well as being secure, the centre will also give staff more options and increased flexibility—

Mr Marshall interjecting:

The Hon. J.M. RANKINE: Just give yourself a tiny rest for once. Just give yourself—

Mr Marshall interjecting:

The SPEAKER: Order! I warn the member for Norwood!

The Hon. J.M. RANKINE: Do you always have to be so rude?

Mr Marshall interjecting:

The Hon. J.M. RANKINE: Well, you need it.

The Hon. I.F. Evans: Why don't you answer your letters?

The SPEAKER: Order, member for Davenport!

The Hon. J.M. RANKINE: You need a lesson in manners. As well as being secure, the centre will also give—

Members interjecting:

The SPEAKER: Order!

Ms Chapman interjecting:

The SPEAKER: Order!

The Hon. J.M. RANKINE: Let's see you get three strikes and an eviction today.

Members interjecting:

The Hon. J.M. RANKINE: Come on, give it a try!

The SPEAKER: Minister!

Members interjecting:

The Hon. J.M. RANKINE: Come on, give it a try!

Members interjecting:

The SPEAKER: Order! Point of order, member for Torrens.

Mrs GERAGHTY: I have asked a question, and I have a genuine interest in this matter.

Members interjecting:

Mrs GERAGHTY: I do, and I'm happy to talk to you about it later, so don't laugh. I would like to hear the answer, please.

The Hon. I.F. Evans: We all would.

The SPEAKER: We all would, but we can't hear with the noise coming from there.

The Hon. I.F. Evans interjecting:

The SPEAKER: Order! Member for Davenport, I warn you! Two-thirds of you are now on warnings. Listen to the minister in silence please. The Minister for Families and Communities.

The Hon. J.M. RANKINE: Thank you, Madam Speaker. As well as being secure, the centre will also give staff more options—

Members interjecting:

The SPEAKER: Order! Show some respect for the minister, also.

Members interjecting:

The SPEAKER: Order! You are like a bunch of silly schoolchildren. Behave yourselves! Minister.

The Hon. J.M. RANKINE: Thank you, Madam Speaker. As well as being secure, the centre will also give staff more options and increased flexibility to manage and help these young people according to their individual circumstances. Every young person who finds themselves in detention will have the chance to learn, to find something that they are good at or can work towards, the chance to get an education, to get the skills they need to get a job and get their lives on track.

We do not want them to return, and we do not want them going on to adult correctional facilities either. We want them to have a productive future. The new centre will help them understand they can do better. Hansen Yuncken has an excellent reputation in South Australia and across the nation, with recent local projects including the Queen Elizabeth Hospital project, the Adelaide Entertainment Centre upgrade and the SA Water fit-out project.

We all understand this is more than just a building. It is about building an environment where the young people living there have the support they need to start anew. I look forward to again advising the house on the progress of this very important project.

TRADE PROMOTION, PUGLIA REGION

Mrs REDMOND (Heysen—Leader of the Opposition) (14:38): My question is again to the Premier. Why did the Premier indicate that he wanted spending in relation to any Puglia-linked program spared in the 2010 budget cuts, and to whom did he indicate this? The leaked Sustainable Budget Commission report recommended that the Fiera del Levante funding be scrapped. However, as revealed in the media, 'senior Labor sources said the Premier had made it clear to the budget committee that the programs were to be spared'.

Members interjecting:

The Hon. M.D. Rann: He's the one.

The SPEAKER: Order!

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Federal/State Relations, Minister for Defence Industries) (14:39): I have been to Italy, to Puglia, to this thing. Funny it could be raised—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: —because as a former adviser to an industry minister, as a former industry minister, I have had a lot of experience in state government policy as it relates to trade. When I attended the fair in Italy, I accompanied the then ambassador to Italy, Amanda Vanstone, who I understand on at least two occasions has attended that fair. I recall when Amanda Vanstone gave an outstanding speech—

Ms Chapman interjecting:

The SPEAKER: Order, the member for Bragg, I warn you for the second time!

The Hon. K.O. FOLEY: How I knew it was a fantastic speech, given it was in Italian, was that everyone applauded it, and they were Italian. They were incredibly impressed at the Australian ambassador to Italy—

Ms Chapman interjecting:

The Hon. K.O. FOLEY: Well, I don't care. You should hear what people say about you, Vickie—they are very rarely complimentary. But, trust me, I defend you.

The SPEAKER: Order! There is a point of order.

The Hon. K.O. FOLEY: And, the ambassador—

The SPEAKER: Treasurer, sit down. The leader.

Mrs REDMOND: Again, Madam Speaker, relevance. The question was about why this program was spared in the budget cuts and who the Premier asked to have it spared.

The SPEAKER: I think the Treasurer might be getting to the point of his question or he will sit down.

The Hon. K.O. FOLEY: I am getting to the point. Amanda Vanstone thought it was a very appropriate investment by our state; she thought it was a good initiative by our state.

Ms Chapman: Did she ask you?

The Hon. K.O. FOLEY: Yes.

Ms Chapman interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: Madam Speaker, the Australian ambassador to Italy, at that time, in conversation with me, was very proud and, indeed, pleased that our government had taken this initiative. She hosted a dinner for leading Italian business leaders in a hotel in Puglia and was incredibly positive about our contribution.

Members interjecting:

The SPEAKER: Order!

Ms Chapman interjecting:

The Hon. K.O. FOLEY: Have a look at it, will you?

The SPEAKER: Order! Treasurer, return to the answer.

The Hon. K.O. FOLEY: You are a weird unit.

The SPEAKER: Order! Treasurer, behave yourself!

The Hon. K.O. FOLEY: Well, it is true. She is a weird unit.

The Hon. M.D. Rann interjecting:

The SPEAKER: Truth has nothing to do with it, Premier. Get back to the question.

The Hon. K.O. FOLEY: Between her and that—

Mr PENGILLY: I have a point of order, Madam Speaker, under standing order 128, relevance.

The Hon. K.O. FOLEY: I can say that throughout the budget committee deliberations the Premier never once spoke to me about this particular fair or our investment.

Mr Gardner interjecting:

The Hon. K.O. FOLEY: Sorry, what was that?

The SPEAKER: Order! The Treasurer will not respond to interjections but get on with the answer to the question.

The Hon. K.O. FOLEY: Are you being served, sir?

The SPEAKER: Treasurer!

Mr Gardner interjecting:

The SPEAKER: Order, the member for Morialta!

The Hon. K.O. FOLEY: You just have a funny voice. Madam Speaker, the Premier never spoke to me about that particular issue at all.

Mrs Redmond interjecting:

The Hon. K.O. FOLEY: What?

Mrs Redmond: The question was: who did the Premier speak to?

The Hon. K.O. FOLEY: I was the one who ruled it out. The Minister for Education—

Mrs Redmond: 'Senior government sources said the Premier…'—

The Hon. K.O. FOLEY: I do not know what senior sources, but I can tell you that, as the chair—

Members interjecting:

The SPEAKER: Order!

Mr Marshall interjecting:

The SPEAKER: Order! The member for Norwood, you are warned for the second time, and you will not get another warning: you will be out next time. Treasurer, can you get to the answer to the question? You are there, but finish it.

The Hon. K.O. FOLEY: Well, I am answering it now, Madam Speaker. The Minister for Education, I am sure, as well as the Minister for Infrastructure and the Hon. Paul Holloway in another place, and certainly I, as chair, received no request, instruction, suggestion or comment. I did not even give it a thought. When you are dealing with a budget involving the magnitude of savings that we needed to make, I have to tell members that this particular program was not high on our agenda. It was not something that was asked by the Premier of me.

Mrs Redmond: CITCSA got scrapped.

The Hon. K.O. FOLEY: 'CITCSA got scrapped.' Madam Speaker, it is probably worthwhile, at this point, to also update the house with respect to budget cuts. The federal government's midyear economic review was released today and I can report to the house that we have, yet again, taken a significant hit on expected GST moneys to South Australia.

Mr WILLIAMS: I have a point of order under standing order 98. This has no relevance whatsoever to the question that was asked.

The SPEAKER: I uphold that point of order. Has the Treasurer finished his answer? The member for Light.

Members interjecting:

The SPEAKER: Order! There is a corridor outside where you can have these conversations. The member for Light.

NATIONAL RECYCLING WEEK

Mr PICCOLO (Light) (14:45): My question is to the Minister for Environment and Conservation. What support is being provided to encourage and assist the community to continue to recycle and reduce waste going to landfill?

The Hon. P. CAICA (Colton—Minister for Environment and Conservation, Minister for the River Murray, Minister for Water) (14:45): I thank the honourable member for his very, very important question. I am pleased to alert members—and I am sure some of them do know—that this week is National Recycling Week and, to celebrate, councils nationally have been invited to participate in the Big Aussie Swap by hosting a public 'swap party' to encourage the exchange and re-use of items rather than disposing them to landfill.

Workplaces have also been encouraged to participate in the Friday File Fling campaign to help de-clutter workplaces and increase business and workplace recycling. It is an opportune time to focus on recycling initiatives occurring in our state, including efforts to ensure that where possible we avoid the creation of waste in the first place, which is a key focus of the South Australian new draft Waste Strategy for 2010-15, which was released for consultation in August this year.

I am very proud to boast that South Australians have earned an outstanding reputation for good waste management and recycling. Significant achievements have already been made, and South Australia continues to maintain one of the highest recycling rates in Australia, with the most recent Recycling Activity in South Australia report recording a diversion rate of 70.4 per cent—the highest rate achieved by South Australians in the past six years.

To assist households to recycle, Zero Waste SA's website has a number of helpful features, including recycling tips and a recycling information directory to help residents recycle materials that are not collected at the kerbside. The state government, through Zero Waste SA, is helping businesses and governments to better understand, develop and implement cost-saving resource efficiency measures via the Resource Efficiency Assistance Program (REAP).

The REAP program is building the capacity of businesses and agencies to deal with a range of rapidly emerging waste-related environmental, financial and social consequences and helping them to shrink their environmental footprint. REAP has been successful in helping industry to identify new outlets for recycling different materials and, importantly, new ways of reducing the amount of waste sent to landfill. Currently, more than 100 organisations are involved in different aspects of the program, the focus being on the manufacturing, retail, hospitality, mixed small to medium enterprises, government, health and community services sectors.

In the hospitality sector, the Adelaide Convention Centre, through REAP, is diverting more than 100 tonnes of food waste annually, and the Hilton Adelaide has achieved 54 per cent less waste to landfill per guest night. These are outstanding figures, and I can tell by the enthusiasm in the room that people are impressed by them.

Griffin Press, an Adelaide book printer, in an exceptionally well-served electorate, and part of PMP Printing, has made significant inroads into reducing waste to landfill under the REAP program by diverting more than 1,300 tonnes of waste away from landfill and achieving an impressive waste cost saving of $90,000.

This initiative is indicative of the state government's commitment to maintaining our national leadership in the area of recycling and resource efficiency. I trust that all members will join me in commending Zero Waste SA staff and their community and business partners for their commitment to this cause, as well as the broader South Australian public for their willingness to change their behaviour so that we can work towards zero waste.

TRADE PROMOTION, PUGLIA REGION

Mr HAMILTON-SMITH (Waite) (14:49): My question is to—

Members interjecting:

The SPEAKER: Order! We will hear the question in silence.

Mr HAMILTON-SMITH: My question is to the Premier. How does he, as Leader of the Government, justify cutting funding to and scaling back our trade offices in China (our largest trading partner), the Middle East, Singapore and the United States (our fifth largest partner), while

funding in his budget his special relationship with Puglia, a subregion of South Australia's 41st largest trading partner? How is this better for jobs in and exports from South Australia?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:49): It is interesting because there is obviously a bit of leadership struggling going on here. The member for Waite looked very disappointed—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —that the Leader of the Opposition would not give him the first couple of questions. It is very interesting, too—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —because this is the man who tried to smear me and others—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —by using forged documents and faked receipts that ended in—

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Point of order, Madam Speaker—again standing order 98. Might I suggest that the reason the house becomes disorderly is because the Premier refuses to answer the question.

The SPEAKER: The Premier will get to the question.

The Hon. M.D. RANN: It is interesting that the last question, which shows how inane their information is, is in line with the current government savings measures. The budget for the Fiera del Levante has been reduced to $185,000 per annum in the forward estimate years. This is a significant reduction on this year's budget of $236,000. So, not only—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —did I not go and see the Treasurer and say, 'Save this project; don't cut it,' in fact, he did cut it, just as we have cut other expenditure, because we have the guts to make sure that we make the cuts to keep things going on. But I remember the member for Waite giving a speech—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —in this place talking about how critically important it was to get—

Mr WILLIAMS: Point of order—

The Hon. P.F. Conlon: He's entirely on the point.

Mr WILLIAMS: He's not on the point; he is making personal accusations and aspersions on members here.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: The fact of the matter is that we have four sister state relationships in the south of Italy. There used to be one, established in 1990, and for years supported by the Liberals and Labor. We have now forged links with Basilicata, Calabria and Puglia, and Puglia is putting in money to make sure that we develop a relationship we can build on. There are about 100,000 people in this state who have come from an Italian background, yet we have not had the dividends economically from that, and that is what we are trying to leverage.

Can I just say this: the honourable Minister for Multicultural Affairs went to Canberra yesterday to assure the Italian ambassador to Australia that we have no intentions of doing what the Liberals want, which is cutting back our new and developing relationship with southern Italy. The fact of the matter is that the member for Waite—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —has never attacked our expenditure in India, where we have an office and staff. He has never attacked our expenditure in Shandong, where we have an office and staff. He has never, of course, attacked G'Day USA, because he likes—

The Hon. K.O. Foley: No, he loves it.

The Hon. M.D. RANN: He went up there; he wanted to walk down the red carpet.

Members interjecting:

The SPEAKER: Order, members on my right!

The Hon. M.D. RANN: We remember that. That was a day or so—

Mr Williams interjecting:

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

The Hon. M.D. RANN: —after his by-election debacle. The fact of the matter is that we use the word 'nepotism'. 'I know what nepotism means'—he said that publicly. He did little private briefings. Once before, he tried forged emails, false documents, fake documents—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —which brought him down. Now he tries to—

Mr WILLIAMS: Point of order, Madam Speaker—

The Hon. M.D. RANN: —smear my wife through the back—

The SPEAKER: Point of order. The Premier will sit down! We will move onto the next question.

DODGY DOCUMENTS

Mr HAMILTON-SMITH (Waite) (14:53): Supplementary question, Madam Speaker.

The SPEAKER: I will listen to it carefully.

Mr HAMILTON-SMITH: In the Premier's reply, he mentioned dodgy documents. Could he now tell the house whether Michelle Chantelois' lie detector test delivered to his office was a dodgy document? Answer that one. You want to do it, you will get it back.

Members interjecting:

The SPEAKER: Order! That was not a supplementary question; that was a malicious question. I will ignore it.

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. Foley interjecting:

The SPEAKER: Order! The Treasurer will be quiet.

Mr Hamilton-Smith interjecting:

The SPEAKER: Member for Waite, behave yourself. The member for Newland.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. Foley interjecting:

The SPEAKER: Order! The Treasurer will be quiet. I warn the Treasurer.

INTERNATIONAL EDUCATION SECTOR

Mr KENYON (Newland) (14:54): My question is to the Minister for Employment, Training and Further Education. Can the minister inform the house about South Australia's latest performance in the international education sector?

The Hon. J.J. SNELLING (Playford—Minister for Employment, Training and Further Education, Minister for Science and Information Economy, Minister for Road Safety, Minister for Veterans' Affairs) (14:54): I would like to thank the honourable member for Newland for his important question. I am glad to inform the house that, according to the latest commonwealth data, South Australia's international education sector continued to outperform the other states over the past 12 months. South Australia recorded 3.7 per cent growth in the sector to the end of September this year compared to a drop in the national growth of 0.9 per cent.

