HOUSE OF ASSEMBLY

Wednesday 8 April 2009

The SPEAKER (Hon. J.J. Snelling) took the chair at 11:00 and read prayers.

HEATED WATER SERVICES

Mrs REDMOND (Heysen) (11:02): I move:

That the regulations made under the Development Act 1993 entitled Heated Water Services, made on 26 June 2008 and laid on the table of this house on 22 July 2008, be disallowed.

I move this motion after a considerable period. On a number of occasions, I have moved the disallowance of these regulations in the hope that I might either be satisfied that they were not going to harm the constituents of Heysen or that we would come to some reasonable basis for altering the regulations slightly. I think that still may be a resolution to the difficulty.

I will just explain the difficulty to the house. These regulations provide, essentially, that when it is time for anyone to replace their hot water service—their hot water service blows up or stops working for whatever reason and they have to replace it—they must replace it with one of three options: a gas system, a solar system or an electric heat pump system.

Members who are familiar with the Hills—I know, Mr Speaker, that you have some familiarity with the Adelaide Hills—are aware that it has a relatively cooler climate than perhaps the rest of metropolitan Adelaide. Indeed, one of the other things about the Hills is that it does not have a natural gas supply. We do not have reticulated gas on tap, as is available in other places.

If we did not have reticulated natural gas but we still had the possibility of a solar and an electric heat pump system, that would not concern me, but, coincidentally, when the regulations were first promulgated, I became aware that there seemed to be a significant difficulty in my area with solar hot water systems. I, personally, was looking at installing a solar hot water system in my house, and I began to hear from a number of plumbers, as well as from a number of constituents who had problems, about the difficulties they were experiencing.

I am not suggesting that solar is not a viable option in some parts of the Hills, but the fact is that I came across quite a number of situations where people had bought solar hot water systems that were specifically warranted against failure due to frosts at up to an altitude of 800 metres. Where I live in the Stirling area, we are clearly well below that 800 metre altitude, but, notwithstanding that, people were reporting the failure of solar hot water systems.

I do not know the details of how these things work, but I have spoken to a number of plumbers in the area. I have spoken to a number of people who have experienced failure of their solar hot water system. Notwithstanding the warranty, it is clear that in some parts of the Hills, particularly where people might not necessarily have a very clear north facing roof and might have a lot of trees and shrubbery surrounding their property, they have had difficulties.

It also appears that there could be any number of bases for the failure of the hot water systems. For example, they might have failed because the pipes actually burst due to the expansion of frozen water in them—and there were various other things. Eventually, I found that three different things might occur and that all three things might occur for some hot water systems.

In addition, someone who bought a solar hot water service that started out with a five year warranty might find that their hot water service did survive for the first two or three years but that it then failed. They would then make a claim under the warranty, but the warranty would have only two years left—or whatever period was left to run—so it meant that there would be a significant cost imposition on people if they were forced to go to that method.

That situation caused me concern. I have had discussions with a number of plumbers and I have been told by more than one of them that, in the immediate area of Stirling, Aldgate and Bridgewater, where there is a keen interest in the environment, in the past 12 months some 75 solar hot water services have failed because of the cold climate and their inability to work in our climate, notwithstanding that they are supposedly guaranteed to work up to an altitude of 800 metres. This figure of 75, in terms of the number of solar hot water systems in that particular area, seems to be a very high number and seems to indicate an unreliability factor too high to be countenanced.

On the basis of the lack of natural gas and the problems that were apparent with solar hot water systems—and I am not saying that all solar hot water systems will not work in the Hills—that seemed to me to lead to the problem that these regulations would then have the effect that, in the Hills, we were left with no realistic option other than electric heat pump. That was the point at which I initially gave notice of my intention to move to disallow the regulations, because I thought that that would be an unfair imposition on the people in my electorate.

The minister then became aware of my intention to disallow the regulations and he arranged for me to meet with his advisers and departmental officers to discuss the situation. I thank the minister for arranging that meeting, and I thank his advisers and departmental officers for meeting with me to go through the whole issue. I put to those gentlemen the concerns that I have expressed here, and they then put to me some information about the electric heat pumps. Indeed, on the basis of the information that they put to me, I was satisfied that the electric heat pumps, although they were nominally more expensive, were, over the life of the heat pump, going to be roughly the same as replacing it with any other hot water system—that is, if you could just replace your ordinary hot water system with one like you already have. So, they were not going to cost any more over the life of the thing and they were going to be better for the environment.

Indeed, I was so satisfied about that that the very front page of a newsletter I put out for the summer of 2009 (a couple of months ago now) contained a letter from me to the constituents of Heysen telling them the history of this matter to that point and advising them of the following:

> They were able to persuade me that, notwithstanding the potential lack of choice in the Hills, the move to an electric water pump heater from a conventional electric water heater was at least the same financially (better if purchasers were eligible for State and/or Federal rebates) and a significant improvement in terms of projected lifetime greenhouse gas emissions.

Knowing that the environment was the most important issue that always comes through on surveys which I do regularly in my electorate, I then included the graphs which showed that this was the case. I indicated that I was not at that time going to proceed with my disallowance motion.

However, with that newsletter going out to every household in my electorate, thereafter I began to get people contacting my office saying, 'Hang on a minute, there's a problem with electric heat pumps up here as well.' Indeed, I had people who contacted me to say that the electric heat pump that they had installed would only supply enough hot water for two people to have a shower in the morning and then insufficient water for the future. In some cases, it would only provide hot water on the basis that they had to pay enormous electricity costs to use boosters because of the need to heat these things. This was the same even for those who had electric heat pumps located inside their house—we are not talking about a heat pump sitting outside the house.

When I had the meeting with the advisers and the departmental officers and they had explained to me, as best they could—and I am not blaming them at all, I am blaming myself for my lack of ability to understand technology—basically my understanding was that these heat pumps take heat from the atmosphere and use that as part of the heating process, and then that can be boosted by electronically generated heat. I raised the issue that, in the Hills, it gets really cold and we have frosts and so on, but I was assured by the department's officers that, notwithstanding it gets very cold, nevertheless there is still heat in the atmosphere which will allow these things to work and to work appropriately.

The feedback I have from my constituents suggests the case to be otherwise. I am not suggesting that the departmental officers or the minister's advisers in any way tried to mislead me. However, the evidence on the ground from my constituents is strongly to the effect that heat pumps present a similar sort of disadvantage in operating in the Hills to the problems that I enumerated in relation to solar hot water systems. Thus these regulations, in my view, will serve to impose an unfair imposition on people in my electorate and, indeed, probably in other Hills electorates, because we do not have the benefit of having access to reticulated natural gas—and I would tell you that, in fact, in spite of being so close, even Crafers does not have natural reticulated water, let alone natural gas. We do not have reticulated water through most of my electorate, so natural gas, I would suggest, is some little time away.