The latest available Education Adelaide update shows 32,470 student enrolments up until the end of September this year. We are on track to match—if not exceed—last year's figure of just under 34,000 students by the end of the year. We have seen a 15.5 per cent jump in overseas students enrolling in VET courses in South Australia in the 12 months to the end of September this year, as well as an increase of 7.5 per cent taking up higher education courses. Our current national market share has also grown at 5.6 per cent compared to 5.4 per cent at the same time last year.

The figures show that international students continue to be attracted to South Australia because of our quality of education, the low cost of living and our safe and welcoming environment, but there are challenges ahead. I am cautiously welcoming this information given the ever-increasing potential for difficulties in the international student market—

Mr Pisoni interjecting:

The SPEAKER: Order! I warn the member for Unley for the second time.

The Hon. J.J. SNELLING: We are facing a rising Australian dollar, increased global competition and changes to the commonwealth's visa policy, all of which have made it more difficult for some students to come and study in Australia.

Changes to the Skilled Migration List are also limiting opportunities for students to stay and work in Australia after they have graduated. However, international education remains our number one service industry and currently our fourth largest export industry. The international education sector generated $990 million for our economy last financial year (up from $893 million in 2008-09) and employed more than 6,500 people.

We want international students studying in Adelaide to have an outstanding experience when they come here to live and work. That is why the South Australian government is committed to fulfilling a duty of care to those students living so far away from home and continuing to offer high-quality education and training in a safe and supportive environment.

Earlier this month, I released a draft bill for public consultation aimed at developing a stronger compliance system for VET providers in South Australia, offering training to international students, supported by tougher civil and criminal sanctions.

The legislation, the Training and Skills Development (Miscellaneous) Amendment Bill, creates a tougher regulatory system, providing best practice standards and greater protection for international students coming to South Australia to study. The legislation, which will apply across the entire VET sector in South Australia, proposes harsher penalties for compliance breaches, including a twentyfold increase in the maximum fine from $5,000 to $100,000 for registered organisations, and $20,000 for individual operators. I hope to introduce this bill into the house in the very near future.

INTERNATIONAL EDUCATION SECTOR

Mr GARDNER (Morialta) (14:58): As a supplementary question, the minister talked about numbers of international students, can he advise the house how many are from Puglia?

The SPEAKER: That was a frivolous question. We will ignore the question. The member for Waite.

COUNCIL OF INTERNATIONAL TRADE AND COMMERCE SOUTH AUSTRALIA

Mr HAMILTON-SMITH (Waite) (14:58): My question, again, is to the Premier. Did the Premier personally approve—

The Hon. K.O. Foley: Look at him, all fired up.

The SPEAKER: Order! Treasurer, you are on a second warning.

Members interjecting:

Mr HAMILTON-SMITH: Finished now?

The SPEAKER: Order!

Members interjecting:

Mr HAMILTON-SMITH: You finished?

The SPEAKER: Order! Member for Waite, get on with your question or sit down.

Mr HAMILTON-SMITH: Thank you, Madam Speaker. My question is to the Premier. Did the Premier personally approve the cutting of $200,000 worth of funding to the Council of International Trade and Commerce of South Australia (the organisation that supports 40 chambers of commerce, including the Italian Chamber of Commerce), and how, as Leader of the Government, does he justify that decision while maintaining funding of at least $1.2 million for his special relationship with Puglia?

Members interjecting:

The SPEAKER: Order! Before you start, minister, who did you ask that question of?

Mr HAMILTON-SMITH: The Premier.

The SPEAKER: The Premier, so you are asking him to justify it?

Mr HAMILTON-SMITH: Correct.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Industry and Trade, Minister for Small Business, Minister for Correctional Services, Minister for Gambling) (15:00): Madam Speaker, I will justify it with the words of the Leader of the Opposition, and the words of the Leader of the Opposition are these: CITCSA generates $80 million worth of export trade out of South Australia per year. Apparently, with the $80 million they generate they cannot self-fund $200,000, which is less than 1 per cent of that $80 million. Perhaps the member for Waite should speak to his leader and find out what she said before he gets up and asks the question; perhaps he should also remember what he has said in the house—

Members interjecting:

The SPEAKER: Order!

The Hon. A. KOUTSANTONIS: —because the member for Waite had some interesting things to say about our investment in Europe. This is what he said: on 28 September, speaking about the government's overseas offices, he told this house:

> I will be interested to explore that during budget estimates, because many of them, particularly in China, India, the UK, Europe and the US, perform very valued roles…

Who was he talking about? Our special envoys. To where? To Europe. Of course, he did it to—

Members interjecting:

The SPEAKER: Order!

An honourable member interjecting:

The Hon. A. KOUTSANTONIS: Is that right? The honourable member knew, when he made that speech, that the Agent-General's Office is in the United Kingdom and that we have no offices in Europe. The special envoy we were talking about was our envoy to Europe, Mr Sasanelli, who he has made remarks about outside this house, but in this house he says he provides a very

valued role. So which one is it? Is it a very valued role or is it no good? Make up your mind! Talk about misleading people—you are the one! The fact is—

Members interjecting:

Mr WILLIAMS: Point of order, Madam Speaker.

The SPEAKER: Order! Point of order, member for MacKillop.

Mr WILLIAMS: The minister is not answering the question that he was asked, and he is debating the subject.

The SPEAKER: The minister is about to finish answering his question.

The Hon. A. KOUTSANTONIS: The fact is that in this house, during his speech he said one thing about our presence in Europe—that is, it was valued—but outside this house he gets stuck into it. Why? Because you cannot trust him, you cannot trust what he says.

Members interjecting:

The SPEAKER: Order!

BOOK PUBLICATION, NICOLA SASANELLI

Mrs REDMOND (Heysen—Leader of the Opposition) (15:02): My question is again to the Premier. Can the Premier explain the benefit for South Australia of spending $17,500 of taxpayers' money to publish a book authored—and indeed illustrated—by Puglia envoy Nicola Sasanelli that is not available for loan in any state public library?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (15:03): I am very pleased to answer this question. I am advised that on 28 February 2008 the University City Project, Department of the Premier and Cabinet (Bronte Treloar, Director, and Paula Nagel, International Education Adviser), agreed to explore the feasibility of publishing an existing manuscript, *What if They Never Existed?*, written by Mr Nicola Sasanelli who, at the time, was the scientific attaché at the Embassy of Italy in Australia and who, of course, was awarded an Order of Australia by the Howard government for his work in furthering relations between Italy and Australia.

The rationale for the decision made by the director of the University City Project to commit government funding to the production of the book was twofold. I am advised that, first, this was a means to strengthen ties with Italy, initially through Apulia, in the higher education and research sector, and, secondly, that the aim was to match private sector sponsorship and leverage that investment to create funding for Australian/Italian higher education, including scholarships from the proceeds of the book.

Publication costs of $32,000 were determined and potential sponsors explored. I am advised that during April 2008 Vodaphone agreed to cosponsor the publication with a contribution of $16,500. I am also advised that, after considering the feasibility of publishing the manuscript and securing a sponsor, in April 2008 the director of the University City Project agreed to commission Mr Sasanelli to complete, for the purposes of publication, the existing manuscript.

The South Australian Government, through University City, committed $15,500 to the publication of the manuscript. Paula Nagel provided editorial assistance as part of her existing contract with the South Australian government. The book was launched by me on Wednesday, 5 November 2008. The UCP contributed towards the costs of the launch.

To enable the distribution of the proceeds of the book for the education purposes originally conceived, Mr Sasanelli authorised the formation of the Australian-Italian Scholarship Fund, and Ms Paula Nagel in her private capacity agreed to administer the fund. Ms Nagel received no monetary benefit from the fund for her services.

Mrs Redmond: What was the benefit to South Australia?

The Hon. M.D. RANN: I said that at the start. The net proceeds of the sale of the book were disbursed as higher education and research scholarships of $10,000 through the Australian Academy of Science, which matched that amount with their own contribution from the peak body of science in Australia with a contribution of $10,000. A contribution to the travel costs of Italian researchers who were displaced by the L'Aquila earthquake—and I remember seeing all the Liberal members saying how concerned they were about that—was made to the Australian Travel

Award for L'Aquila researchers. Each Group of Eight university in Australia also contributed $5,000. So, the major universities put in as well.

Mr Sasanelli received no private monetary benefit, I am told, for the writing of the manuscript, nor received any of the proceeds from the book sales. He advised that any profits for the manuscript, if it were to be published, would go towards Australia-Italy higher education, and the scholarship fund is ongoing. So, the proceeds were for the very best of causes. What is more, the Australian Academy of Science matched it dollar for dollar.

Mr Williams interjecting:

The SPEAKER: Order! I warn the member for MacKillop for the second time.

The Hon. P.F. Conlon interjecting:

The SPEAKER: Order! The Minister for Transport will be quiet.

BOOK PUBLICATION, NICOLA SASANELLI

Mrs REDMOND (Heysen—Leader of the Opposition) (15:07): Further to the Premier's last answer, my next question is also to the Premier. Can he advise the house how many copies of Nicola Sasanelli's book have been sold, what profit has been made and how many scholarships have been provided to students from the proceeds of the book, as promised by him in the book's foreword?

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (15:07): It is interesting—the member for Waite can throw a punch but can't take one, and it is interesting—the breakdown of discipline. You should have seen the look on—

Mrs REDMOND: Point of order.

Members interjecting:

The SPEAKER: Order! Point of order, Leader of the Opposition.

Mrs REDMOND: Yet again, the Premier begins his answer by throwing disparaging remarks across the chamber that have nothing to do with the question. My point of order is on relevance. The question was how many scholarships, how much are they worth, how many students have benefited and how many books were sold?

The SPEAKER: Premier, would you get to the answer. I think you have answered some of it already in your previous answer, but—

The Hon. M.D. RANN: Will the real Leader of the Opposition please stand up?

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: I just went through and detailed where the proceeds went—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —and that they were matched dollar for dollar by the Australian Academy of Science and also about the contributions from the major universities.

Members interjecting:

The SPEAKER: Order! The Premier will sit down. I have no idea what the Premier has just said and I am sure nobody else has either. I am sure even he does not know. Have you finished answering the question, Premier?

The Hon. M.D. RANN: Yes.

PUBLIC LIBRARIES

Mr HAMILTON-SMITH (Waite) (15:08): My question is again to the Premier. Why, under his leadership, is the government donating taxpayers' money to libraries in Puglia while cutting $1 million in funding to our own South Australian public libraries?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (15:09): Here is the thing: this was publicly announced in 2007 in a press release and it has taken you 3½ years.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: The Centre for Australian Studies is based in southern Italy and there is a $10,000 donation of books and South Australian Film Corporation movies to that university, the University of Lecce. It makes sense. We are trying to make the relationship work. We now have a massive multiple billion dollar relationship with places like China. That started because John Bannon started a relationship with Shandong. We have now had enormous dividends—

Members interjecting:

The SPEAKER: Order! I warn the member for Unley for the third time.

The Hon. M.D. RANN: —from the relationship that we started with India where we have an office and a training board.

The SPEAKER: Order! Point of order.

Ms FOX: Madam Speaker, I know this will seem slightly ridiculous but standing order 131 is about members interjecting. I cannot hear a thing and he is sitting right there.

The SPEAKER: I uphold that point of order; I cannot hear a thing either.

Members interjecting:

The SPEAKER: Order! Have you finished your answer, Premier?

The Hon. M.D. RANN: Yes.

TRADE PROMOTION, PUGLIA REGION

Mr HAMILTON-SMITH (Waite) (15:10): My question is again to the Premier—and I hope that the Premier, and not the Treasurer, answers it.

Members interjecting:

The SPEAKER: Order!

Mr HAMILTON-SMITH: Did he personally intervene outside of or within cabinet during the budget process in any form to protect taxpayer funding to Puglia and was this one of the tough decisions taken by the Premier in the budget? The Premier said he had been through the Sustainable Budget Commission's report—which recommended the Puglia funding be cut—line by line. He also told the house on 14 October 2010:

> ...the people of this state want governments that make tough decisions, that have the courage to take the tough decisions—

The Hon. P.F. Conlon interjecting:

The SPEAKER: Order! The Minister for Transport, be quiet.

The Hon. P.F. CONLON: And loving it, he said—and loving it!

The SPEAKER: Order!

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (15:11): I make no apologies for the fact that our cabinet rejected the Sustainable Budget Commission's recommendations to close a whole swag of hospitals, because that would have been a dumb thing to do, and I also make no apologies for the fact that funding for the forward estimates for the Fiera have also been cut.

TRADE PROMOTION, PUGLIA REGION

Dr McFETRIDGE (Morphett) (15:12): In light of the Premier's answer about cutting funding to hospitals, how does the Premier justify cutting $1.2 million from Keith, Ardrossan, Moonta and Glenelg Community Hospitals while maintaining a $1.2 million program in Puglia?

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:12): Incidentally, I am told that the Sasanelli book is listed on the State Library website as being available. So, Premier, you may be interested to know that, just by the way.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: It may be a popular book—

The Hon. P.F. Conlon: Research, research!

The Hon. J.D. HILL: We might have to go to a second printing; it is obviously a very popular volume. In relation to the country hospitals, as I have told the house on a number of occasions, the government had hard decisions to make in relation to health. We were to cut over the forward estimates some hundreds of millions of dollars. The million dollars or so that we asked the private hospital sector to reduce seemed to me, and seems to us, a reasonable decision. I have met with representatives of each of the boards, we have offered to help them work through the transitional arrangements, and they seem to be grateful for that.

VACCINATION PROGRAMS

Mr SIBBONS (Mitchell) (15:13): My question is to the Minister for Health. How is the state government working to ensure that South Australian children are protected against disease?

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:13): As members would know, the mass production and distribution of vaccines in the 20th century stands as one of humanity's great achievements. Vaccinations have truly changed the world. In the simplest terms, diseases that used to maim, disfigure or kill many millions of people each year no longer wreak that havoc because of vaccination programs.

For example, following a targeted vaccination campaign by the World Health Organisation, smallpox was eradicated in the late 1970s after it had plagued humanity for over 3,000 years and was responsible for an estimated 300 million to 500 million deaths during the 20th century alone. We no longer vaccinate against smallpox because the disease no longer exists. Polio and rubella are nearly in the same category.

Vaccination remains the most effective and cost-effective method of preventing infectious diseases. It is for this reason that it was concerning that a recently released publication from the National Centre for Immunisation Research and Surveillance showed a vaccine coverage rate reported for five year olds in South Australia of 74.7 per cent. The data, which examined trends in coverage and timeliness of immunisation in children less than seven years of age during 2008 is, unfortunately, old data. There has been significant improvement since then, and I can tell the house what the latest figures are.

By the end of September this year, 86.7 per cent of South Australian children were fully vaccinated by five years of age, which is an increase of 12 per cent over the last couple of years. This is very pleasing; however, there is no room for complacency. Vaccine coverage rates in South Australia continue to be very high amongst younger children, so 92.4 per cent, for example, of two year olds are fully vaccinated. Work needs to continue to ensure vaccination rates do not drop between the ages of two and five.

The National Immunisation Program schedule provides that children should be immunised at two, four, six, 12 and 18 months of age and then again at four years. At four years of age, children should receive their booster vaccines. It is important to boost their immunity against disease prior to mixing with other children in kindergartens and school environments. It would appear that some parents delay getting that final booster for their children.

There have been strategies in place since 2008 to encourage parents to have their four year olds vaccinated on time, and it is pleasing to see that result of a 12 per cent increase since 2008. Changes have been made to the Australian Childhood Immunisation Register to

reduce the overdue period from 12 months to one month, at which point the parents will get a reminder letter.