Without having access to natural gas, without having a climate which is conducive to the installation of solar hot water systems and with the advised problems in relation to these electric heat pump systems—even when they are installed inside a house because it gets so cold up there—then it seems to me that the regulations will operate unfairly on the people who live in my particular area. As I understand it further, these regulations basically apply to metropolitan Adelaide

and exemptions are already provided under the regulations for remote areas because they do not have access to a lot of things.

My argument put simply is that, in the case of people who are living in the Hills where solar, gas and electric heat pumps are not really viable, it would be appropriate to extend the exemptions from remote areas. That is, to reword them in some way so that the exemptions could be applied to those people who live in areas like the immediate Adelaide Hills area where there is no natural gas, an inability to apply solar successfully and an inability to get any decent amount of hot water without massive electrical boosting, which makes the imposition of this regulation unreasonable and unworkable for the people in the Hills.

That is the argument that I wanted to put to the house this morning. I think that there is probably a way to negotiate so that we can come to a sensible resolution because, as I said, my constituents overwhelmingly in my surveys put the environment as their No. 1 issue. So, there is no doubt in my mind that there is no reluctance on the part of my constituents to move to things which are more environmentally friendly. However, to do so in circumstances where they will be faced with having to make a choice from three options, none of which is viable, really, for normal household purposes, is in my view an unreasonable imposition particularly on the people of the Adelaide Hills.

Thus, I am moving this motion this morning to disallow the regulations, not because I am opposed to the regulations in total but because our system allows me only to move either to disallow or to do nothing—so, either accept or reject the regulations. I do not have the opportunity to change the regulations or to suggest the change. However, I think that, with a bit of goodwill on both sides (and, certainly, the minister has shown goodwill, as have his staff and ministerial advisers), I am hopeful that we can come to a sensible resolution which will not impose unrealistic expectations on those people living in the Hills, in those colder areas, but which will still allow the regulations to come into force to impose a situation which I think will probably be fairly reasonable in the rest of the area.

Debate adjourned on motion of Mrs Geraghty.

NATURAL RESOURCES COMMITTEE: UPPER SOUTH EAST DRYLAND SALINITY AND FLOOD MANAGEMENT ACT

Mr RAU (Enfield) (11:17): I move:

That the 25th report of the Natural Resources Committee, entitled Upper South-East Dryland Salinity and Flood Management Act 2000 Report 2007-08: To Drain or Not to Drain—That is the Question, be noted.

I think, really, the title of the report—not the first bit, obviously, but the last bit—really sums up exactly what the question is. Just by way of a very brief explanation, we are talking here about the area of the South-East of South Australia. That area of the state has been seriously modified by human activity since the mid-19th century; and, in fact, a series of deep drains began to be dug in that area back as far as the 1860s.

The purpose of those drains was to remove the large bodies of fresh water which used to accumulate in that region of the state, get it out to sea and thereby make that land available for agricultural activity. Progressively, over probably the last century and a half, this drainage process has continued. Initially the land concerned was either wetland or covered in native vegetation, which ensured that the watertable was kept in some sort of equilibrium in that area. It is important for members to understand that this area of South Australia extends parallel to the Coorong inland over many kilometres.

In fact, over quite recent geological time, this area was the beach. The beach has actually retreated many times to the point where it is now. But, if we went back 10,000 years, for example, the beach would have been, perhaps, five or 10 kilometres inland from where it presently is, but roughly parallel to the present coastline. So, we are dealing with relatively new dryland, and dryland which has had an historical inundation by salt water.

Ms Ciccarello: A bit like the Lower Lakes.

Mr RAU: It is a bit like the Lower Lakes; the member for Norwood is quite right. There is a serious issue here about controlling groundwater salinity. In any event, as I understand what happened, after the initial vegetation was removed, lucerne—which is apparently a very deep-rooted plant—was then planted throughout this region, and it managed to take up the moisture content from the subsoil at roughly the same rate as the native vegetation used to take it up. That

was fine until the 1970s, or thereabouts, when a small insect—the lucerne aphid, I think it is called—decided that it was going to wipe out the lucerne crop.

That meant that no longer was there this pumping action going on by the lucerne in the area, and the groundwater saline table began to rise. It was at that point that discussions commenced to put in a far more extensive range of deep drains to remove this groundwater salinity. The project was envisaged and conceived back then when admittedly the environment was much wetter than it is now, and whether that is a matter of cyclic or climate change is something I am neither qualified nor inclined to debate. In any event, it is drier now than it was when this plan was initially conceived, and there is only one drain left to be completed, which is called the Bald Hill Drain.

Here is the issue: landholders in that area have shown our committee—when we have actually been out to visit it and they have given evidence to our committee—that that land is being seriously degraded by rising saline groundwater. It is restricting their ability to harvest useful agricultural products from that land, and the land is gradually going over to types of plants which are not suitable for grazing or anything else. These individuals, the landowners in that area, have been paying a considerable amount of money over many years by way of levies in order to secure these deep drains, which they believe (and which the science suggests) will reduce the watertable in that area, enabling this saline groundwater to exit from that area and thereby freshening the surface of most of this area and making it available for more agricultural activity—different crops, grazing and whatever.

The tension at the moment is between the legitimate interests of these farmers who have, after all, paid a lot of money for many years in order to secure this drain and, on the other hand, the interests of people who are considering the environmental consequences of this, as this area contains a significant part of the last vestige of wetlands which were typical of the whole of the South-East only 150 years ago. So, there is the tension.

The tension is between agricultural activity and the digging of these deep drains in order to get rid of that saline ground water. On the other hand, the question is whether it will have an adverse impact on environmental considerations, in particular, the wetlands and native species, which are dependent on those wetlands for their habitat.

The committee went out there. We looked at the area and took a great deal of evidence. I will not burden the parliament with all of the details, because it is quite an intricate matter, but I will say this: I have served on many committees and have been involved in many inquiries since I have been in this place, and I would have to say that this appears to be one of the most intractable issues that I have ever confronted. The views are very strong on both sides. They are very genuinely held—

Ms Ciccarello: Like the Lower Lakes.

Mr RAU: As the member for Norwood rightly says, like the Lower Lakes. The people on both sides are genuine people. They have legitimate concerns, and they have varying degrees of scientific material to support their respective propositions, and the government is basically being put in the position of Solomon, having to decide what to do. I do not think that Solomon's option of offering to slice the baby in half is going to be satisfactory to either of them, nor will the government be able to do that.

What is happening is this: the Upper South-East drainage people—the administration that is dealing with this matter—have commissioned an environmental impact assessment. The committee warmly welcomes that, partly because it means that the committee does not have to make a decision about a matter that it is not professionally qualified to make, but also because it means that somebody will be overviewing this whole thing in the light of current evidence, current climate configurations, and current knowledge about the environment in that area.

I imagine that it will then be a matter for the executive government to make a determination as to whether they go ahead and, as the report says, decide to drain or not to drain. Whatever choice is made in this case there will be unhappy people. Whatever choice is made, particularly if the choice is not to go ahead with the drain, legitimate issues about compensation and other things may then arise.

This is a very difficult problem. It is a difficult problem for the people who live there, it is a difficult problem for the committee, and it will be a difficult problem for the decision makers in the end. My earnest wish and hope is that the assessment that is being done now, which is reviewing

all of the available information and trying to bring it together and advise government, is a robust and very thorough investigation, and that it gives the minister the confidence he needs to be able to proceed one way or the other.

The other point, of course, is time. This program runs out of time at the end of this year. If this drain is not commenced shortly, the sheer effluxion of time will prevent the drain being drawn, because the funding for the arrangement will have been withdrawn. So, we do not have time, we do not have agreement, and we do not have clear information about the environmental impacts. All we have is an array of genuinely and legitimately committed and concerned people living down there. Whatever comes of this, unfortunately there will be unhappy people. I guess that is part of the burden of government, that you cannot please all of the people all of the time, and, in this case, you definitely will not please all of the people.

I would like to thank all of the people whom we met in the South-East who were kind enough to take us around and show us their concerns first hand. I would like to thank the other members of the committee: the Hons Graham Gunn, Sandra Kanck, Stephanie Key, Caroline Schaefer, Lea Stevens and Russell Wortley for their cooperation, assistance and support in relation to this matter.

I would also, of course, like to thank Knut and Patrick, who, as usual, have provided excellent support to the committee. I commend the report to members. If they have time to read it, it does have some lighter moments in it. It is not entirely dry and burdensome. We try to brighten up our reports a little bit. It has nice colour pictures for those who like colour pictures.

The Hon. R.B. Such: There isn't one of the chairman, though.

Mr RAU: No; no pictures of me. There is lots of colour, pictures, graphs and other things, which really do make it quite an exciting read. I commend the report to the house.

The Hon. R.B. SUCH (Fisher) (11:28): First of all, I commend the Natural Resources Committee for this report. I have only had a chance to have a quick look at it, but I think the committee comes to a very sensible conclusion that it does not wish to make a recommendation about the Bald Hill drain until it has had a chance to look at the assessment being carried out in relation to that drain and the reflows proposal. I think that is a very sensible thing, and I commend the committee for not hastily coming to a conclusion.

As the chair of that committee pointed out, over a long period of time, much of the South-East has been drained. There is no point passing judgment on what people did years ago. Some of it was done out of ignorance; some of it may have been done out of greed, but a lot of it was basically done out of ignorance and a lack of understanding of the ecology and environmental interrelationships.

Given that we now have information about interrelationships and interdependence, we have to be very careful about what we do, particularly given the fact that we have very little left in the way of wetlands, not only in the South-East but anywhere in the higher rainfall areas of South Australia. Anyone who studies these things would know that we do not have many high rainfall areas in South Australia.

I would just like to read a section of a letter that I recently received from Mr William D. Hardy, who is a Patron of Wetland Care Australia. Members would know that he is part of the famous Hardy family, of which Barbara Hardy is very well-known. I will not go into the nice words that he said about me at the start; I will go straight to the issue. He says—

The Hon. S.W. Key interjecting:

The Hon. R.B. SUCH: I am tempted. He highlights the fact that they have produced a documentary exposing the plight of the West Avenue Watercourse in the Upper South-East of South Australia. He goes on:

'What's so important about the West Avenue Watercourse?', you ask. Well, in a state which has seen greater loss of wetlands than any other state in Australia, and a region where less than 1 per cent of wetlands remain intact, the West Avenue Watercourse has been described in government studies as, 'arguably the most pristine area of watercourse in the USE' and 'the largest remnant watercourse and contiguous wetland habitat in the Upper South-East region'. It is home to over 40 species of 'conservation significance', including several 'nationally vulnerable' and 'nationally threatened' species.

'And what is its plight?', you ask. Regrettably, the activities of man over the past 150 years have contributed to a slow but certain de-watering of the landscape and diversion of water away from this watercourse. To cite but a few adverse influences, there is the major east-west drainage network in the South-East, which interrupts

the traditional northerly flow of floodwaters and carries this valuable asset out to sea, the extensive and ongoing establishment of forestry plantations in the upper catchment which has dramatically reduced surface flows, and the generally hotter and drier climate in recent decades which is postulated to be a flow-on effect from man-made increases in greenhouse gas generation.

Remarkably, the West Avenue Watercourse, whilst not unaffected by these negative influences, has been able to retain many of its environmental values through periodic influxes of 'local' surface water carried by shallow surface drains.

But, if current south Australian government approval plans to dig a deep saline groundwater drain on the Bald Hills Flat adjacent to the West Avenue Watercourse within the next 12 months are enacted, then despite an expensive, overly optimistic, unproven, highly engineered proposal ('Reflows') to re-establish northerly surface water flows to the area, you can 'kiss goodbye' to 'the largest remnant watercourse and contiguous wetland habitat in the Upper South-East region'. The death of this 'most pristine area of watercourse in the USE' will be accompanied by significant species loss and future generations will no longer be able to observe, study and enjoy an example of the biodiversity-rich wetland environment which covered nearly half of this area prior to European settlement.

That is an extract of the letter from Mr William D. Hardy (Bill Hardy). I think, in essence, it summarises the issues. I am pleased that the committee has not rushed to a conclusion. I believe we have a very good minister for the environment, and I trust that he will be very cautious in regard to any approval of further drainage works in the South-East.

Motion carried.

PUBLIC WORKS COMMITTEE: ADELAIDE DESALINATION PLANT

Ms CICCARELLO (Norwood) (11:33): I move:

That the 314th report of the committee, on the Adelaide Desalination Plant, be noted.

Adelaide's water supply has always been considered one of the most secure in Australia. Water is drawn from two major but separate water sources: the Mount Lofty Ranges and the River Murray. However, both sources depend on rainfall and, given the expected effects of climate change over the next 25 to 50 years, it is highly likely that Adelaide will face reduced availability of water.

Given this, the Desalination Working Group was established in March 2007 by the government to investigate the feasibility of a desalination plant for Adelaide. In November 2007, it recommended that a desalination plant be built to increase the security of metropolitan Adelaide's water supply system. The plant is to be built at Port Stanvac, on a site of approximately 30 hectares, and the committee was told that easements would be required from Mobil Refining Australia.

The Adelaide Desalination Plant project comprises the following major components: a desalination plant (including intake and outfall conduits); a transfer pipeline system; construction and operation power supply infrastructure; and cite preparatory works, security and fencing. The reverse osmosis desalination plant and associated transfer pipeline system will have an initial capacity of 150 megalitres of drinking water per day—equivalent to 50 gigalitres per annum. The infrastructure will meet the future 100 gigalitres per annum capacity.

The transfer pipeline system is a critical component of the project. It provides the means to transfer water from the desalination plant at Port Stanvac to the Adelaide water supply system, via the Happy Valley Water Treatment Plant. The power supply capacity of approximately 11 MVA will be required for construction purposes by the end of September 2009 and is critical for the tunnel boring machines and other construction loads. The mains cable to the site will be an underground line. The connections and upgrades required at the Port Stanvac substation will be undertaken by ETSA utilities.