Meanwhile, parents also have access to the maternity immunisation allowance, run through Centrelink and the Family Assistance Office, which offers a non income tested payment of about $250 to parents to encourage them to immunise their children. The commonwealth has now decided to split the payment of this allowance so that parents will be paid following vaccination of their children at 18 months and then again at four years of age, and I think that is a very wise thing to do.

Here, in our state, SA Health will continue to work closely with GPs and local government to make sure that vaccination is easy to access and that parents are supported with balanced and useful information on immunising their children. However, governments can only do so much. I urge all parents to keep their children's vaccination up to date. When immunisation programs achieve high levels of community immunity, or what scientists sometimes refer to as 'herd' immunity, the likelihood that an infected person will transmit the disease to a susceptible individual is greatly reduced.

Community immunity provides indirect protection to children who may be too young for certain vaccinations or who have other health problems, such as leukaemia, that prevent them from being immunised. I might also say that vaccination by the majority protects those who for ideological reasons and fantasy reasons oppose vaccination. By deciding to vaccinate, parents are not only protecting their own children but these other children as well.

DESALINATION PLANT

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (15:18): My question is for the minister for water security. Has the government received any advice on the possible health risks associated with microorganisms from the Christies Beach sewage treatment plant contaminating the water supply to the Port Stanvac desalination plant?

The Hon. P. CAICA (Colton—Minister for Environment and Conservation, Minister for the River Murray, Minister for Water) (15:18): I thank the honourable member for his question and—

The Hon. P.F. Conlon: He can read.

The Hon. P. CAICA: Yes, he can read the paper. I would also say—and I have let it go for a long time—for the benefit of the honourable member that we no longer have a minister for water security; I am the Minister for Water. I am not being—

An honourable member interjecting:

The Hon. P. CAICA: No, because we have secured our water supplies. I have let it go for a long time, so I am just helping out. I could sit down here and say there is no minister for water security. It was in the paper this morning. I am pretty sure that the honourable member would have listened to the wireless this morning; if he did not, I will recap some of the points that were made.

There has been extensive seawater modelling. It was part of the Adelaide desalination plant environmental impact statement. Certainly, we know that E. coli and coli forms occur in raw water sources, including sea water. SA Water, I am told, has been taking water samples for more than two years, and any potential contaminants which reach the desalination plant outfall pipeline are removed, and will be removed, as part of the water treatment process.

I am also advised that water taken into the desalination plant through the intake pipeline goes through an extensive treatment process. It is pre-treated—it will be pre-treated—disinfected at the plant and also disinfected at Happy Valley before it enters the mains water network. I would also say that in my job I get lots of files about some of the circumstances that relate to our water. I think sometimes we do not recognise the outstanding work that goes into making sure that we have not just adequate but also safe drinking supplies, the standard of which, quite frankly, is probably not equalled anywhere else in the world.

It is always fine to have a go and throw grenades from time to time, but I think sometimes we should reflect on what we do well. That is not to suggest that, in all things that we do, we cannot do better; but we can sometimes sit back and say that we do do things very well. I am very proud of the fact that here in South Australia we have water supplies that are safe, and continue to be safe, for humans on all occasions.

Interestingly, during the summer months when it will be operating, treated waste water from the Christies Beach plant is rarely taken out and put into the ocean. Of course, that is oversubscribed at that time of the year for the purposes of irrigation and we know, through the projects that are occurring down in the south, that we will ensure that even less goes out during winter time because we will store it and use it during summer when there is an oversubscription, as there is now. It is very similar to what I was talking about with my friend the Minister for Health last night.

So, during the winter months, some treated waste water is discharged: however, SA Water is undertaking a project, as I mentioned, that will store more waste water in that region. When fully operational, SA Water will be running the Adelaide desalination plant at lower levels during the winter months—and that makes sense, because that is when we will be able to use our more traditional water supplies that are, at that time of the year, more reliable.

For the benefit of the deputy leader, I am also advised that the intake pipeline that brings the water into the Adelaide desalination plant is approximately 1,400 metres long, and the outfall pipeline that discharges brine from the treatment process is approximately 1,100 metres long. The distance between these two pipelines is more than 400 metres, and the distance between the intake pipeline at the desalination plant and the outfall pipeline at the Christies Beach wastewater treatment plant is approximately three kilometres.

There is a significant difference—and I am not being disrespectful to our friends in metropolitan Sydney—because we know that they have a different attitude or, certainly, different circumstances that relate to the level of E. coli that goes out into the water. The mullet over there are actually blind mullet. However, I should not be flippant because, surely, that is going to get recorded somewhere and I will be in more strife than Brick Bradford for saying that. I also understand that they are working very diligently to make sure that does not occur in the future and what has occurred in the past is rectified. I congratulate them on that. Specifically, in answer to the question that was asked: yes, I have received advice.

EDUCATION INITIATIVES

The Hon. S.W. KEY (Ashford) (15:23): I address my question to the Minister for Education. Given the important role that principals and preschool leaders play in the education of young people, in particular, can the minister advise the house about initiatives to engage with those leaders?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Education, Minister for Early Childhood Development) (15:23): As members may be aware, I have been trying to get to as many schools and preschools as I possibly can in the time that I have been Minister for Early Childhood Development. At last count, it was over 80 schools and preschools.

Members interjecting:

The SPEAKER: Order!

The Hon. R.B. Such: What about Clarendon?

The Hon. J.W. WEATHERILL: I was happy to be with the member for Fisher at Clarendon on Sunday afternoon. It was a lovely sunny day and we opened a BER project, which was much welcomed by the local community; and, also, a lovely Stephanie Alexander Kitchen Garden, another fantastic initiative. We were celebrating 125 years of the Clarendon Primary School, and it was a lovely event.

Of course, I try to spend some time talking not only to the leader but also the teachers and the governing council. I also try to speak to the students and get some appreciation for the school. However, we have 580 schools in our system, as well as preschools, so, obviously, I am not going to be able to cover all those in an enormous hurry.

So in August, when we released our discussion paper about a new relationship with schools and preschools, it foreshadowed a trial of a school leaders hotline. Each week at a set time we would set aside an hour for principals to ring me directly to discuss their ideas and concerns about our education system.

I am pleased to say to the house that the trial began last Friday when I spent an hour taking calls from principals and preschool directors. For me, it was invaluable. I got to speak with principals from a range of settings: regional schools, high schools, primary schools, small schools

and preschools. It was a very broad range of people from the South-East, the Riverland, the South Coast as well as the West Coast and some of the metropolitan areas.

It was great to get an insight into how teachers and principals were experiencing their school. We got some great feedback about the fact that, contrary to what you will hear over here, they have welcomed the additional resources that are going into our schools. Jim Davies, President of the South Australian Secondary Principals' Association, said on radio that the initiative was welcomed by principals. He said that it was 'a really welcome initiative by the minister, talking around amongst principals, school to school. They are all applauding this initiative'.

Mr Pisoni interjecting:

The Hon. J.W. WEATHERILL: Instead, we have the member for Unley who said I should be getting out there and visiting schools. I am out there. How many schools have you visited in the last seven years?

Mr Pisoni interjecting:

The Hon. J.W. WEATHERILL: None, or more than me? Which is it?

Mr Pisoni interjecting:

The Hon. J.W. WEATHERILL: Look, I can't help you if you scare small children, if they will not let you in. If you want a visit, come and see me. If you want to go to a school, I will let you in. I will go with you and say, 'Don't be scared of the big man.'

Mr Pisoni interjecting:

The SPEAKER: Order, member for Unley! You can ask your question tomorrow. Question time is finished.

GRIEVANCE DEBATE

TRADE PROMOTION, PUGLIA REGION

Mr HAMILTON-SMITH (Waite) (15:27): I think what we have seen this week is an example of a tired government that needs to go, but particularly a very tired Premier who needs to go. This is an absolute disgrace. We had a budget weeks ago that cut hospitals, that forced country hospitals to look at closure, that cut funding to small schools, that resulted in public servants being sacked. We had a budget that left nothing behind but ruin.

This government told us that we were in a financial crisis, that there was no money, that there had to be pain and tough decisions, a government that wanted that pain to be spread widely. It followed the work of the Sustainable Budget Commission that had made serious recommendations about where the axe should fall.

What do we now find? We find that there is this little sacred cow, this little pet project, in Puglia, an invention of the Premier which has escaped the razor. As we dig down into that event, more and more is being revealed. I have been gathering together information on this for a very long time, and I must say that the budget estimates were most revealing.

The Hon. M.J. Atkinson interjecting:

Mr HAMILTON-SMITH: I am pleased to see that the former attorney sat in on some of that. He would know that it was revealed that there is $185,000 going into la Fiera del Levante, the breakdown of which is unknown. We know that the Treasurer has been over there on a ministerial visit, along with other ministers, hosting various events. We know that we are running this trade show, setting up a stand; however, we also know that no South Australians are invited to attend. It is $185,000 at Fiera del Levante.

This is in the context of $200,000 being cut from CITCSA, that supports the Italian chamber, in the context of an office being closed in Singapore and Dubai, further cuts in China and other trade offices, as they seek economies. This is a government which is completely failing to meet its targets in exports, industry and trade. But then we had the second edition.

The Hon. K.O. Foley interjecting:

The SPEAKER: Order!

Mr HAMILTON-SMITH: The Treasurer is hurling abuse across the chamber. He is the bloke who has overseen the decline in our exports and has put us in this position in the best

possible times. Then we had the Sasanelli appointment revealed—$260,000. The government said that only $200,000 is the salary component, conveniently overlooking the remainder of the costs linked to that appointment. There is no indication of how this fellow was hired, no indication of whether there was an open tender, no indication of an open advertising of the position, no indication as to whether this was a position created for this person and, if so, why?

Was this a case of a job being created as a consequence of patronage, or is it the result of a job where someone was hired to fit and meet a need? Then we have this stunning revelation that not only do we have $260,000 tied up in the appointment but we are dishing out taxpayers' money to launch his art book and holding champagne cocktail functions at the library to support it, with questionable benefits—all of this in a context of an industry and trade environment which is in trouble, of declining exports where we are in a worse state than we were nine years ago and where, as I mentioned, health and education, small business—right across portfolios—are being cut to the bone.

The Hon. M.J. Atkinson: How old will you be in 2014?

The SPEAKER: Order, member for Croydon!

Mr HAMILTON-SMITH: I want to know the answers to a few more questions. In particular, I want to know about the other bucket of money in the Department of the Premier and Cabinet controlled by the Premier that is used to send officials and ministers off to Fiera del Levante. I understand that not only did Monsignor Cappo attend but so did Pauline Peel, Deputy Chief Executive, Sustainability, Department of the Premier and Cabinet, and Mr Nicola Sasanelli, Special Envoy, funded by DPC, not from his own budget line. A mysterious Manlio Langiotti also attended—

The Hon. M.J. Atkinson: What was that? Try again.

The SPEAKER: Order! Member for Croydon, behave.

Mr HAMILTON-SMITH: —and there is some concern about whether he is actually based in Italy and, somehow or other, we are funding his position. Were any others funded to attend? How many other government officials have gone to Italy from their own budget lines? There are more questions here that need answers. This is a disgrace. It is nepotism. It is a Premier gone mad with patronage in Puglia.

Time expired.

MITCHELL ELECTORATE

Mr SIBBONS (Mitchell) (15:32): Last Wednesday, 3 November, my office hosted two senior financial forums to provide information on federal and state government benefits and concessions for residents of Mitchell aged 65 and over. The federal government provides a number of benefits, including the aged pension, a carers' pension, a carers' allowance, as well as a pensioner concession card. Whilst the state government also provides a Seniors Card and various concessions, which provide financial assistance to seniors, and while most retirees are receiving some form of government help, it came to my attention that not everyone is aware of all the financial assistance offered by the various levels of government.

Self-funded retirees have had their superannuation hit hard by the global financial crisis and are doing it very tough. Retirees on the aged pension are obviously doing it tough as well. Therefore, I think it is really important that we make sure seniors are accessing all the government assistance available to them. Because of this, we invited our senior residents to two forums, where the Department for Families and Communities as well as Centrelink each gave a presentation on what benefits and concessions are available, who is eligible for them and how they can be accessed.

I am pleased to say that the forums were very successful, with almost 200 residents attending across the morning and afternoon sessions. For those residents unable to attend, my office has organised information kits that will go out to all seniors so that they do not miss out on the information provided on the day.

I take this opportunity to sincerely thank Beryl Rowe from Centrelink and Lindy McAdam from the Department for Families and Communities for their enthusiasm and excellent presentations. I would also like to thank the many residents for coming along on the day and providing some great feedback. It was very important that we did hear the feedback and some of the issues that the residents did have. I would also like to thank a number of service providers and

business and community groups that also attended the forums for providing displays and information. These included the South Australia Police, the Australian Pensioners Insurance Agency, the City of Marion Council, Medical Alert, and Relationships Australia. I really thank them for their participation.

The feedback from the forums has been absolutely fantastic, with many residents genuinely appreciating the opportunity to meet with experts from the relevant government departments, as well as meeting their local MP; and, more importantly, receiving information face-to-face, being able to ask questions and also to offer feedback.

A paper by the federal Treasury notes that the number of Australians aged 65 and over is expected to increase from around 2.5 million in 2002 to 6.2 million in 2042. The increase is greater for the number of Australians aged over 85, with an expected increase from 300,000 in 2002 to 1.1 million in 2042. With the many challenges presented to us by an ageing population, I believe that a good starting point to tackling these is to ensure that seniors know about and can access the full range of financial support which governments provide. I would also like to acknowledge Lisa, Cathy and James from my office for their fantastic efforts in coordinating the event.

Time expired.

CHAMBER DRESS CODE

The Hon. R.B. SUCH (Fisher) (15:36): On Thursday 28 October we had an unfortunate series of events here which started with you, Madam Speaker, sending out a woman wearing a large hat. As members know, where I sit I cannot see anyone behind me whatsoever.

The Hon. M.J. Atkinson: A ruling that was wrong.

The Hon. R.B. SUCH: Yes, the honourable member says that the ruling was wrong. One of my colleagues thought that it was someone highlighting the Melbourne Cup, which reminds me of a time when Susan Lenehan wore a large hat in here for Melbourne Cup. One of the Liberal members made some remark and she asked a question about whether people could wear a wig or a toupée in here.

Anyway, putting that aside, what was unfortunate was that none of us here was told that this was an organised stunt. It turned out that it was meant to be a celebration of women getting the vote, which I am a great supporter of and I would have been happy to celebrate it. When the person was sent out for wearing a hat, I thought, 'This is strange. I've never heard of this ruling before,' and that is what prompted me to ask a question. When I sat down, the member for Mount Gambier tapped me on the shoulder and said, 'Do you realise that someone in the gallery is wearing a scarf?' Well, my question did not mention a scarf.

That raises the point that questions in here should not be dictated to by what people are wearing or doing in the gallery. It would be quite inappropriate. The question I asked, I found out subsequently, did not cause any angst amongst any of the people in the gallery. In fact, the woman who was reported in the media as being upset was not upset by my question at all because her English is very poor, I find out now.

She did not even understand the question I was asking. What upset her was when someone—and I do not know who—got a police officer to remove her from the gallery, and that did upset her and brought her to tears. I went out to speak to that woman, but the leader of the group said, 'She's gone.' She said, 'She's fine. She's been here before. She has limited English.' She did not know what question I was asking; she did not understand it. But she certainly understood when she was removed at the direction of someone (I do not know who) by the police officer, and I think that was very unfortunate.

That situation was aggravated by the member for Bright rushing up to the gallery. They were guests of the member for Adelaide, not the member for Bright, so it was quite inappropriate. I had the member for Torrens coming over to give me a serve, and then, on radio, the minister for multiculturalism said that this is what happens when people show lack of consideration. All of it was targeting me when I was not responsible in any way for the distress of that woman.

I do not care what people in the gallery wear; it would not upset me if they were naked. I do not have a problem with people wearing the burqa and I do not support a ban on the burqa—anyway, the woman was not wearing a burqa. I do not have a problem with it, and I do not support people who want to ban it, like Cory Bernardi and Fred Nile; I do not agree with that. Some have tried to link the two, but my bill is about covering the face. I will not talk about that bill now because

it is not appropriate to talk about it in any detail, but it is about covering the face; it is not about covering the head or the hair at all.

I think what comes out of this is that you have to be very careful—and it applies to all of us—about using parliament for stunts. They may have well-meaning purposes but they might turn into something that actually demeans the parliament. I have been in here—not just in this chamber, but in this building—when people have engaged in stunts that could have had very serious consequences, one where someone nearly choked and another where someone interfered with a vehicle. They were different types of stunt, but they show what can happen when people engage in those sorts of things.

However, what really concerned me was that a journalist sitting next to the woman who was supposedly aggrieved by my question but who was not (the journalist said that the woman was not at all upset until a police officer removed her) said that the member for Bright told the woman 'Don't listen to that stupid man down there,' obviously meaning me. I do not think that is appropriate behaviour for a member of this parliament in the gallery to speak about a member down here in those terms. I believe it is very inappropriate, and it shows a lack of proper behaviour on the part of that member. I would appreciate an apology but I do not expect one, given the sort of behaviour that occurred.

I think it is important that we all acknowledge that we have security here for people in the gallery. As I said, I do not care what they are or are not wearing, but I think we have to be careful that we do not demean the parliament and engage in tactics that should not be countenanced in our code of conduct.

WOMEN'S CHRISTIAN TEMPERANCE UNION

The Hon. S.W. KEY (Ashford) (15:42): The Women's Christian Temperance Union of South Australia is now based in the electorate of Ashford on Sir Donald Bradman Drive, and I understand that on 8 April 2011 it will celebrate 125 years of existence, its first meeting being on that date 125 years ago at the YMCA hall in Gawler Place. Elizabeth Webb Nicholls was the first WCTU president in South Australia and also the first Australian president of that organisation. Looking over at the House of Assembly tapestry, it is wonderful to see Elizabeth Webb Nicholls there with Mary Lee as well as Catherine Helen Spence.

Mrs Dawn Giddings, the current state president of the WCTU in South Australia, has called on South Australians to ensure that Mrs Nicholls is recognised for her many achievements. I must say that the list of those achievements is very long, so in this brief time I will highlight just a few of them. Mrs Nicholls was very involved in voting reform in 1894, and I understand that under her leadership the WCTU gathered 8,268 of the 11,600 signatures for the 1984 suffrage petition to parliament. It is also said that the suffrage bill would not have passed in the House of Assembly with 31 to 14 votes (this is under the Kingston government) if it were not for the women's campaign, in which the Women's Christian Temperance Union played a major role. I understand that Mrs Nicholls was also involved, with the union, in campaigning and petitioning for universal suffrage in the federal sphere.

Elizabeth Nicholls was one of the founding members of the Women's Non-Party Association from 1909 and its federal president in 1911. She led deputations to premier John Verran stressing the need for women jurors, justices of the peace, and police matrons, and, interestingly, also advocated sex education for young people.

The Hon. J.R. Rau: Verran was a total Prohibitionist.

The Hon. S.W. KEY: Well, they would have got on well, I imagine. She was also a campaigner for equal federal marriage rights and divorce laws. The member for Light asked me if I am a member. One of the reasons I am not is that I am not prepared to be a hypocrite and sign a pledge to say that I will never, ever have an alcoholic drink. I do like a red wine and, although I think moderation is the word we all need to keep in mind, the Women's Christian Temperance Union saw alcoholism as a consequence of larger social problems rather than just being a personal weakness or failing. It is interesting that Elizabeth Nicholls is quoted as saying:

> The WCTU represent women whose hearts have been broken, whose homes have been destroyed and whose lives have been wrecked through the terrible drink traffic.

Elizabeth Nicholls was involved in establishing the first hostels in South Australia for women migrants who had been brought here to work in domestic service. She was also a great advocate for the value of homemaking and the need to have dignity in the cause and vocation of household

services. She campaigned for the maternity bonus to be given to every mother, regardless of her status or income, for every baby that was born.

In researching some of the work that Elizabeth did, she was also a campaigner against the Contagious Diseases Act. In this act, women could be forcibly examined for possible sexually transmitted diseases and forcibly quarantined in locked hospitals if they were found to be infected. Interestingly, under this act men could not be forcibly examined or quarantined in locked hospitals—this was directed solely at women, which I find very interesting. She was successful in having this act abolished in South Australia, but also went on to campaign in Queensland and Tasmania.

The list of achievements is absolutely incredible. I mentioned her alcohol campaigning, but she was also—and the member for Davenport will be interested in this—a campaigner against tobacco and was very active in reforms in the prison sector.

Time expired.

FERGUSON, MR EUAN

Mr PENGILLY (Finniss) (15:46): I pay tribute today to the service of Mr Euan Ferguson of the Country Fire Service in South Australia. As I understand it, Mr Ferguson finishes at the end of this week and goes on to head up the Country Fire Authority in Victoria, which will be a great challenge. It is interesting that Mr Ferguson came to us from the CFA. He was one of a number of deputy chief officers over there. He was hand picked by Mr Stuart Ellis at that time, the CEO of the Country Fire Service in South Australia. Mr Ellis made a great decision, based on character and the knowledge of what Mr Ferguson could do for the CFS in South Australia.

Mr Ferguson quickly and quite appropriately identified very strongly with the volunteers in South Australia and worked very closely with them, and is still working very closely with volunteers up until the day that he finishes here. Indeed, his links with the volunteers and probably his finest hours grew out of the disaster that was the Wangary fires. He initiated an enormous amount of change within the CFS over the outcomes of the Wangary fires, which he is to be commended for. He did a wonderful job in very trying circumstances, and all of us in this place know what a disaster those Wangary fires were.

He has had a series of fires over the years but, most fortunately for him—and I hope for his successor and his successor's successor, quite frankly—he has escaped a conflagration in the Adelaide Hills, something that worries the daylights out of those of us who know fire. Members with seats in the Adelaide Hills will be only too aware of what could happen up there; given the incredible spring that we have had this year and the huge amount of spring growth, it is appropriate. I note that the minister and emergency services personnel were trying to wake people up a couple of weeks ago on TV news, and I think the Premier was up there as well. What could happen up there has terrified—and I think 'terrified' is probably the right word—the CFS, and Mr Ferguson has had to deal with that aspect of terror for quite some time since he has been here.

It has been very much a twosome. Euan's wife Kristin has accompanied him all around South Australia. She has been an enormous support to Euan over this period since 2002 with the CFS, and I take my hat off to the pair of them, and particularly to Kristin for her effort. I know that she will continue to be a great support to him as he takes on the task in front of him in Victoria in the CFA, particularly given the fires over there a couple of years ago. It is a long way from sorted out.

He has had special links into the other emergency service agencies in South Australia which have been most important. Euan Ferguson is a fellow who has the ability to get on with people. He does not bear grudges, and if he has a row it is business as usual straight afterwards. I think that this initiation of SAFECOM was not the best thing in the world for Euan. In my view, if he had had the opportunity, he would have been a very good person to run SAFECOM. However, that did not transpire, and I suspect that the CFS has had its trials and tribulations from the commencement of SAFECOM and will continue to do so.

Euan has also had an extremely good deputy in Mr Andrew Lawson. Andrew is a special person. He has been more than equal to the task of being deputy to Euan Ferguson. I know that Euan has relied on his counsel and relied on his support. Having spent a long time in the CFS myself, and a number of years as chairman of the board, the CFS and some of its personnel, the paid staff and also the volunteer staff are not the easiest people in the world to get on with, and I

can recall attempts to slot the former CEO coming from within the staff, probably from people who have gone now, but he has had to manage that.

Euan Ferguson is indeed a very fine fellow. South Australia and the CFS is better for having had him here for those eight or so years. He goes on with the full support of members of this parliament, I am sure.

LOCAL GOVERNMENT MEETINGS

The Hon. M.J. ATKINSON (Croydon) (15:52): I continue my remarks on local government that I started in the grievance debate on 28 October. I asked what role Mr John Hanlon of the Office for State/Local Government Relations had in formulating the terms of reference of Mr Ken MacPherson's report into the Burnside council and what communication did he have with Mr MacPherson and his staff during the inquiry. Does the Burnside report dwell on the process of appointment of the chief executive officer of Burnside council? I think even Mr Hanlon would concede that he had a preferred candidate for that post.

The public might well reach the conclusion, when the Burnside council report is released, that the authors have laboured mightily to bring forth a mouse. It seems to me that the trouble at Burnside is that the voters of Burnside in 2006 elected a different majority and that some of the minority refused to accept the result. Whether or not that is so, the residents and ratepayers of Burnside are not sufficiently interested in the affairs of the council to cast a vote. At the 2003 election, 30.3 per cent of them voted.

Ms Chapman interjecting:

The Hon. M.J. ATKINSON: At the 2006 election, 33.3 per cent of eligible Burnside voters voted, and at this election, as of last night, Monday, at the close of business, 19.15 per cent had voted. The member for Bragg says that it is not over yet, but if you can get that turnout figure above the last two elections, you are like Bernborough's jockey. Arguably, the council of 2010 is going to have an inferior mandate to the councils of 2003 and 2006.

In my own city, Charles Sturt, 27.9 per cent voted at the 2006 election, and at this election the proportion of returned ballots is 23.63. The St Clair residents' action group would have us believe that the Charles Sturt council's land swap at St Clair and the development of the Cheltenham racecourse for housing are the principal issues in this election. If that is so, why is the turnout in Charles Sturt down, and why is the turnout in Woodville ward—ground zero, you might say—still below the 2006 turnout?

I would like to ask those indefatigable letter to the editor writers—Carol Faulkner, Ray Hill and Nora Fahey—why in 2006 did the voters of the Woodville ward give 1,054 votes to the supporter of the housing development at Cheltenham racecourse, Councillor Brian Freak, and only 724 votes to the opponent, Councillor Bob Grant? Wouldn't the St Clair and Cheltenham residents associations (or so called residents associations) have egg on their faces if one of their two candidates for the Woodville ward in this election were defeated by Ms Oanh Nguyen, who may become only the second Vietnamese Australian to serve in local government in South Australia?

Turning my attention to Adelaide, I noticed that in the 2003 election in the City of Adelaide 8,070 eligible voters out of a total of 19,740 recorded a vote—that is, a 40.9 per cent turnout—but I notice that, in this election, as of Monday night, of 23,236 eligible voters only 4,411 had returned a ballot—that is 18.98 per cent.

I think we have to say that the Corporation of the City of Adelaide is the rotten borough of South Australian local government politics. I would say there would have had to have been a media story in the *Tiser* alone for every one of those voters. The coverage which has gone into this council in which there is so little voter interest is quite disproportionate.

I must say that it should be on the agenda of this government to do root and branch reform of the Adelaide City Council, whereby workers and students in the city can cast a vote. The capital city council is too important to be left to the tender mercies of 4,411 voters, most of them from the suburb of North Adelaide.

APPROPRIATION BILL

The Legislative Council agreed to the bill without any amendment.

Mr SIBBONS: Madam Speaker, I draw your attention to the state of the house.

A quorum having been formed:

AUDITOR-GENERAL'S REPORT

In committee.

The CHAIR: We now proceed to the examination of the Auditor-General's Report in relation to the Minister for Environment and Conservation, Minister for the River Murray and Minister for Water for 30 minutes. I remind members that the committee is in its normal session, so any questions to be asked must be done by members on their feet and all questions must be directly referenced to the Auditor-General's Report. Member for MacKillop.

Mr WILLIAMS: I refer the minister to the Auditor-General's Report, Part A at page 31, where it says:

- discussions between representatives of the South Australian and Commonwealth Governments have progressed in a constructive manner and a mutually agreed position has been reached on the issue of reduced reliance on the Murray River.

For some time, I have been trying to get some detail of this mutually agreed position from the minister. The minister told me in estimates that the government's position is that it will not reduce the amount of water it pumps from the river—it will not reduce its licence—but it might pump less water in times of low flows.

Can the minister confirm whether those words printed on that page of the Auditor-General's Report, which apparently came from the Department of the Premier and Cabinet, actually mean that the commonwealth has signed off on the $228 million contribution towards the desalination plant in the knowledge that South Australia will not reduce its River Murray water licence for SA Water or critical human needs?

The Hon. P. CAICA: As the member quite rightly states, the audit reviewed certain aspects of the Adelaide desalination project, including the commonwealth funding high level project governance controls over procurement and other things, but the question specifically was in relation to the arrangements that have been brokered between the state and the commonwealth in respect to the $228 million payment for the expansion of the desalination plant from its original 50-gigalitre capacity per annum to 100 gigalitres. Of course, $100 million was provided for the first component and, in addition to that, $228 million, which (as I have advised the house previously), in the words of the commonwealth, is guaranteed.

Without meaning to disappoint the honourable member in any way, I can certainly advise him that we have put forward a proposal to the commonwealth in regard to what it sees as the requirements for that particular funding. I can advise that in our discussions to date there has not been a commitment to reduce the licence as it relates to SA Water, and I have said that previously. That is not to say, of course, that when the Murray-Darling Basin Plan eventually comes, all licence holders, in all likelihood, will be affected by that; but, for the purposes of this question with respect to the desalination plant, that has not been an issue and is not part of it.

I cannot give a specific answer at this point in time. The member will know that there were discussions that occurred prior to the election. We believed we had an arrangement in place at that time. There was a very close election, and the result was the nomination and swearing in of a new minister for water, my friend and colleague the Hon. Tony Burke. We are still working through those things, and I remain very confident that in the not too distant future this matter will be resolved.

I reinforce the point that there is no threat to the $228 million that is to be provided by the commonwealth. In addition to that, I expect the matter to be resolved very soon.

Mr WILLIAMS: I am now more confused than I was previously.

The Hon. P. Caica: I can't help that, Mitch.

Mr WILLIAMS: Well, I am sure you can.

The Hon. P. Caica interjecting:

Mr WILLIAMS: Well, it appears that the Department of the Premier and Cabinet has given these words to the Auditor-General: 'a mutually agreed position has been reached on the issue of reduced reliance on the River Murray'. Is that accurate, or not accurate?

The Hon. P. CAICA: I believe that the Auditor-General's manner in which he has described the circumstances is correct but, of course, the incoming minister and his people needed to fully understand the arrangement that has been the subject of previous discussions. There is no

doubt, as I said earlier, that it will be resolved very soon. It was only as recently as late last week where I had some ongoing discussions about the timeliness of the decision-making process from the commonwealth's perspective. Again, I reinforce that the money is guaranteed. We believe that we have a landing spot, and that is reflected in the Auditor-General's comments in his report.

Mr WILLIAMS: I refer now to Part B, Volume 4, page 1446. I will read from the report:

> Up to 2008 the net cash generated from operating activities was sufficient to cover the net cash used in investing activities (ie essentially the purchase of property, plant and equipment, etc), but insufficient to pay the level of dividend and return of capital required by DTF. To meet its payment obligations to government and finance its capital works programs the Corporation's net increase in borrowings has risen significantly since 2007.

The Auditor-General has been pleading this position for a number of years now, and I see that the debt to asset ratio percentage has reached 24 per cent (up from some 17 per cent only two years ago). How much further will SA Water be used to underpin the Treasurer's failing budgets?