A 60 MVA transformer will be required to meet the needs for the 50 gigalitres per annum plant. This will require upgrades to ETSA's existing transmission system components, as well as a new substation at the plant site. In addition, substantial electrical supply infrastructure will need to be established, involving large transformers, overhead and underground cabling and high-voltage switchgear.

As the project progresses, control points will be established at the boundary entry and exit points to ensure security is maintained at all times. This will be supplemented using closed circuit television cameras which will be monitored through the Police Security Services Branch of the South Australia Police.

The desalination plant is to be carbon neutral. The plant and delivery pipeline will be operated with renewable energy or purchase of carbon permits and/or offsets. Standards for

achieving carbon neutrality and voluntary mechanisms will complement the federal government's proposed Carbon Pollution Reduction System.

The desalination plant is a major development in accordance with section 46 of the Development Act 1993. However, the minister's declaration specifically excluded the construction and operation of a small-scale temporary desalination pilot plant, preliminary site works and all interconnection works including pipes, storage tanks and pumping stations required to transfer water from the proposed desalination plant to the Happy Valley water treatment plant. The scope of the environmental impact statement required includes:

- Potential impacts of the proposed development on the marine environment in and around Port Stanvac;
- A summary of the existing marine habitats or zones;
- Detailed consideration of the impact of the development and mitigation strategies for each marine zone;
- Development and operation of the desalination plant, in the context of its energy requirements and the government sustainability and climate change initiatives;
- Carbon footprint, carbon neutral development and the likely impacts of climate change;
- Potential impact on the terrestrial environment in and around Port Stanvac, including groundwater and surface water, native vegetation and native fauna, and mitigation strategies to address these risks;
- Indigenous and European cultural heritage and native title;
- Likely noise, dust, odour and waste management effects of both the construction and operation of the plant;
- The construction and operation effects of the proposed development including the need for and management of excavation, dredging, and stormwater and emissions; and
- The planning and environmental legislative and policy context of the plant and an assessment for the development against the provisions of the relevant development plans.

The power supply upgrades are not expected to require removal of native vegetation along the preferred route. The route will comprise a combination of underground cabling and double circuiting existing overhead lines. SA Water has specified that the energy consumption for the desalination plant and marine works should be optimised to use less than 4.5 kWhr per kilolitre of drinking water produced. This is subject to seawater quality being within the specified values. The energy consumption target is challenging and will require innovative strategies to achieve. The energy consumption target is based on national and international benchmark comparisons.

SA Water requires sustainability plans to be prepared and submitted by the contractor. These will address issues of environmental, social and economic concern. Separate plans will be required for the design, construction and operational phases of the plant. During the operations period, the contractor will be required to monitor the work and carry out adequate audits and site inspection to ensure that environmental control measures are in place.

The contractor will also be responsible for landscaping and revegetating the desalination plant site. The boundaries are to minimise the visual impact of the desalination plant on the surrounding area as well as provide habitat for wildlife. The site is about 360 metres from residential properties and adjacent land uses are generally industrial in nature.

The plant will draw in water through an intake structure and release a saline concentrate from the desalination process to the ocean. The concentrate will be discharged through diffusers designed to maximise dilution and dispersion into the water column. The minimum dilution requirements have been informed through investigations to ensure protection of marine biota. The impact on marine communities is expected to be minor, as the intake will be located within areas which are not significant nursery or habitat sources.

The design velocity of the intake stream will be low to allow mobile biota, such as fish, to move away and avoid entrapment or entrainment. The design of the intake and installation of intake screens will also minimise these risks. There is a potential for the saline concentrate to have impact on the water quality and marine environment if not dispersed rapidly. So, a key design

consideration has been to ensure that adequate mixing is achieved under all tidal and plant flow conditions to minimise any risk associated with the saline plume settling on the seabed and impacting marine organisms living on or in the sediment.

The results of investigations assessing the effect of exposure to elevated salinity concentrations have determined that the discharge will not have an impact on the marine environment outside a mixing zone. The security offered by the plant in enhancing the supply of drinking water to Adelaide is of major significance, particularly given the key population objective in South Australia's Strategic Plan to increase the state's population to two million people by 2050. If a desalination plant is not built, South Australia will be forced to continue to draw substantial volumes of water from the River Murray and pump the water to Adelaide's reservoirs.

However, given the ongoing drought in the Murray-Darling Basin, the severe effect this has had on storage levels, and the likely length of time required for storages to recover, Adelaide cannot continue to rely solely on the River Murray to supplement its water supply system in periods of drought. Expected outcomes of the desalination project are:

- The production of safe, reliable desalinated drinking water by December 2010;
- The support of South Australia's Strategic Plan targets;
- The improvement of water security;
- The maintenance of environmental performance by ensuring that any potential detrimental environmental impacts of the plant are either avoided, mitigated or minimised;
- An optimum allocation of risks between SA Water and the private sector;
- The accommodation of capacity upgrades of the plant in a cost-effective manner;
- An asset that has the flexibility to accommodate innovation and technological improvements in the future; and
- An effective knowledge transfer to SA Water in all project aspects including the operations phase.

The site investigation process identified potential locations for the desalination plant along the Adelaide coast of Gulf St Vincent and the South Coast. This assessed locations based on broad environmental and evaluation criteria including:

- Proximity to coastline, site size and elevation;
- Current land use and zoning;
- Offshore marine environment and dispersion rates, and the potential impact of constructing the intake and outfall pipelines and structures;
- Environmental issues at the plant site such as site vegetation, known presence of threatened plant and animal species;
- Social considerations, such as proximity to residential areas, potential amenity impacts and cultural heritage issues, both Aboriginal and European;
- Availability of power; and
- Ease of integration with existing water infrastructure.

Three locations were identified for further assessment and they are: Port Stanvac, West Beach (near Adelaide Airport), and Pelican Point (near the existing power station). A nominal water depth of at least 10 metres was identified for the outfall to disperse saline concentrate. This depth is further offshore at sites north of Port Stanvac and requires significantly longer seawater intake and outfall conduits. The sensitivity of marine habitats and water quality considerations were also identified as additional constraints on the sites further north of Port Stanvac due to their proximity to seagrass meadows and sensitive marine nursery areas.

Port Stanvac was preferred based on the relatively deep sea water, superior marine dispersion characteristics, ease of integration to the water supply network, suitable land use zoning and lower life-cycle costs. It also has other desirable features, including secure coastal location, ease of access by sea and road and less disturbance to beach and marine users. The Desalination Working Group also investigated the different technologies available for large-scale desalination. It

concluded that reverse osmosis was the most energy efficient and cost-effective technology, and it also becomes more favourable and effective with developments expected in coming years.

The economic impact of the proposed desalination plant on the South Australian economy is significant. While the cost of the proposal is to be borne by water consumers, the impact of the capital expenditure and direct job creation will result in a net benefit to the South Australian GSP. The economic modelling undertaken for the 50 gigalitres per annum plant demonstrates that South Australia's GSP is expected to increase by more than $2.8 billion (or 0.4 per cent GSP) to 2017. Accordingly, the proposed desalination plant is economically sustainable when compared with the base case, which is the economy without the investment into the proposed development.

If the inflows to the River Murray remain low or continue to fall in future years, the sustainable economic benefits of the proposed development will increase further, as it provides even greater water security to the metropolitan population and state economy. The nominal capital cost estimate for the plant, including a project contingency, with associated infrastructure with a capacity of 100 gigalitres per annum, is $1.374 billion. The net nominal operating cost of the 50 gigalitres per annum capacity is estimated to be $81 million per annum in 2015-16, allowing for a gradual increase in maintenance costs after the initial three to four years of operation and as the equipment ages and requires higher maintenance and replacement of moving parts.

The first water is expected to be delivered in December 2010, with full operation by August 2011. Construction commenced two days ago. Based upon the evidence considered, pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public work.

Mr PISONI (Unley) (11:48): I take this opportunity to say a few words about the desalination hearing. I must say that it was informative, and I enjoyed it. It was one of the longer hearings we have experienced in the Public Works Committee. However, some points need to be raised that were omitted by the member for Norwood in her report, and there are also a couple of points with which I need to take issue.

During the hearing, it was pointed out to the committee that an extra cost of $79 million was required to speed up the project. If we recall the history of the desalination project, the state Liberal Party called for a desalination plant for South Australia in February 2007. At that time, the Premier was talking about a desalination plant in Spencer Gulf for the mining industry, and he dismissed our call for a desalination plant in Adelaide as a nonsense and something that was not required, and we experienced quite a bit of ridicule by the government for our suggestion.

However, what has now been exposed during the examination of this project in the Public Works Committee was that the government waited another six months before it even thought about a desalination plant for South Australia because it did not want to be in a position where it said, 'The Liberal Party is right: we do need a desalination plant, and we'll get onto it straightaway.' The government waited six months before it said that it would look at a desalination plant here in Adelaide, and the extra cost of that to South Australian taxpayers is $79 million. At the hearing, it was clarified by Mr Ringham that an extra $79 million had been allocated to this project simply to get back the six months the government had lost by playing politics with water, rather than moving forward with the water project.

We also need to remind South Australians that October 2003 was an historic month for South Australia. Two significant things happened that changed South Australia forever: Adelaide went onto water restrictions and the Premier announced a tram to run down King William Street. The house knows that we have our tram, yet, nearly six years later, we are still on water restrictions. According to the Public Works Committee report, it will be March 2011 before we see the benefits of the desalination plant—four years after it was first proposed by the state Liberal Party and ridiculed by the Premier and his cabinet.

Another issue that needs to be raised is that of the ETS, and questions were asked about that. The member for Norwood was at the meeting, but I am not sure that she heard the same thing I did. I have the transcript here and, when I asked a question about estimates of cost and the impact the ETS would have when it was introduced, Mr Ringham said that he could not give us the answer. He said:

> We do not have an estimate for that because, at the moment, even industry is struggling to understand the scheme and what it will mean.

The member for Norwood gave the impression that it had been costed and considered in this project, but Mr Ringham did tell the committee that is not the case at all. Mr Ringham could not tell us what the cost of the water would be once a desalination plant was supplying 20 per cent of Adelaide's water.

I made several attempts to extract information in order to get an understanding of what costs would be borne by Adelaide residents—or all South Australian residents actually—once the water system came on board. Mr Ringham did concede that full cost recovery plus more—a profit component—was part of the government's pricing policy but that any pricing of water was a political decision and up to the government of the day. So we are still unclear about the additional cost to householders as a result of the plan.

There was some talk about green power. I was surprised to hear the member for Norwood saying that the plant was going to be run on green power or offsets. When I examined that prospect with Mr Ringham—and I refer members to *Hansard*—Mr Ringham said that negotiations had not even started for offsetting or green power supply. As a matter of fact, he went onto say that there would be two connections to the grid. It is so important that this plant be connected to the grid that there are two connections to the grid. If there is a problem with one source of supply, a second supply or feed, if you like, from an alternative power source would be provided from Adelaide's power supply—which, as we know, is coal and gas powered—in order to keep producing water at the plant.

I was a little surprised to learn during the examination process that we will still be drawing water from the River Murray when the desalination plant is up and running. Of course, in this budget there is not the money to take pipes from Happy Valley to Hope Valley in order to interconnect and integrate Adelaide's entire water supply with the Port Stanvac production. Water will go into Happy Valley and be distributed to the southern suburbs from Happy Valley because there is nothing in the $1.3 billion cost—and it was confirmed at the hearing—for the interconnection of both Happy Valley and Hope Valley reservoirs. In effect, we will be seeing people in the southern suburbs drinking desalinated water in 2011 but not those in the north of the state, according to the information that we extracted during this process.

Obviously, the Liberal Party is pleased that the government finally took up this policy and agreed to move forward with a desalination project, despite the fact that it ridiculed us when we initially raised the issue in February 2007. I am pleased to see that we are moving forward now. I am very disappointed that it is costing an extra $79 million to play catch-up, simply so the government could spend six months playing politics on this issue.

Motion carried.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE: ADELAIDE DESALINATION PLANT

Ms BREUER (Giles) (11:57): I move:

That the 63rd report of the committee, entitled Interim Report: Desalination (Port Stanvac), be noted.

It is with great pleasure that after three months of waiting in anticipation I move this motion. I am pleased we are able to present this report today. The Environment, Resources and Development Committee commenced its inquiry into the environmental impacts of the proposed desalination plants at Port Stanvac and Port Bonython in August 2008.

It is interesting to follow on from the Public Works Committee's report this morning. As part of our inquiry, 37 submissions were received and 11 witnesses were heard. Submissions and witnesses included key players from state and local government, industry, academics, non-government organisations and community groups, who provided a cross-section of views, ideas and information on environmental issues arising from the proposed development of the desalination plants at Port Stanvac and Port Bonython.

Due to the release of the environmental impact statement by SA Water for the proposed plant at Port Stanvac, this report is just an interim report, focussing on the impacts in Gulf St Vincent. Further comment on Gulf St Vincent may be included in the final report, also. Our knowledge of environmental impacts from desalination is largely based on limited research from relatively small plants operating in relative isolation from each other across the globe. Cumulative impacts, both over time and including other inputs in a particular region, are only now beginning to be investigated. Complicating our lack of knowledge here in South Australia are site-specific conditions of building a large scale desalination plant in an inverse estuary where a lack of

adequate circulation could amplify impacts on marine eco systems. It is this factor—that the desalination plants are being built in inverse estuaries—that caused most concern to members of the committee.

None of the submissions received or any of the witnesses who appeared were totally opposed to desalination per se, but they were concerned about the issue of adequate dispersal conditions in Gulf St Vincent; and many suggested alternative sitings.