The Hon. P. CAICA: I thank the honourable member for his question. Of course, the Auditor-General's Report for 2010 does comment on page 1446, as mentioned, regarding this efficiency of the corporation's net cash inflows in converting both the corporation's investing activities and the very important point of dividend payments to government.

SA Water operates in accordance with a financial ownership framework that was approved by cabinet in March 2005. This framework was developed by the Department of Treasury and Finance and benchmarked importantly against other similar water utilities. It is important to note that the framework's dividend policy requires SA Water to distribute to government 95 per cent of profit after tax. The dividend distribution is only made after deducting from revenues the operating expenditure necessary to maintain assets and to manage the business. This includes funds to service any borrowings and to meet taxation obligations.

The government has set a borrowing target for the corporation with a debt to asset (or gearing) ratio of 20 per cent, with a permitted range of 15 to 25 per cent. Overall, the corporation's actual results for the years 2006 through to 2010 show the debt to asset ratio to be within that range that has been set by cabinet. However, the Auditor-General's analysis does not distinguish between investing to maintain the corporation's current asset base, which is logically covered by the revenue generated by current assets each year, and the need for SA Water to invest in new assets to cater for growth or to improve the reliability of South Australia's water supply.

New assets need to be financed up-front by the corporation with revenues to recoup the cost of those assets only being provided once those assets are in place. As the Auditor-General's analysis shows us on page 1446, cash outlays from investment activities have increased from $106 million in 2006 to $1,140 million in 2010. Most of this expenditure in the last two years is directed towards new assets, importantly the Adelaide Desalination Plant.

In the previous three years, 2006 through to 2008, approximately just over half was directed towards new assets. I might also add that there are other assets that are being managed through this process, not just the Adelaide Desalination Plant; but that makes up a significant component.

SA Water's investment in infrastructure is a vital element of underwriting economic growth; however, we need to note that there will always be a lag between the initial investment by SA Water and the resulting revenue stream from customers which needs to be financed by borrowings.

Mr WILLIAMS: I turn to the next page, with regard to the desalination project. It states that the target for the first water has been moved from December 2010 to April 2011 and that the major reason for this change is the impact of the fatal accident in July 2010. Can the minister guarantee that first water will, indeed, be delivered in April 2011; that is, is there no risk of a further blowout in the delivery time of the project? Does the government still maintain that the major reason for the change in delivery time is the fatal accident which occurred in July 2010, and that the time between the fatal accident and when the delay was reported was much less than the four-month delay which has now been reported?

The Hon. P. CAICA: Whilst you always go out on a limb in respect of the guarantees that can be provided, I am certainly advised that SA Water is confident that the first drop of water at the desalination plant will be produced in April, and I can only go on that advice. That is what has been reported to me.

I think it is very unfortunate—and this is no way being disrespectful to the Auditor-General—to state that because, when you read it, it seems that the entire delay is as a result of that tragic fatality at the desalination plant. There is no doubt that the site was closed down for an extended period. Parts of the site that were critical to the construction were closed down for a period of time. As you yourself would understand, Mitch, it is not just that component that was closed down, that then has a cascading effect with respect to other matters required to be part of that construction; that is, they are linked. So, a three-week closure in regard to that section of the site, for example, has an impact on other parts of the operation because of the connectedness of that operation in its entirety.

The other point I would make in regard to the delay is that there will be a short close-down period over Christmas. I think it is also important to note that there has been a lot of comment in regard to the desalination plant in the media with respect to certain aspects of the operations down there—quite unfounded assertions, I might add.

Quite clearly, if it takes a bit longer to get the construction completed as a result of safety concerns, so be it. Certainly, when I have been down there, one of the first issues I raise with people is their safety record. It had been quite an outstanding safety record up until that tragic circumstance, and we have had some lost time injuries since that particular time.

If it takes a bit longer to make sure that we review the circumstances in which the consortium operates down there, I support that. So, I am not fussed about the date on which the first water is provided. On the advice I have received, I am confident that it will reach the milestone of April that has now been reset. I think the approach that will be taken by everyone in this house, and even outside this house, is that safety is paramount.

Concerns have been raised, some of which I would say were promoted through the media in such a way that they cannot necessarily be evidenced. However, notwithstanding that, it is appropriate to sit back and review the way in which you are doing things to make sure that we do have all those measures in place that ensure that there is the proper and appropriate approach to safety at what is a very congested worksite.

I am sure that the honourable member has been down there. If he has not, I issue an invitation to him to come down. I would be delighted to host the honourable member so that he can look at the operations down there. It is a significant project in the context of projects that are being conducted in South Australia. It is a very busy site; and, of course, for a certain period of time, we had an extremely good record with respect to safety issues.

We have had some lost-time injuries but, in the main, the majority of those people have returned back to work, with one still off work, as I understand it. I will correct that if I am wrong, but that is as I understand it. A couple of other workers have been returned to alternative and lighter duties.

Really, in regard to the honourable member's question, yes, April is the date that we are still confident we will reach. There has been a delay. There have been circumstances surrounding that delay, not the least of which is our ongoing approach to ensure that there is an appropriate adherence to and focus on safety at that very busy worksite.

Mr WILLIAMS: I draw the minister's attention to page 1448. Under the heading 'Metropolitan Adelaide Service Delivery Project', the Auditor-General's Report states:

> On 19 October 2009 cabinet approved the contracting strategy to replace the Adelaide Water Contract.

The fourth dot point states that included in that approval was the 'return of some strategic activities back to the corporation'. Minister, could you detail to the committee what strategic activities will revert back to the corporation?

The Hon. P. CAICA: I thank the deputy leader for his question. He is quite right. Just to put it in context, in 1995 the corporation and United Water entered into an agreement for the management, operation and maintenance of Adelaide's water and wastewater systems. That was referred to as the Adelaide Water Contract. This agreement commenced on 1 January 1996 and will expire on 30 June 2011.

Again, the deputy leader highlights amongst other things, but in particular, the comment in the Auditor-General's Report of a 'return of some strategic activities back to the corporation'. I can advise him that, in the main, the call centre will be returned to operations, as well as the cathodic protection of assets and, indeed, certain aspects of the capital management of the operations.

I think that, in the context of the new contract, it is very wise to review what it is that SA Water has the capacity to do internally, and that is what has been undertaken by the corporation.

Mr WILLIAMS: I now draw the minister's attention to page 1442. Minister, there is a series of dot points, but the second dot point coming down the page talks about the factors affecting water and wastewater charges, or increase in revenues. The last sentence states, 'The increase since that time,' and I think that we are talking November 2006, 'is attributable mainly to price increases and growth in customer numbers'.

Am I right in assuming that the growth in customer numbers increases the revenues because of the fixed charge within the water price, and can the minister detail to us what that equates to in dollar terms, that is, the total revenue attributable to that?

The Hon. P. CAICA: I am advised that the answer is yes, but that applies not just to the fixed component but also to newly-contracted sites; and we hope that more houses will be built in the future that, of course, will be connected to and supplied by SA Water. In regard to the specific figures that you asked about in terms of the monetary return (I think that was the thrust of the question), I do not have those in front of me, but I am happy to give them to you and we will get back to you with them in a very short period of time.

Mr WILLIAMS: Towards the bottom of the same page it talks about expenses, and that 'other expenses' decreased by $7 million. There is a list of factors contributing to the change, and one of them is an increase in accommodation costs of $4 million. Is that directly attributable to the move of SA Water's offices into the new building in Victoria Square?

The Hon. P. CAICA: The answer, in the main, is yes, of course, but I do not want to leave it just at that; I want to clarify a few things. Most of it is with respect to the new building, but in addition we also have extra staff, particularly extra staff who were employed during what was the most unprecedented drought in anyone's living memory. Both contractual and other staff were put on during that time managing water restrictions and the like.

So there was that extra staff, but a significant component of that increase also relates to the transfer of the labs that were formerly at Bolivar—and I am sure you would have seen those—to the head office. Of course, we did not pay any rent at Bolivar because we own the property, but the most appropriate place for those labs is at headquarters. There is that component as well, Mitch. It really was the consolidation of some of the operations out there that increased the number of personnel at a single point, and that included the additional staff that were, I am advised, put on as a result of the drought we experienced.

Mr WILLIAMS: You have led me directly to another question, minister. You talk about the extra staff who were put on because of the drought; I think I asked a question of your predecessor in estimates last year about whether the extra staff put on for the drought were temporary or permanent and, from memory, the answer was that their employment was of a contract or temporary nature. Have those staff been relinquished or are they still employed by the government?

The Hon. P. CAICA: I thank the deputy leader for his question. The answer is no, at this point in time, but that will occur; there will be a reduction in those staffing levels at the time of the easing or lifting of restrictions. There will also be other staff who have been contracted who will wind up, and that is in the context of the capital program we have in place. So, they are still on the books at the moment but, come 1 December and beyond, that number will be reduced.

Mr WILLIAMS: At the bottom of the same page it says that further losses of $12 million are due to losses on interest rate swap derivatives and foreign exchange transactions. Can you explain what interest rate swap derivatives SA Water has been involved in, and what foreign exchange transactions it has been involved in?

The Hon. P. CAICA: I thank the deputy leader for his question. There is one foreign exchange in place, and I am advised that relates to the ADP. In regard to the interest, I guess it is safe to say that the last I remember we did have a significant event that created a problem in regard to the interest rates that anyone was able to accrue during that period of time. I do not know how your significant investments went, but if you did better than most you still probably did not do that well. The point is that SAFA organises and manages that on behalf of SA Water under the permitted instruments policy.

Mr WILLIAMS: With regard to the foreign exchange transactions associated with the ADP, how did the loss eventuate with regard to that? Was that a hedging exercise and were funds put into some foreign currency to meet commitments in that foreign currency?

The Hon. P. CAICA: I will get back to you on that specific question. I certainly would expect that everything has been done in accordance with the appropriate measures and policies that exist, but I will get back to you, as I always do, in a most timely fashion to answer the specifics of that question.

Mr WILLIAMS: I now refer the minister to Volume 5 of Part B of the Auditor-General's Report: the Living Murray Initiative. There are a number of items or notations where money was paid from the South Australian government to the Victorian government as part of the Living Murray Initiative. There was $4.1 million in 2006-07, $3.6 million in 2007-08 and $3.6 million in 2008-09, so some time ago.

I note with interest that the Victorian Auditor-General has been very scathing about the projects in Victoria that have been funded by the Victorian government, which were supposed to achieve significant water savings, but the Victorian Auditor-General has suggested in a number of reports that those savings were, at best, illusory. Have audits been conducted on the projects that were funded with the aid of South Australian taxpayers' dollars, and how much water has been recovered by the expenditure of some $11.3 million of South Australian taxpayers' money in Victoria?

The Hon. P. CAICA: We cannot make any comment on the views held and expressed by the Victorian auditor-general because we are not—

Mr Williams interjecting:

The Hon. P. CAICA: No, I know that. I am just making the point that, irrespective of the fact that the auditor-general has made that comment, I look at the operations in Victoria and think there are probably significant savings to be made, and I do not know what commitment they gave with respect to the level of water savings that they were going to make. However, we do know that it has been very difficult in South Australia to accrue a deal of money from the commonwealth based on the fact that, as you know and as we all know in this chamber—and the member for Chaffey would certainly attest to this—as early adopters of advanced techniques in irrigation, we are, in the main, efficient users in regard to the way in which we apply our water from an irrigation perspective.

So, it has been very difficult for us to deliver the level of savings that made it attractive to the commonwealth to actually invest money in South Australia for that particular purpose. Those discussions with the commonwealth are still ongoing, because we know there is $105 million, or thereabouts, available for private irrigation projects.

Mr Williams interjecting:

The Hon. P. CAICA: In Victoria? The money ought to have been spent in Victoria. As I said, I cannot make any comment on what has happened in Victoria.

Mr Williams interjecting:

The Hon. P. CAICA: In respect to the projects, some are still to be completed. We know that there was also some money that was provided for the replacement or relocation of a pumping station. That really fell out of the criteria, but we were able to do that anyway and deliver a small amount of savings on that. Certainly, the proponents of the project are required to provide to the commonwealth that water that can be saved and, to a certain extent, I would not just presume but know that the commonwealth would be seeking what they would say is the return on their investment and, from our South Australian perspective, we would certainly be helping our irrigators here in any way we can to meet the savings that are required. I would also say, and you would be aware of this: South Australia was the first state to reach its targets under the Living Murray project.

Mr Williams: How can you say that when you haven't audited the money that you spent?

The Hon. P. CAICA: We have delivered 35 gigalitres through our commitment—the first state to do so.

The CHAIR: Minister, sorry to be rude, but your time has sort of expired.

The Hon. P. CAICA: Do I have to stop now, Madam Chair?

The CHAIR: If you would like to finish answering your question—

The Hon. P. CAICA: Yes, I will. What we would like is a bipartisan approach from the opposition with respect to assisting us in engaging the commonwealth in such a way that we are able to extract more money from them in regard to projects that are going to deliver savings of water to the Murray-Darling Basin system. I thank the deputy leader for his very mature approach to this Auditor-General's Report hearing.

The CHAIR: We now proceed to examination of the Auditor-General's Report in relation to the Minister for Aboriginal Affairs and Reconciliation, the Minister for Multicultural Affairs, the Minister for Youth and the Minister for Volunteers for 30 minutes. I remind members that the committee is in its normal session, so any questions have to be asked by members on their feet and all questions must be directly referenced to the Auditor-General's Report.

Mrs REDMOND: I would like to ask a couple of questions in relation to the multicultural affairs portfolio. Referring to Volume 1, on page 131, towards the very bottom, under 'Grants and subsidies', at about the third line from the bottom, there is just a slight reduction in grants by Multicultural SA of, as I calculate it, about $32,000 per annum, and then over the page there seems to be an increase of about $36,000 to grants and subsidies provided to entities within the SA government.

To my untrained eye, that looks as though the government is simply not giving money out to the multicultural communities but keeping it for itself and just shuffling the money from one pocket to another. Can the minister explain why the one grant by Multicultural SA has gone down by almost the same amount as the grants to entities within the government have gone up?

The Hon. G. PORTOLESI: I am advised that there is no link between the two. The decrease in grant payments from $864,000 in 2008-09 to $832,000 in 2009-10 includes a decrease of about $27,000 for payments made under the ethnic community organisation's Land Tax Relief Grant Scheme. You are aware of that, I believe, because I think we talked about it during estimates. The grants up, on the next page, we believe is as a result of our increased funding to Carnevale.

Mrs REDMOND: On the bottom of page 138 is a list of those people who are members of the South Australian Multicultural and Ethnic Affairs Commission. Can the minister advise what fees are paid to those people and how often the commission meets?

The Hon. G. PORTOLESI: I am advised that the commission meets about eight times per year and that the sitting fees are about $3,600 per year.

Mrs REDMOND: I refer to page 118. At the very top of page 118, column 2 refers to Multicultural and Ethnic Affairs. Under 'current assets' there is a provision for receivables and also lease incentive receivables, and then further down there is a liability. Both of those figures have changed. Can the minister explain what are these lease incentive receivables and liabilities and why do they vary from year to year?

The Hon. G. PORTOLESI: We are not 100 per cent certain, so I would prefer to take that on notice, if I can, and get back to you.

Mrs REDMOND: I just love the fact that we get half an hour to question you, and you have got advisers who are paid a fortune to be here for hours and hours waiting for these things, and we cannot get answers. It is just like estimates.

The Hon. G. PORTOLESI: We can argue about this, but that would achieve absolutely nothing. We can make productive use of this time. It would be preferable if you did not attack the public servants who are here.

Mrs REDMOND: I am not attacking the public servants. I constantly complain about the fact that they have to spend so much of their time being prepared for meetings like this, when we do not get answers anyway, so why not find a better system to do it?