The release of the EIS by SA Water addressed a number of design questions raised during the inquiry. The construction design of the full tunnel option appears to provide the method of least environmental damage and intrusion into the marine environment. Strategies have been designed to prevent impingement of marine organisms. The only strategy to entrainment of larvae, eggs and plankton is the use of a low speed intake. Backwash sludge will be dewatered and disposed of on land, and modelling has been used to design a diffuser system to ensure that dispersion of brine will occur efficiently.

Debate adjourned.

SUPPLY BILL

Adjourned debate on second reading.

(Continued from 7 April 2009. Page 2265.)

The Hon. R.B. SUCH (Fisher) (12:00): I would like to make a contribution to this very important money bill. The first point I make is that we are all well aware of the so-called global financial crisis but, in my view, there is too much doom and gloom around. I do feel for those who have lost their job or who are in an area of economic uncertainty but, as anyone who has studied economics would know, one of the critical factors is confidence, and all this talk of doom and gloom and so on is really unhelpful in terms of the economy. We have seen an example recently in relation to Holden. Holden makes a fantastic product, and I think many of us drive Holden cars. I certainly drive one of their cars. I am extremely confident about the quality of the product and the workforce, but when people start talking doom and gloom and being negative, you get a self-fulfilling prophecy and you will get into a situation where you talk yourself down.

The reality is that most people are still working, most businesses are still functioning, and we still have the same resources we had before the so-called GFC. What we need to do as a state and in the context of the wider world is to have confidence in ourselves, and those who are fortunate to have a job and those whose business is surviving should go about their activities in the normal way and not hold back in terms of spending—not spend irresponsibly, but spend sensibly. If people express that confidence in ways that relate to the economy, then we will all be better off.

I understand why the government has been cautious, but I am pleased that it is not holding back on infrastructure spending because, as I have just indicated, the last thing we want is a lack of confidence. What we need is more infrastructure spending—what John Maynard Keynes called 'priming the pump'. We need to get the economy functioning, and one of the best ways of doing that is through infrastructure spending. The list the government outlined yesterday is quite impressive. If you are fair-minded about it, a lot of infrastructure works either have been started (with some completed) or are about to start, and that is good.

I am pleased that the government has moved away from the fear that was created during the so-called demise of the State Bank when we got into the situation where we must never have a deficit. That came as a result of a fear arising from the State Bank situation. A deficit is fine; spending is fine and borrowing is fine, provided you are doing it for the right reasons and in the right way. If you are going to implement things which are wealth creating, then it is a sensible thing to be doing. It is not a bad thing to be spending money and sometimes, as we know in business or private life, you have to borrow in order to create further wealth, property and so on. I think it is good that the government has moved away from that catchcry of no deficit, no borrowing, because it is very important that it does.

Likewise, I think the federal so-called stimulus package can work, but my suspicion is that people will hoard quite a bit of that. It would have been better, in my view, to put much of that money into infrastructure, rather than give it to people to spend at their discretion, because many of them will waste it. It is a value judgment, but that is my view. A little bit of money from everyone adds up to a lot of money to do worthwhile projects.

In terms of some specifics relating to supply, I turn to what I would like to see happen in the financial area in South Australia—and I know the Treasurer would be working away on the budget at the moment. This has been aided recently by the federal announcement, but we need to upgrade infrastructure in our state schools, and obviously in some of the private schools as well. Many of the state schools have dated facilities, buildings and so on. I think the word 'temporary' is a euphemism. Some of those 'temporaries' have been there 40, probably 50, years and should be replaced. Much upgrading needs to happen in our state schools.

In the educational training area, I would like to see many more traineeships. I have had great success in my office with trainees. I believe the scheme should be expanded dramatically into universities and government agencies on a much wider basis than has happened up until now. I have seen the trainees in my office go on to achieve great things, and the more we can do that the better. I think we and the government, where possible, need to provide more scholarships, targeted scholarships, particularly for people from some of our rural areas where you have lower participation rates at university and TAFE, and in some of the lower socioeconomic areas, too.

I would argue very strongly in relation to health. We hear a lot about hospitals. I think we would need hospitals less if we put more emphasis on preventative programs. I am still hammering away at trying to encourage the government to do in situ health checks for state government employees. We should be doing it in here, but throughout the state Public Service in situ (on the job) checks for things like blood pressure, blood sugar, skin cancer, and so on. It is easy to do. Some of our councils do it. You will actually save lives and money in the long run because you will pick up issues before they get out of hand. Likewise, I would like to see the government return to the system where school-aged children were screened for health and other issues.

It used to happen years ago, a long time ago, when I was at primary school. We had to front up and have our teeth checked, our spine development checked, and all that sort of stuff. It is a good investment. A lot of the Scandinavian countries do it. If you do it early enough you can pick up things such as inappropriate development, problems with eyesight and hearing problems; and, if you expand it, you can look at some of the psychological and psychiatric issues, particularly as they relate to secondary children. It is a very good investment, and I would like to see the state government really get stuck into that sort of preventative health.

If you are assessing primary school children, for example (and obviously you do it in a discreet, private way), you can pick up issues such as emerging obesity, and things like that, and deal with them early before they get out of hand; otherwise, we will have an epidemic of diabetes and other issues confronting us. I think that the government has some good measures with respect to water conservation, but it needs to go further. In a recent survey of my electorate one thing that people wanted to see was more encouragement and incentive for reuse of water—not only stormwater but grey water—and more incentives for people to use water on site domestically.

New South Wales requires commercial developments to use their stormwater on site, and we should be doing the same here. In terms of transport, we are an ideal city for cycleways, and so are a lot of our country areas ideal for cycleways and walkways—joint use. I have mentioned before that the Adelaide City Council has a very high standard in those that it constructs through the Parklands. We need them throughout the metropolitan area. The extension of the Noarlunga rail line needs to happen. I have argued for a circle line bus service in the hills to integrate and link in all the transport options, shopping centres, and so on—and I am still working on that.

Locally in my electorate, Happy Valley Drive still does not have any overhead lighting, so it is very dark and quite threatening for people who have a car breakdown or some other issue on Happy Valley Drive. I know that the Minister for Transport said some time back that he was going to put it on the agenda for action, and, certainly, I would welcome that happening sooner rather than later.

I turn now to law and order issues. New South Wales, I think, has set a good example whereby, rather than increase the financial penalty for road breaches, it has gone for an increase in demerit points. I think that is more equitable because it does not penalise poor people more than rich people, and I think that is a better approach.

Another issue of interest is bushfire prevention. I suspect that, sadly, now that we have come into cooler times—but, unfortunately, no significant rain—people will forget about the bushfires and the bushfire risk. Well, I won't. I have just written to the minister for the environment about an advertisement that has been in newspapers about clearing native vegetation. I do not

have any problem with the advertisement per se, except that I think it is incomplete and needs to go a lot further because it does not talk about non-native vegetation.

I see people through the Adelaide Hills planting, for example, cypress pines right near their house. They are not native, but, I tell you what, they burn well. If you look at the report of the Canberra bushfires you can read that, if you get an ember landing in the cypress pine, they will take your house out very quickly. That advertisement to me seemed a little like a knee-jerk reaction with someone probably trying to blame the Native Vegetation Council for all the ills, but what the government needs is a more comprehensive strategy, because those advertisements do not mention cool burns, which is something that I have been supportive of for a long time.