The Hon. G. PORTOLESI: I am offering you an answer, but just not right now. You will get a detailed, responsible answer.

Mrs REDMOND: That is the whole point of having the well paid advisers here. I am in no way attacking the advisers; I am simply saying there has to be a better system.

Mr Kenyon interjecting:

The CHAIR: Thank you, member for Newland.

Mrs REDMOND: The member for Newland—you can hardly see his little head sticking up over there.

The CHAIR: Okay, 25 minutes left on the clock.

Mrs REDMOND: In relation to the income shown on page 115, can I first ask about the expenses? For the supplies and services, the expenses have increased. Can I have an explanation as to why the supplies and services have increased but there has been a significant reduction in the expenses of, and therefore the payments of, grants and subsidies overall?

The Hon. G. PORTOLESI: Are you referring to program 2?

Mrs REDMOND: Program 2 on page 115, at the very top of the page is 'expenses' and, over to program 2, we have supplies and services. They seem to me to have gone from $1,351,000 down to just over $1 million. I am curious because you are either employing more people or paying them more, according to the figure, but the supplies and services are lower.

The Hon. G. PORTOLESI: We suspect that there are some one-off costs in 2008-09, but we will confirm what they are. We think that is what it is, but we will confirm what they are.

Mrs REDMOND: About half a dozen lines further down under 'income' and 'recoveries', can you explain what the recoveries are and why they have gone down from $71,000 last year to $26,000 this year?

The Hon. G. PORTOLESI: We think that might be in relation to managing MSA, that is, managing ticket revenue for a particular community group. So we did it in one year but not in the other. However, to be certain, we will confirm that for you.

Mrs REDMOND: Referring to page 130 of the report, there is a combined total of remuneration of employees—as to how many are on various bands going from $100,000 up to $479,999. Can the minister advise how many employees in multicultural affairs were paid in any of those bands, that is, above $100,000? Can you also advise whether any of your staff in multicultural affairs is paid in excess of the standard 9 per cent superannuation?

The Hon. G. PORTOLESI: There is one employee of MSA for 2009-10 who received remuneration of greater than $100,000. Can you ask your question again about my ministerial staff?

Mrs REDMOND: The question was simply: how many were in—

The Hon. G. PORTOLESI: One.

Mrs REDMOND: So there is only one; that is fine. Do any ministerial staff in multicultural affairs receive more than the standard 9 per cent superannuation?

The CHAIR: Can I clarify something, leader? You are referring to page 130 in relation to remuneration of employees. Does that include political staff?

Mrs REDMOND: I am asking specifically about the ministerial staff on multicultural affairs.

The CHAIR: So they would be included in this table, would they?

Mrs REDMOND: I assume so.

The Hon. G. PORTOLESI: Can I clarify? When you say ministerial staff in MSA, I presume that you mean MSA staff who are located in my office. Is that what you mean?

Mrs REDMOND: Yes.

The Hon. G. PORTOLESI: There is only one of them, and that is an MLO, and I am not familiar with the terms and conditions of his employment. We can confirm that, if you like. Is that what you meant?

Mrs REDMOND: Yes.

The CHAIR: Member for Morphett.

The Hon. G. PORTOLESI: Are we now moving to Aboriginal affairs?

The CHAIR: Yes.

Dr McFETRIDGE: I refer to Part B, Volume 3, page 968, Aboriginal community assistance grants, which have dropped from $4.231 million down to $1.873 million—a very significant drop. Can you give us some reasons for that?

The Hon. G. PORTOLESI: Yes, you are correct. The higher expenditure for this line in 2008-09 compared with 2009-10 mainly reflects $2.253 million of once-off payments for the establishment of a Port Augusta rehab centre and for the To Break the Cycle program. It is a one-off payment.

Dr McFETRIDGE: Same page and reference, the Anangu Pitjantjatjara operating grant has gone up slightly from $1.24 million to $1.326 million. How much of that operating grant has been spent on legal services in the past? Do you have any idea about that? You could take it on notice.

The Hon. G. PORTOLESI: We will need to take that on notice.

Dr McFETRIDGE: The reason I ask that is that I understand that there has been a significant change in the provision of legal services on the lands and that a Queensland firm is now going to provide legal services. A fellow called Phillip Toyne has been giving advice. Does he have a practising certificate and professional indemnity insurance for South Australia?

The Hon. G. PORTOLESI: Can I undertake to get you some information in relation to that? That is an issue that is managed by the APY executive. I met Phillip Toyne when I was on the lands the first time, and I think he is a fully-fledged, properly qualified lawyer. He is highly respected. He was involved in 1981 in the land rights campaign, and I know that he is someone they respect enormously. As a matter of fact, I was meeting with representatives of the APY executive today. In order to get it right, we will get a response to you, but he is a serious person in the legal field.

Dr McFETRIDGE: The reason I ask that is that he seems to have given them contrary advice to Mr Ron Merkel QC, who is a very well-credentialled legal adviser. Mr Toyne's advice was for the APY executive to accept changes to the permit system where they would not be charging for permits onto the APY lands and so there would be a significant reduction in income for the APY executive, which then affects the flexibility in their operating grants back here.

The Hon. G. PORTOLESI: Again, they are the affairs of the APY executive. I cannot comment on that. I am not privy to the advice that Ron Merkel has provided. I am familiar with the issue around the permits, and we believe that we have successfully resolved that. I take your point; it is an explanation. But I cannot comment on the diverse legal advice.

Dr McFETRIDGE: That same reference, I understand that, regarding the reduction in income from the permit system, one of the Aboriginal advisers, Kim Petersen, said that the government would pick up the tab for any lost income, which seems to be at complete odds with what is happening elsewhere where a user-pays system is being put in by the government—in every area of government, including biosecurity. Every area of government is now user pays, but why would the government want to pick up the tab on something that was already paid for by individuals as user pays?

The Hon. G. PORTOLESI: I cannot comment on the comments that you report Kim Peterson, who is one of my directors, has made in relation to the revenue collected, or not, as a result of the permit scheme. I will need to check my records, but I do not think this was raised as an issue during my visits and in all the discussions that I had with members of the APY executive. I could be wrong, but it is a bit of a surprise to me. Again, I cannot vouch for what Kim Peterson has said, but we can provide a briefing or some information for you about the revenue impact of the change.

Dr McFETRIDGE: It just seems strange. I have a lot of respect for Kim, but it seems a strange thing for her to do.

The Hon. G. PORTOLESI: I will get back to you, but if you are able to give me some more information about the context of the discussion, that will enable my answer to you to be more meaningful. It is just that I do not want to waste my officers' time chasing conversations that may or may not have happened. I know that you do not want to do that, so if you can give me some information, either here or in another place, I am happy to follow it up.

Dr McFETRIDGE: I am happy to do so, minister. I think it is in the minutes of the APY executive meetings as well. It may not be; I will have to check on that but, certainly, my information

is pretty good. We will go straight back on to some other funding, some more straightforward material. I refer to page 969, funding for the South Australian Aboriginal Sports and Training Academy of $769,000. Can you give the committee an outline on what that has been spent on?

The Hon. G. PORTOLESI: I am advised that we provide a grant to SAASTA. My advice is that it is run by Education. I am familiar with some of its work through its involvement with the Power Cup, for instance. I am aware of the work it does in our schools, where we have a significant number of Aboriginal kids or kids of Aboriginal heritage. Let me get you a decent briefing on that issue. But we do not run that program.

Dr McFETRIDGE: It is a terrific program out at the Para West campus. I refer to the same page, 969. Can the minister explain the difference between the $2.63 million for Aboriginal communities essential services in 2009 and the $344,000—an almost $2.6 million drop—in 2010?

The Hon. G. PORTOLESI: The Aboriginal communities essential services assistance is an expenditure line that is a consolidation of all grants to Aboriginal communities and organisations for operating and maintaining community infrastructure. In 2008-09, ARD, my department, entered into a grant agreement with an external service provider—Regional Anangu Services—to manage and operate the power stations on the APY lands, including the central power station at Umuwa.

Dr McFETRIDGE: How is the solar power station going? You do not have to answer that now. In the same reference, page 968, grants and subsidies within the Department of the Premier and Cabinet. In 2009, there were 80 consultants engaged by the Department of the Premier and Cabinet at a cost of $1.784 million. In 2010, 93 consultants were engaged at $2.322 million. How many of these consultants were employed for matters relating to Aboriginal affairs and what was the cost involved?

The Hon. G. PORTOLESI: I am sure that the honourable member would appreciate that we need to take that question on notice.

Dr McFETRIDGE: I refer to the same page, page 968, and 'Grants and subsidies' within the Department of the Premier and Cabinet. Funding to the arts is provided under the Arts Centre Grants—I am just trying to find the reference here. How much of the funding is provided to arts centres on the APY lands?

The Hon. G. PORTOLESI: I am unclear—which line is the honourable member referring to?

Dr McFETRIDGE: I refer to 'Art Gallery Board Operating Grants' and 'Country Arts Operating Grants'. There is about $15 million there.

The Hon. G. PORTOLESI: And your question is: how much is provided to arts on the APY lands?

Dr McFETRIDGE: Yes.

The Hon. G. PORTOLESI: We will need to get back to the honourable member about that. I will add to that. We do support the art centres on the lands in various ways. I would be surprised, but I might be wrong, if any direct assistance would be coming out of those two lines. I could be wrong, but that is just my initial response.

Dr McFETRIDGE: Just back to that APY Operating Grant, did the minister approve the increase of APY sitting fees and working on business for the APY for members of the executive to $350 a day?

The Hon. G. PORTOLESI: What page is the honourable member referring to?

Dr McFETRIDGE: That is page 968, 'APY Operating Grant'. There has been an increase in the daily payments for members of the APY executive to $350 a day—not just for meetings but for working on APY business. I understand that their week in Adelaide has cost $22,000 plus travel.

The Hon. G. PORTOLESI: I can see the line in relation to the APY Operating Grant; I cannot see the information you are referring to in relation to the sitting fees, and neither can the Chair.

Dr McFETRIDGE: My information is that APY executive members have received an increase in their sitting fee to $350 a day coming out of that grant. Is my information correct and, if so, I would have thought that the minister would have had to approve that increase.

The CHAIR: Member for Morphett, as you well know, we are in the Auditor-General's Report and those figures are just not referred to here. Perhaps, through goodwill and goodwill alone, the minister could seek to provide advice on that, but she does not need to answer this.

The Hon. G. PORTOLESI: Thank you. I am more than happy to seek an answer to that. I have to say that, again, that does not ring a bell with me. There is lots of communication about lots of things that often involve money. It does not ring a bell with the head of my department, either; but, in the spirit of good faith, we will get back to the honourable member.

Dr McFETRIDGE: I also have a couple more questions here on youth. Does the minister want to change advisers very quickly? Then the member for Kavel would like to ask a couple of questions. I have just one question here. I refer to the Auditor-General's Report, Volume 1, page 100. I am quoting here from a question I have been given, namely, that audit also identified that the new FMCP (the Financial Management Compliance Plan) templates were not finalised during the year for transferred functions for the Office for Youth. When will the Office for Youth FMCPs be implemented?

The Hon. G. PORTOLESI: Yes, I am aware of this. The honourable member is quite right: the Auditor-General did note that the new Financial Management Compliance Plan templates were not finalised during the year for transferred functions associated with the Office for Youth. The matter has been addressed, and the Financial Management Compliance Program for the Office for Youth was completed for the period ended 30 June 2010. The honourable member would be aware that the Office for Youth transferred to ADG during 2009-10.

Mr GOLDSWORTHY: I have some questions regarding the Office for Volunteers. I refer to the Auditor-General's Report, Volume 1, page 130, Remuneration of Employees. How many employees in the Office for Volunteers receive remuneration over $100,000, and how does that compare with the 2009 figures?

The Hon. G. PORTOLESI: In 2009-10, two employees in the Office for Volunteers received remuneration greater than $100,000, and it was the same for 2008-09. There is one executive officer in the Office for Volunteers.

Mr GOLDSWORTHY: I move to page 131, under the heading of Supplies and Services. Under Promotions and Publications, $1.436 million was spent in 2009, increasing to $2.125 million in 2010. Does that figure include any advertising costs to promote volunteering in this state?

The Hon. G. PORTOLESI: I am advised that it does, although we do not have the breakdown handy.

Mr GOLDSWORTHY: Similar to a question I asked in estimates, and still under the heading of Promotions and Publications, does the government intend to continue its television advertising to promote volunteering in this state? If so, can the minister provide the dollar amount allocated to that.

The Hon. G. PORTOLESI: My advice is the same as it was during estimates. I think there was an allocation in previous years of about $20,000, but I am yet to make a decision about the future.

Mr GOLDSWORTHY: On the same page, under the Grants and Subsidies heading, in 2010 an amount of $3.29 million is listed under 'Grants by: Other.' Does that figure include grants provided by the state government for volunteering?

The Hon. G. PORTOLESI: We suspect it does because the Office for Volunteers is not listed, as the other offices are, and we suspect that is because they are probably smallish grants. I am advised that it does.

The CHAIR: We now proceed to examination of the Auditor-General's Report in relation to the Minister for Police, Minister for Emergency Services and Minister for Recreation, Sport and Racing for 30 minutes. I remind members that the committee is in its normal session, so any questions have to be asked by members on their feet and all questions must be directly referenced to the Auditor-General's Report.

Mr GOLDSWORTHY: As I indicated, the first period of questioning will be in relation to police. I refer to page 8 of the appendix to Volume 5 of the Auditor-General's Report where it lists under Salaries and Allowances the Commissioner of Police. It shows the police commissioner was paid $381,281 in 2009-10, yet the budget was only $271,000, some $110,281 less than the actual expenditure. Will the minister explain the reason for this?

The Hon. M.J. WRIGHT: We do not have those numbers in front of us, so I will get some more detail for you, but the information that I have been provided here and now may well help explain some of that figure. I think the shadow minister referred to the budgeted figure being about $271,000 and the commissioner's—

Mr Goldsworthy: I can show you; it is right here.

The Hon. M.J. WRIGHT: I will still need to get the detail for you, but I can give you some of the detail now. I am not doubting the figures, by the way. The shadow minister referred to the commissioner's salary in 2009-10 as being $381,281. The information that I have been provided is that there were 27 pays, and the advice I have received is that some of this could be taken into account by things such as salary sacrifice, payroll tax, FBT, superannuation and long service leave, but I will get a more detailed prescriptive answer for the shadow minister. As I said, the advice I have received is that some of those items that I referred to may account for some of that difference that the shadow minister referred to.

Mr GOLDSWORTHY: I refer Volume 3 of the Auditor-General's Report, page 1051, under the heading of Management of Annual Leave Entitlements, which states:

> No employee should have more than one year's recreation leave outstanding at the end of a service year without appropriate approval.

How many SAPOL employees have a recreation leave balance of over a year?

The Hon. M.J. WRIGHT: I thank the shadow minister again for his question. I can get the specific number for him but I think he will be pleased to know that, in response to this issue, SAPOL has taken steps to implement procedures to ensure that police officers and employees comply with Commissioner's Standard 3.4: take annual leave when due and only apply for the approval of annual leave carried forward in exceptional circumstances. So, procedures have been put in place and I will get that specific number for the shadow minister.

Mr GOLDSWORTHY: You may not be able to answer this question, minister, so you may need to take it on notice as well. Referring to the same issue under the same heading, how many of those had received approval at the point where they exceeded the allowable leave balance?

The Hon. M.J. WRIGHT: Once again, I will get that detail for the shadow minister.

Mr GOLDSWORTHY: Again, you may need to do the same with this question: what is the total balance of that excessive leave in terms of numbers?

The Hon. M.J. WRIGHT: Yes; I will need to take that one on notice and I will get back to the shadow minister.