The important thing is not to be allowing or having people build in areas which have an extreme fire risk. On the one hand the government has an advertisement saying, 'Clear this, clear that', but at the same time it allows people to build in areas which, I would guarantee, are death traps not only for the residents but also for the CFS volunteers. That is an issue I have just taken up with the minister for the environment; and, if those advertisements are part of a broader, wider strategy, I am less concerned, but I think that, at the moment, by omission, they suggest or imply that other things do not need to be addressed. I hope that is not a deliberate policy thing, but, clearly, it needs to be funded so that people get onto these issues of cool burns (because you have a limited time to do it) sooner rather than later.

In terms of education, I mentioned upgrading infrastructure in schools. I think that the government needs to allow more local decision making at the school level for the governing council, the principal and the staff. We should make them genuinely community-based schools where the local people have a say. In my view, parents, teachers and the principal invariably will do what is in the best interests of the children at that school.

I am not sure why we must have centralised control in Flinders Street covering all aspects of state school life. I think it is over the top. It is unnecessary, outdated and, I think, ineffective. Things like putting up a fence—why do you need someone in Flinders Street to decide that the contract will go to a New South Wales company, which is what invariably has happened. It seems bizarre to me. I think that the principal and governing council of schools should have more say in selecting staff, and they should be able to initiate the removal of inappropriate and ineffective staff.

In terms of environmental protection, we know that the government has introduced the abolition of certain types of plastic bags. I am not convinced that that was based on sound scientific research, but, anyway, I think it is a positive step;. However, in environmental terms, I am not sure that it was convincingly demonstrated that it was needed. Something that does concern me (and I have written to the minister about this) is that a lot of shopping centres are not undertaking any genuine recycling. The shopping centre in which my office is situated has a big compactor and everything goes in it—lawn clippings, food scraps and cardboard—and then it goes out to Dublin to landfill.

Here we have the local residents doing the right thing, and shopping centres can carry on with an antiquated approach which will guarantee the production of more methane from landfill. I think the government needs to come down really hard on shopping centres and say, 'You do the right thing and recycle cardboard, and so on. Don't send it off the easy way to landfill.' I know that the government has put up the fees for landfill, and so it should, but it needs a more interventionist approach at the front end.

There are a couple of other issues. In terms of reforms to superannuation, I have been lobbying the Treasurer here as well as the federal government. We know that women in particular have been discriminated against in regard to superannuation over many years. Some of that has been corrected. The government has introduced some incentives for people to top up their super, but I am still arguing that people who want to work full time should be able to access part only of their super as a cash withdrawal—not all of it. If they reach the age of, say, 60, they should be allowed to cash in part of their super, rather than have to wait until they completely retire.

That would fit in very well with an incentive that does not require people to retire early, which is the case at the moment in some of the state's superannuation schemes. At the moment, teachers basically are being given an incentive to retire early at the age of 58 or 60 when they have many years of useful service left in them. I would urge the Treasurer to have a look at revamping the state's super arrangements, so that people are not unnecessarily encouraged to leave the workforce when they do not want to, especially when they have something to offer.

Finally, in terms of financial matters, I think it is time that the whole vehicle registration scheme was reviewed, and I have written to the Treasurer about that, and likewise the Motor Accident Commission. Currently, if you are involved in an accident and it can be shown that you contributed to it you have to pay a maximum of, I think, $300. That is ridiculously low. They are some of the issues that I would like to see the state government address. I support this bill and look forward to its speedy passage.

Mr BROCK (Frome) (12:17): As with other members of the house, I would also like to contribute to the debate on the Supply Bill. I must admit that I am in favour of it, but I would just like to say a few words. As a member for Fisher indicated, he drives a Holden, and with a name like mine—Brock—I need to drive a Holden also, support the local car industry and keep the tradition going on.

The Hon. R.B. Such interjecting:

Mr BROCK: Thank you to the member for Fisher; hopefully, I will not be speeding. As the member for Fisher and other members said, we have had some excellent times in the last few years. At the moment, we are having some very uncertain times with the economic situation across the world. One of the things that we do not want to be doing is portraying a negative attitude and showing a negative response to the state of South Australia and to the world.

I am getting a message here—slow down. I will slow down. One of the things that I have noticed since coming to parliament eight or nine weeks ago has been the amount of learning needed, and I am still learning, members.

First up, I must compliment the Premier, who has put on hold the supply of four-cylinder cars until further notice, when Holden provides its own four-cylinder cars here. As a state, we should be supporting, as much as we can, local industries, providing, of course, they are competitive.

In parliament yesterday, the Premier listed some major projects achieved in this state in the last couple of years. He went on about the tram project, the Port River, the Bakewell Bridge, the Port Wakefield bypass, and the upgrade of the road, etc. I added them up to about $1.6 billion. As the member for Fisher indicated previously, as state politicians and as custodians of the state's funds we need to act in a responsible manner, but we need to ensure that we provide infrastructure that is going to benefit the future.

Whilst government projects have progressed, and others are in the pipeline, particularly the desalination plant and other projects, I remind government members that South Australia does not finish in Adelaide. We also need to contribute to regional parts of South Australia. The population may live mainly in Adelaide, but regional parts of South Australia also contribute very strongly, and we need to make certain we look after people out there.

With regard to education, in conjunction with the commonwealth government's stimulus package, I would like to see the government continue to progress that, particularly in terms of regional South Australia's education buildings and air conditioning. Air conditioning seems to be an issue across all of the educational facilities in regional South Australia. I would like to see more money spent on air conditioners to make it easier for students to concentrate. At the same time, in regional South Australia we have to travel fairly long distances to go to school. I ask the government to ensure the improvement of the condition of ageing school buses with air conditioning and the provision of seat belts.

With regard to health, we take on board the Country Health Care Plan, which is still out for discussion. I certainly commend the government for trying to improve facilities and services. As other members have indicated, whilst we may have buildings there, we need to ensure that we retain an increase the amount of services available to regional South Australia, in particular, because it is very hard out there at the moment. To have to travel 600, 700 or 800 kilometres to services in Adelaide is very onerous on the people in regional South Australia.

With regard to water, previously we have had an opportunity in the north of our state with mining activities up there. With the current economic situation at the moment, that may be on pause, but they will come back in. As I indicated in my maiden speech a few weeks ago, one of the issues that we need to confront is water security, ensuring that water is available not only for Adelaide but also for increased mineral opportunities in the north of our state. That is the only thing that will hold us back: the uncertainty of a continuous supply of water.

It was mentioned yesterday that SA Water has service charges and things like that, and that goes up with the capital value of your premises. The cents in the dollar on that value has not changed, on my observation, so, the higher the valuation of your residence or business, the more money SA Water contributes to the state coffers. I would ask that the increase goes back into infrastructure by way of renewing water pipes and upgrading systems across all of South Australia. We hear all the time of burst water mains and the loss of our precious water, and we seem not to really want to face that issue. We ask people to ration their water in their houses and gardens, but quite often we see fairly large water mains burst and the great loss of water.