Mr GOLDSWORTHY: I refer to page 1055 under the heading 'Expiation fees'. Since 2002 the current Labor government has collected $527 million in expiation revenue. SAPOL's reasons for variations in the level of the revenue include the number and type of speed detection devices and driver behaviour in response to road safety strategies. Meanwhile expiation revenue was $76 million in 2008, 2009 and 2010. This may suggest that either the road safety strategies have been insufficient or that any decrease in revenue eventuating from positive driver responses has been subsidised by an increase in speed detection devices.

The recent budget included measures to increase expiation revenue by $44.8 million. The question, minister, is: will you concede that any improvement in road safety and improved driver behaviour eventuating in less expiation revenue will be met or offset with measures purely designed to bolster expiation revenue and bridge that gap or make up the difference? To put it another way, irrespective of any improvement in driver behaviour, the government is still trying to increase its revenue via expiation notices.

The Hon. M.J. WRIGHT: No, I cannot agree with that at all and I do not think that is a fair analysis to make. Any government, whether it be on this side of the house or on your side of the house, does have an ambition to improve road safety and to improve driver behaviour. For us—and in a spirit of bipartisanship, I think the opposition would have had a similar philosophy when they were last in government—what we are about is getting the balance right.

There has been an emphasis on road safety. That is not to say that there was not with the previous Liberal government as well, because I think we always endeavour to improve when it comes to road safety. We do that through a variety of measures. There obviously has to be a balance between speed detection, improvements to infrastructure and improvements to education,

and driver behaviour needs to improve. I do not accept the last comment or statement made by the shadow minister. We would be extremely keen as a government for our revenues from speed detection to go downwards.

Of course, the people who have the responsibility are the people who are behind the driver's wheel. I suppose I can look back to the time when we first came to government in 2002. For about the first two and a bit years, I was the minister for transport. We introduced a range of road safety measures and I know that the current minister has also put in place a number of strategies, including significant increases to infrastructure.

As a parliament, we still need to strive to improve road safety. The number of deaths on our roads is too high. The number of deaths, in particular in country South Australia, is far too high. I think we always need to be ambitious when it comes to road safety. Our preference would be for the revenue received from speeding fines to go down, not to go up.

Mr GOLDSWORTHY: I understand the minister's answer, but the budget shows that you are forecasting an increase in expenditure revenue by $44.8 million. I understand what you are saying, but I do not think the budget does not reflect that.

The Hon. M.J. WRIGHT: As I say, I can only answer it in part by saying our preference would be not to collect that revenue. There are 20 additional fixed cameras over four years, there is a rail safety program, and a variety of measures have been put in place. The best news for this government—and I think the opposition would endorse this—is that, despite the fact that we have budgeted for that revenue, wouldn't it be great news if we did not get it? Wouldn't it be great news if we did not get that revenue? That would mean that more and more people out there on country roads in South Australia, but also in metropolitan South Australia, are doing the right thing. If they do the right thing, surely that is going to increase the chances of our road toll going downwards, which we are all, of course, very ambitious about.

Mr GOLDSWORTHY: Of course everyone wants the road toll to come down. The budget reflects that $44.8 million increase, so you cannot have it both ways, minister. The question then arises: is the government's road safety message not getting through?

The Hon. M.J. WRIGHT: I think we need to continue to work hard. We all have a responsibility. I think that, in part, our road safety message is getting through. Obviously, that is largely the responsibility of the road safety minister, who is doing great job, but of course we all collectively have a responsibility in that area, whether it be me, as Minister for Police, or the Minister for Transport. We take it very seriously, as I know the opposition does, too.

My advice is that we did not collect what we budgeted for last year, when we are comparing like with like, from speeding fines. I reiterate that the best message that we can deliver is one that turns around people's attitude to their driving habits and makes sure that they are not breaking the law, and that has to be a good thing.

In regards to the specific question, I think we are doing a good job, but it does not mean to say that we cannot improve. Obviously, the Road Safety Council, superbly chaired by Sir Eric Neal, is fulfilling a very important capacity. This is an ongoing challenge worldwide and in every state around Australia. We have seen the numbers go up and down. We really need to continue to work hard to force those numbers down.

Mr GOLDSWORTHY: Going onto page 1052, under the heading 'Highlights of the financial statements' I note the employee benefits expenses have increased in 2010 by $7 million. Can you explain the reasons for that increase?

The Hon. M.J. WRIGHT: It is reflected by two items: first, the increase in salary and wage costs, which is approximately $21.8 million, and that mainly reflects enterprise bargaining and additional police on during Recruit 400; and, secondly, the reduction in the workers compensation provision, which is $13.384 million. As depicted, it reflects a net movement in the net workers compensation liability and a reduction in the payment trends. The difference between those two figures is roughly what the shadow minister has referred to on page 1052, 'Employee benefits expenses'.

Mr GOLDSWORTHY: On the same page, immediately under that line, 'Supplies and services' have also increased by $10 million from 2009 to 2010. Can you give an explanation for the increase?

The Hon. M.J. WRIGHT: In regard to the supplies and services, the main reasons for this increase are as follows:

- computing and communication, which includes the Microsoft licences, and that accounts for $4.038 million;
- motor vehicles, and that is $1.460 million;
- accommodation and property, which is to the value of $1.229 million;
- legal costs, $1.176 million; and
- Shared Services SA, $0.675 million.

Mr GOLDSWORTHY: On the same page, I refer to a couple of lines down under the heading 'Revenues from (payments to) SA government'. Then the next line is revenues from SA government. That, I note, has increased by $46 million from 2009 to 2010. Can you explain the reason for the increase and can you provide a breakdown of those revenues received?

The Hon. M.J. WRIGHT: As to the item on page 1052, entitled 'Revenues from SA Government', the main reasons for this increase are as follows: 27 pays accounted for $16.6 million; the R400 full year including rephasing, $14.7 million; CPI, $10.7 million; sworn enterprise bargaining, $7.5 million; wheel clamping, $4.1 million; superannuation adjustment, $1.5 million; and unsworn EB, $1 million.

Mr GOLDSWORTHY: I refer to Volume 3, page 1118, point 21 headed 'Property held for sale'. The report notes that land is surplus to requirements and will be sold due to the co-sited emergency services facility in Port Lincoln which is now complete. Was there a cost blowout in the construction of the new co-sited facility at Port Lincoln?

The Hon. M.J. WRIGHT: I am not too sure that is in the Auditor-General's Report but I am happy to answer the question nonetheless. There has been an overrun for this project. The project was established with a governance framework that has historically served the sector well, including a similar scale at Mount Gambier. The contract for construction management of the above project has adhered to Australian Standard 4916-2002 and includes sound and widely adopted systems.

A detailed project management plan including scope, time, cost and quality management was approved by agencies. The project management plan specified the process to be followed should there be a variation to the scope, time, cost or quality of the project. The project management team was assigned the responsibility to deal with these variations and the construction management contract to find the process of escalation to be followed. It would appear that there has been a serious breach of authority.

The Government Investigations Unit of the Crown Solicitor's Office has been engaged to investigate the project and its management. Revised project governance arrangements have been implemented, including a building project control committee comprised of senior officers. It should be noted that there are still some unresolved issues regarding contractor performance and associated payment. This will be subject to investigation.

The project manager has been directed to take sick leave and provide a written report from his medical practitioner regarding his fitness for work. Factors contributing to the overrun include: change of design and scope, building code, Australian compliance issues, payment of locality allowance for construction personnel, trades cost pressures linked to the commonwealth stimulus package and Building the Education Revolution.

Mr GOLDSWORTHY: Minister, given that you have given us quite a comprehensive answer, can you provide us with the actual dollar amount of the budget overrun and, as a consequence, have any capital works projects in the CFS and SES been either delayed or suspended? I guess delayed and suspended are the same thing.

The Hon. M.J. WRIGHT: The advice I have received is that the overrun is approximately $1.4 million. The further advice I have received is that no projects have been delayed or suspended. This is regrettable and, obviously, that is why we have taken the steps that we have. I have referred it to the Auditor-General for his advice, and the procedures have been put in place by SAFECOM to remedy the situation.

Mr GOLDSWORTHY: There is a bit of trouble by the sound of it. We have some recreation and sport questions.

Mr GRIFFITHS: I refer to Part B, Volume 1, page 94, scope of audit, which refers to venue management on certain facilities by the Office for Recreation and Sport. Minister, can you just confirm what facilities the Office for Recreation and Sport is involved in managing? Can the minister also give some detail on whether the Office for Recreation and Sport has any involvement in the management of the State Aquatic Centre at Marion when it is completed?

The Hon. M.J. WRIGHT: We do not have a comprehensive list before us of all the facilities that we—what do we do? We manage, lease and licence. Does the honourable member want a few examples?

Mr GRIFFITHS: Even if you would like to provide them—

The Hon. M.J. WRIGHT: We will give you the detail. We will give you the list. Just to give you a quick snapshot, a few examples, it is of the order of about 20 to 25 under those different categories that I mentioned. It includes places such as the Super-Drome, Santos, Hindmarsh, Eagle Mountain Bike Park, the State Shooting Park, and so the list goes on. We will give the honourable member the comprehensive list.

Mr GRIFFITHS: Minister, is it intended that the State Aquatic Centre will become one of those areas soon?

The Hon. M.J. WRIGHT: The State Aquatic Centre went out to tender today. The tender is for the management and the operation of the State Aquatic Centre.

The CHAIR: Thank you, minister.

[Sitting extended beyond 18:00 on motion of Hon. M.J. Wright]

The CHAIR: We now proceed to the examination of the Auditor-General's Report in relation to the Minister for Families and Communities, the Minister for Housing, the Minister for Ageing and the Minister for Disability for 30 minutes. I remind members that the committee is in its normal session, so that any questions have to be asked by members on their feet and all questions must be directly referenced to the Auditor-General's Report. The member for Bragg.

Ms CHAPMAN: My first series of questions is in respect of Volume 2, pages 446 to 448, Grant Payments for Disability Equipment. I wrote to the minister on 29 October this year to advise that I would be asking questions on this particular topic at this inquiry. My first question is: has the minister read these two pages?

The Hon. J.M. RANKINE: Is that your question?

The CHAIR: I do not think that is a relevant question.

The Hon. J.M. RANKINE: Are we trying to do an examination of the Auditor-General's Report or do you think you are putting me on the witness box?

Ms CHAPMAN: I am just asking you that question.

The Hon. J.M. RANKINE: Just get on with your questions.

The CHAIR: I do not think that actually relates to a budget line. Let us assume that the minister has—

Ms CHAPMAN: There are two pages actually; it is not a budget line, it is two pages.

The CHAIR: I am sure the minister has read them.

Ms CHAPMAN: Excellent, let us start with that then.

The Hon. J.M. RANKINE: I have to say that your arrogance is unbelievable.

The CHAIR: Thank you, minister.

Ms CHAPMAN: My question is: did the former minister for disability, now member for Cheltenham, sign the authorisations for grant payments of $2.9 million and $2.15 million for disability equipment which went to the Julia Farr Association in 2007 and 2008, respectively?

The Hon. J.M. RANKINE: My understanding is that the minister signed letters to the chief executive officer confirming the grant decisions that were made in relation to those amounts.

Ms CHAPMAN: Did you understand that those letters were authorisations? Were they purporting to be the authorisations that you have told us require a minister's signature?

The CHAIR: Member for Bragg, for my own clarification: we are on pages 446 up to and including 448. Where is the letter that you speak of?

Ms CHAPMAN: The whole of this section refers to the application of two large sums of money in the year 2007-08, the concern that the Auditor-General has about that, and the obligation for ministerial approval and the signing of the authority. He makes comment about that, and I am simply asking whether the former minister actually signed—

The CHAIR: I understand; I just could not find it.

Ms CHAPMAN: I think the whole section is important.

The Hon. J.M. RANKINE: These two grants that were made to the Julia Farr Association were non-recourse grants. I think if you go through those pages of the Auditor-General's Report you will see that he has indicated that he has a concern that there is a lack of documentation and formal conditions in the very nature of non-recourse grants. We understand why he has those concerns, but the very nature of non-recourse grants are that they are given to respected non-government organisations. Julia Farr is a very respected non-government organisation with whom we have a very good working relationship, so there is very little risk that the moneys provided to such an organisation would not be used for the purposes for which they were provided.

However, we do understand the Auditor-General's concern in relation to that. Let me be really clear to the house: the money that was provided to the Julia Farr Association to provide support and equipment for people with disabilities—as was the decision of cabinet, as is highlighted by the Auditor-General—was expended on exactly that.

Ms CHAPMAN: So, did the former minister sign those grants?

The Hon. J.M. RANKINE: As I said, my advice is that the former minister wrote to the chief executive officer.

Ms CHAPMAN: I will take it, then, that he did sign the authorisations and that the letters he wrote did purport to be the authorisations. Minister, when were you first made aware of this matter and when were you first made aware of the Auditor-General's investigation into this matter?

The Hon. J.M. RANKINE: I am sorry; I cannot answer that question. I will have to come back to the house. I will find out for you; I am not sure.

Ms CHAPMAN: The information provided in the answers to the omnibus questions from the estimates committee hearings in the previous year indicate that grant agreements existed for these payments. Do you have those grant agreements here today, minister?

The Hon. J.M. RANKINE: No.

The CHAIR: This is not relevant. I understand what you are talking about, but I do not think it is really anybody's place to ask whether a minister has or has not a piece of paper with her now.

The Hon. J.M. RANKINE: The member for Bragg thinks she is conducting a trial, ma'am.

Ms CHAPMAN: You would be guilty, that is for sure. Let me go back to the question then.

The CHAIR: That is a little unpleasant.

Ms CHAPMAN: Having given that information to estimates, in response to the previous committee inquiries we have been given two years' worth of lists of grants and who they are to and the like. My question to you then is, if you do not want to indicate whether you have them here today or not: were there grant agreements for these two grants?

The Hon. J.M. RANKINE: My advice is the practice at the time was to have non-recourse grants confirmed in writing by the minister to the organisation receiving them, but let's advise the house about what was paid and what it was actually used for. I think that is really important because the member for Bragg is digging and fishing for something that simply does not exist. There are two important matters that need to be identified. The Auditor-General identified that the grants to the Julia Farr Association were used for the purpose intended, and I quote from page 446:

Of crucial importance, it is acknowledged that the grant funds allocated to the Department were used to facilitate the purchase of disability equipment as was approved by Cabinet.

He also went on to say that he was satisfied that the Department for Families and Communities has new processes in place that demonstrate good management and accountability practices, so let's make those points very strongly. This state government, since coming into office, has a very strong record of supporting people with a disability and providing equipment to support those people. In fact, we have spent over $44 million on disability equipment since coming to office.

In relation to the money that went to the Julia Farr Association, in June 2007 Julia Farr was given $2.9 million to facilitate the clearing of the disability waiting list. In February 2008, $330,000 was spent to fund 120 wheelchairs, hoists, electric beds, orthotics and other items to clients of the Independent Living Centre (ILC) and other organisations. It is important to remember this assistance was being undertaken during a time of great reform in the disability sector, and I hasten to add that reform is continuing. It is even more important to remember that this is assistance that would not have been funded without this money.

In April, $276,000 was funded for 79 orders. In May, $320,000 was provided for 100 items, including powered wheelchairs, some costing in the vicinity of nearly $9,000; manual wheelchairs, some costing $7,000; mobile shower chairs; and electric beds. In 2008, the state government decided to provide a further $2.15 million to continue to allow the Julia Farr Association to facilitate the provision of more equipment.

From this point, Julia Farr continued to provide the money that it was granted to fund disability equipment and home modifications for South Australians who needed assistance. In July 2008, $87,000 was provided for 38 pieces of equipment and some kitchen modifications, and then two amounts of more than $1 million were provided for disability needs before June 2009. These sums of $1.01 million in January and $1.2 million in May, together provided for 670 items of equipment including some assessments and 135 home modifications.

The member for Bragg has queried why the Julia Farr Association still held $1.8 million at the end of the June financial year and the answer is very simple. The simple answer is that, whilst Disability SA had processed equipment worth $1.3 million by 26 June, the invoice was not settled by the Julia Farr Association until 5 August, meaning that the money was shown in the association's annual report.

This $1.4 million provided for more than 1,000 requests including at least 120 home modifications. A further $400,000 was received in December 2009, funding the final 234 pieces of equipment from the government's injection of these funds, the results being 2,100 pieces of equipment and more than 250 home modifications.

Cabinet made a decision to provide one-off grants so that people with disabilities could receive more equipment and that is what has happened. More than 2,000 pieces of equipment were given to people who would otherwise not have received these vital wheelchairs, hoists and slings, and 250 home modifications were carried out in each year. In each of these years, the funds that were provided to the Julia Farr Association alone to provide disability equipment were around the total increase in budget that the Liberals were proposing for the entire disability services had they won government at the last election.

Ms CHAPMAN: I think it is quite obvious from the question that the minister has missed the Auditor-General's point. Let me make it quite clear: we take no issue with the fact that eventually this money filtered through to its final objective, namely, the application for the purchase of disability equipment and the Auditor-General makes that point. What he says on the rest of the two pages though is that the process in getting there was defective and he is critical of the process that was applied, namely, the allocation of these moneys which he found to be consistent with an attempt to hide that money at the end of the year. That is what he says.

The Hon. J.M. RANKINE: No, he does not!

The CHAIR: Where does he say that?

The Hon. J.M. RANKINE: Can you point out where he says that?

The CHAIR: Yes.

Ms CHAPMAN: If the minister has not read this, I am happy to read it to her.

The CHAIR: I have not read the whole thing.

Ms CHAPMAN: On page 446, he states:

The Cabinet approved funding for disability equipment was received too late in each of the financial years to provide the manageable opportunity for the orderly purchase of disability equipment before the end of the year.

That is the first criticism. The Auditor-General goes on:

It is understood that this factor, together with the risks either of not receiving the funds or not retaining the funds through the approved carryover process, were the motivating factors for the practice of one-off grants to JFA and their subsequent recovery.

The CHAIR: I can't see the word 'hide'.

The Hon. J.M. RANKINE: Where is the word 'hide'?

Ms CHAPMAN: That is the condemnation of the government's action in doing this, which is why we have two pages—

The CHAIR: Excuse me, member for Bragg, just one moment. You did use the word 'hide'. I have page 446 in front of me. There is no mention of hiding. Let us move on.

Ms CHAPMAN: Madam Chair, obviously, the minister has not read the two pages and neither have you, so I will come back to my question.

The Hon. J.M. RANKINE: Where does it say 'hide'?

The CHAIR: It doesn't.

Ms CHAPMAN: Did the return of funds—this is what you have given us detail of; you know all about it—comply with the grant agreements given that the money was not spent in the following year for each of those transactions? As you just pointed out, it went into the year after that again: that is, by 30 June—a year after you had allocated it—it was still there and you just told us that you paid it in August. So, something like 14 months later, it is all emptied out, according to what you have said. Did the return of the funds—because they came back from JFA to Disability SA—comply with the grant agreements, given the money was not spent in that year?

The Hon. J.M. RANKINE: Let me just make sure I place on the record to start with that nowhere does the Auditor-General suggest that anyone hid anything. In fact, the Auditor-General states in the sentence above the one that the member for Bragg quoted:

Of crucial importance it is acknowledged that the grant funds allocated to the department were used to facilitate the purchase of disability equipment as was approved by Cabinet.

No one hid anything. So, you stand up here and just make things up. You verballed the Auditor-General—

The CHAIR: Minister, I do not think we are going to accuse the member for Bragg of making things up. I agree with you that the word 'hidden' is not there. Clearly, the member for Bragg chooses to interpret these words in a certain way.

The Hon. J.M. RANKINE: Unfortunately, ma'am. In fact, the equipment was purchased in the financial year in which it was allocated, in June. No one could—

Ms Chapman interjecting:

The Hon. J.M. RANKINE: You can shake your head, but it just goes to show that you have no idea—

Ms Chapman interjecting:

The Hon. J.M. RANKINE: No, you have no idea—

Ms Chapman interjecting:

The Hon. J.M. RANKINE: I did, and you didn't listen. You have no idea—

Ms Chapman interjecting:

The Hon. J.M. RANKINE: I can give you the—

Ms Chapman interjecting:

The Hon. J.M. RANKINE: No, it wasn't. It was expended during the year. You do not just buy these things off the shelf—

Ms Chapman interjecting:

The Hon. J.M. RANKINE: I have given you the dates and they were—

Ms Chapman interjecting:

The CHAIR: I think the minister is still answering the question, member for Bragg.

The Hon. J.M. RANKINE: They were bulk billed. You were given the dates. The money was given to Julia Farr in June and expended during the next financial year, as expected.

Ms CHAPMAN: On what dates was the JFA invoiced to recover that money, what were the payment amounts, and where do the incoming funds appear in your accounts?

The Hon. J.M. RANKINE: The first invoice to the Julia Farr Association was entered into DFC's records on 14 February 2008 and in the Julia Farr records on the same date. The next invoice was 11 April 2008 and in the Julia Farr records in April 2008. On 28 May 2008 and, accordingly, 28 May in the Julia Farr records—sorry, did you ask for the amounts as well?

Ms CHAPMAN: Yes.

The Hon. J.M. RANKINE: I will go back. The first one on 14 February was for $330,234.40; on 11 April, $276,746.25; on 28 May, $321,261.01. They appeared at the same time, according to the information I have, in both sets of records. Then there was an additional $2.365 million that went to the Julia Farr Association, and it was entered in their records on 19 June. On 30 June 2008 there was an invoice for $87,868.53, and it was recorded by the Julia Farr Association on 31 July. The $2.365 million was inclusive of GST—that is $2.150 million.

I have given you June and July. On 28 January, there was an invoice for $1,018,280.22, and that was recorded by the Julia Farr Association on 28 January. On 29 April, there was an invoice for $1,209,134.22, and that was recorded by the Julia Farr Association on 26 May.

Ms CHAPMAN: These are new payments?

The Hon. J.M. RANKINE: No, they were invoices. On 26 June, there is another invoice for $1,426,396.23, and that was recorded by the Julia Farr Association on 5 August. Then we have an invoice on 30 December 2009 for $400,152, recorded at the same time by the Julia Farr Association. The final deduction was a credit of $71.86, if I have read this chart correctly.

Ms CHAPMAN: So you will see, minister, from a payment program over the period from 14 February 2008 until the final invoice of 30 June 2009—so we are talking over nearly a two-year period—the money was invoiced in amounts back to Disability SA. This money came in in two large lots, as the Auditor-General tells us, and then on the invoice they were paid back to your department to buy the equipment. My question is: of this $5.1 million which was held in trust in the Julia Farr Association to be applied for purchase of equipment by your department, who got the interest on that money and did you ever get any of it back?

The Hon. J.M. RANKINE: It is the very nature of non-recourse grants to non-government organisations that they have that money and they derive the benefit of it. We know they struggle to provide the services that they do, and it is something that we are very well aware of when we make those grants.

Ms CHAPMAN: So you have made a grant to the Julia Farr Association—and this is, according to what you have said, practice—to provide money back to you on invoice to buy disability equipment (because they are not in the business of disability equipment). They have held that money over nearly a two-year period, and they get all the interest on it and you do not get any of it back. Is that what you are telling us?

The Hon. J.M. RANKINE: They did not hold the money for two years. They had two payments—one payment in one year, and one the next.

Ms CHAPMAN: You just gave me the figures. There were two lots of payments. One was made in a later financial year, 2007, which is the $2.92 million, and then $2.15 million in the June—

The Hon. J.M. RANKINE: Yes.

Ms CHAPMAN: The invoices traverse from 14 February 2008 to 30 December 2009 to pay it back. That is over two years nearly; is that correct?

The Hon. J.M. RANKINE: They are two payments over two years.

Ms CHAPMAN: But all these invoices come back, you give them an invoice, and they give it back to you in bits, as you just outlined to us, over two years. They have over $5 million held in their account for disability equipment that your department buys, so it is sitting over in the Julia Farr Association account over that two-year period. My question is: why do you not get the interest back on that money?

The Hon. J.M. RANKINE: Because it is the very nature of non-recourse grants. They did not have $5 million sitting in their account over two years. They had one grant that was paid down; they had another grant that was then paid down. They did not have $5 million sitting there gaining interest.

Ms CHAPMAN: But you would agree, minister, that while they got it in the two payments and some was paid out before the end of each of those periods, they had millions of dollars total in their accounts which someone got interest on. All I want to know is whether you got any of it, or did Julia Farr get the benefit of this money throughout the time it had it?

The Hon. J.M. RANKINE: The very nature of non-recourse grants is that the non-government organisations get the benefit of that. You might have a problem with the Julia Farr Association, but we do not. We actually think it is a very credible organisation.

Ms CHAPMAN: Not at all. No problem.

The Hon. J.M. RANKINE: Good.

Ms CHAPMAN: My next question is: will you provide on notice a list of all the grant payments made to NGOs in the 2009-10 year which are listed as 'other' on page 476 which totals $42 million?

The Hon. J.M. RANKINE: I am told we can provide you with that information.

Ms CHAPMAN: I refer to Volume 4, page 1230, regarding capital works of the Housing Trust. At the bottom of that page, minister, in particular the last two paragraphs, it has been identified that the Housing Trust sought approval to vary Treasurer's Instruction 17 which deals with ministerial and cabinet approval before projects commence. As you will see there, that application was denied; that is, they asked not to have to comply with it and that was rejected. What contracts were entered into by the Housing Trust without your approval as required by the Treasurer's Instructions 8 and 17, and what was the value of these projects?

The Hon. J.M. RANKINE: I am advised there were none.

Ms CHAPMAN: So what was the basis, minister, for the application to be exempt from Treasurer's Instruction 17?

The Hon. J.M. RANKINE: I am told greater efficiency.

Ms CHAPMAN: Can you assure the committee that, notwithstanding this request in the Housing Trust's view that it is more efficient not have to get your permission for things, in fact they have continued to comply with Treasurer's Instruction 17 and that where required you have given that approval?

The Hon. J.M. RANKINE: As far as I am aware that is the case.

Ms CHAPMAN: I refer to Volume 2, page 448, on Families SA alternate care. Here, minister, the Auditor has identified the department's annual review of the registered caregivers has not been completed for a number of caregivers at the time of the audit. The report goes on to say that the department has told the Auditor that this would be completed by September. How many caregivers had not been reviewed as required by the act at the time of the audit, and are there any reviews still outstanding?

The Hon. J.M. RANKINE: I am sorry I cannot give you that number. I am happy to take that on notice. But I am told that to ensure compliance with the policy and legislation the department is taking steps to ensure that support workers receive notification when a review of a carer is due. The department currently monitors non-government support agencies through the registration and licensing branch and will replicate this process for relative and kinship care services.

Ms CHAPMAN: At page 473 regarding staff salaries, I note that at 2008-09 your department had just one employee who earned more than $250,000 and now there are seven. Can you please explain?

The Hon. J.M. RANKINE: I am advised that there is an increase of 55 staff that can be grouped above the $100,000 mark; 44 more staff were within the administrative officer range; 11 more staff within the health and social welfare area; and there was no change to the number of executive officers in our department. In fact, I think we run very well compared to other agencies in the Public Service with about 0.7 per cent of our employees at executive level compared to about an average of 3 per cent.

Ms CHAPMAN: Sorry, it seems that we are at cross-purposes. My question was over $250,000. So, minister, if you are looking at page 473 you will see that in the program provided there that last year there was one and now there are seven in the over $250,000. I am not asking about anything else. The explanation is in relation to those.

The Hon. J.M. RANKINE: There were a number of employees who received TVSP payments. When combined with their normal salary and payments for all accrued annual and long service leave, their gross remuneration was in that vicinity.

Progress reported; committee to sit again.

STATUTES AMENDMENT (BUDGET 2010) BILL

The Legislative Council agreed to the bill with the amendments indicated by the following schedule, to which amendments the Legislative Council desires the concurrence of the House of Assembly:

No.1. Long Title—

After 'the *Motor Vehicles Act* 1959,' insert—the *Parliament (Joint Services) Act* 1985

No.2. Clause 2, page 5, line 7—

Leave out 'Part 2' and substitute 'Parts 2 and SA'

No. 3. Clause 18, page 14, after line 28 [clause 18(1), inserted subsection (laa)]—Insert:

(laa) However, subsection (1) does not apply to a person who drives a motor vehicle other than a heavy vehicle, or causes such a motor vehicle to stand, if the person proves that he or she—

(a) drove the motor vehicle, or caused the motor vehicle to stand, in prescribed circumstances; and

(b) did not know that the motor vehicle was unregistered.

(laaa) For the purposes of subsection (laa), a person may prove a matter referred to in that subsection by furnishing to the Commissioner of Police a statutory declaration in accordance with any requirements prescribed by the regulations.

No.4. Clause 18, page 15, after line 14 [clause 18(6)]—Insert:

(6b) A motor vehicle is driven or caused to stand by a person in prescribed circumstances for the purposes of subsection (laa) if—

(a) the person is not an owner or the registered operator of the vehicle and he or she is required by his or her employer to drive the vehicle, or to cause the vehicle to stand, in the course of his or her employment; or

(b) the motor vehicle is driven or caused to stand in circumstances declared by the regulations.

No.5. Clause 31, page 1, after line 2 [clause 31(1), inserted subsection (laa)]—Insert:

(laa) However, subsection (l) does not apply to a person who drives a motor vehicle other than a heavy vehicle, or causes such a motor vehicle to stand, if the person proves that he or she—

(a) drove the motor vehicle, or caused the motor vehicle to stand, in prescribed circumstances; and

(b) did not know that the motor vehicle was uninsured.

(laaa) For the purposes of subsection (laa), a person may prove a matter referred to in that subsection by furnishing to the Commissioner of Police a statutory declaration in accordance with any requirements prescribed by the regulations.

No.6. Clause 31, page 18, after line 24 [clause 31(5)]—Insert:

(3d) A motor vehicle is driven or caused to stand by a person in prescribed circumstances for the purposes of subsection (laa) if—

(a) the person is not an owner or the registered operator of the vehicle and he or she is required by his or her employer to drive the vehicle, or to cause the vehicle to stand, in the course of his or her employment; or

(b) the motor vehicle is driven or caused to stand in circumstances declared by the regulations.

No.7. New Part—After clause 39 insert:

Part SA-Amendment of Parliament (Joint Services) Act 1985

39A-Amendment of section 20-Long service leave

Section 20(1)(b) and (c)-delete paragraphs (b) and (c) and substitute:

(b) in respect of each subsequent year of service-9 days leave.

39B—Transitional provision

The amendment to the Parliament (Joint Services) Act 1985 made by this Part does not affect an entitlement to long service leave or payment in lieu of long service leave that accrues before 1 July 2011.

No.8. Clause 61, page 26, line 22—After 'subclause (2)' insert:

or to any class of employees employed under the Parliament (Joint Services) Act 1985

MINING (MISCELLANEOUS) AMENDMENT BILL

The Legislative Council agreed to the amendments made by the House of Assembly without any amendment.

STATUTES AMENDMENT AND REPEAL (AUSTRALIAN CONSUMER LAW) BILL

Received from the Legislative Council and read a first time.

At 18:15 the house adjourned until Wednesday 10 November 2010 at 11:00.