With regard to the South Australia Police and police protection throughout our state, I take on board the amount of money that we can put into their activities. However, I just want to talk about regional South Australia, picking up the electorate of Frome. I understand that in the LSA in Port Pirie, and that area there, operational police numbers have not changed in the last 10 years. The fact is that there has been greater activity within that region—extra people coming into the Upper Spencer Gulf area and also the townships of Peterborough, Jamestown, Clare, Port Broughton and the surrounding areas.

I do not understand why, despite an increase in population, increased activities and increased traffic on the highway going through those areas, there is not an increase in our operational numbers. I would certainly ask that the government look at operational numbers and ensure that the requisite number of operational police are on the roads, not behind desks or acting as transport escorts for buildings and activities going to the north of the state.

There will be extra activity with the new wind farms in the north of South Australia and, therefore, more police escorts will be required. Again, I ask that the government look at that matter and ensure that the operational police are out there policing the safety of our people, not revenue raising and not actually escorting wind turbines to regional South Australia.

I think that what the state government needs to do is ensure that we try to help what we already have operating here in South Australia. I certainly encourage the government of the day to ensure that it gives first preference to local industries within the state. I know that we have free trade between the states, but one of the things we need to also do is ensure that the state is viable. We must go forward in a reasonable, effective and responsible manner.

We talk about affordable housing, and it is always being mentioned that the economic situation is getting harder and harder. People are struggling out there. The banks are not passing on the full interest rate cuts, and people are losing their jobs. Affordable housing in regional South Australia is getting harder to obtain. I am hearing that lots of houses out there are vacant. They are ready to be subdivided—the title fixed up and they are ready to be sold. The original concept of that was to sell to homeowners/occupiers, but I know that in Port Pirie quite a few Housing SA homes have been sold. We do not know whether the purchasers are going to live in those homes, because a lot of entrepreneurial people come in and purchase them.

I ask that the government look at upgrading those homes that are vacant at the moment and, in actual fact, purchase or build more homes in regional South Australia to make it better for people on low incomes who are struggling. At the end of the day, if you have a nice home, you feel better and you feel confident. We have to also make certain that we look after our children so that they are able to have a good future.

We also need to ensure that we have a fair and equitable distribution of provisions for all South Australians. I certainly encourage members, when the budget comes down, to look very favourably to regional South Australia to ensure that the services out there are on par with what we have in metropolitan Adelaide, because we are one state, and that is the way we should remain. I commend the bill.

Mr WILLIAMS (MacKillop) (12:28): In my opening remarks on this bill, I want to say that I totally agree with the final comments made by the member for Frome—

The Hon. M.J. Atkinson: Just say it.

The DEPUTY SPEAKER: Order! The Attorney will refrain from interjecting.

Mr WILLIAMS: Thank you, Madam Deputy Speaker. You will not offend me if you throw him out of the chamber. Somebody needs to do it at some stage. The member for Frome implored the government to recognise the importance of regional South Australia, and that is something that this side of the chamber has been trying to do with this government for the last seven years. It is very obvious that the government has little, if any, interest outside of metropolitan Adelaide, and it

has let down rural and regional South Australia very badly during its current term. I may even come back to that very topic later on in my contribution. I want to talk a little bit about some of the portfolio areas for which I am responsible on behalf of the opposition.

I will start with water because here we have a government that is seven years into its term and, for the majority of those years, it has been recognised that the country has been in drought and that the main water supplies for South Australia have been under stress. It is a government that has done very little, if anything at all, to build new capacity or new water supply for South Australia.

We have had a plethora of announcements; we have had ministers—and there have been a number of them—out there making excuses and saying how difficult it was. The current minister was on ABC Radio in Adelaide this morning and, when asked about stormwater harvesting, she said, 'You've got to recognise that you can't do these things overnight. It will take 10 years.' I say that is baloney. In fact, the important thing that the current minister for water resources has to understand is that, if you want to use stormwater (and I have been suggesting, for over 12 months, that we should be, as have a lot of other experts in the field), of course it will take 10 years to bring it into supply if you do not get started.

You also have to ensure that senior government ministers do not try to incite the community against the use of harvested stormwater, as the Attorney-General did a few weeks ago. The Attorney-General was on air saying that if you re-use stormwater it will make people sick. The only sick person in that debate, I contend, would be the Attorney-General. For the Attorney-General's information, I point out that the CSIRO has spent four years studying the quality of the water that the Salisbury council is extracting from its acquifer recharge and re-use bores, and has concluded that the water quality is at least as good if not better than that supplied through the SA Water pipes to Adelaide residents. The Attorney-General is just plain wrong on that one. I cannot believe the government allowed him to go out and make a fool of himself and, more importantly, put people offside for what will become one of the major sources of Adelaide's water into the future.

I say to the government, 'Get on with it.' We need to make Adelaide relatively independent of the River Murray. Why? We have a Premier who has been talking about climate change for 20 years but has done nothing about it and has allowed communities right across South Australia to be totally reliant on the River Murray. I cannot understand that; it does not add up. The logic of what the Premier has been saying about climate change and remaining reliant on the River Murray does not meld. We have to reduce our reliance on the River Murray. I think that has been accepted by just about everybody in South Australia, apart from senior ministers in this government.

How can we do that? It took the government at least 12 months to understand that you can desalinate seawater and provide high quality water to communities. There is a cost involved, but we do not have many choices. It took the government 12 months to understand that, after bagging the concept, and it has taken another 16 months to get going. It has taken 16 months from the day it finally conceded that we need a desal plant here in Adelaide to do anything about it and to say, 'Yes, we're going to build it. Let's start building it and get on with it.'

When I was in Spain last year, talking to some of the major desal plant constructors in the world, they told me that they could build a desalination plant for Adelaide in 18 months, including time to order the parts and equipment. We are still 2½ years away from having a fully operational desal plant here in Adelaide. It will be 4½ years since the opposition identified that it was necessary. The New South Wales government said that it could build one from go to whoa in 26 months.

If the government had conceded, rather than denied, the common sense of the opposition's call for a desal plant in January 2007, we would have desalinated water flowing to households in South Australia as I speak. Instead, we heard the news yesterday from the Murray-Darling Authority that we have but 12 months' supply of critical human needs water in the system. We are in the lap of the gods for our water supply to about 90 per cent of South Australia's population beyond 12 months, and that is not a place where any government should leave its community.

Another big issue is stormwater harvesting. We have already seen significant rainfall events and, every time we see one, it is very obvious that all the water runs down to the sea and into Gulf St Vincent. That is bad enough, but we also know that it is creating environmental damage as it does so. However, there is a win-win situation here, and I have been arguing it for 12 months: harvest the stormwater and use it to supplement Adelaide's water supply.

Twelve months ago, I issued a policy position, namely, that I believed we could harvest 89 gigalitres of water, which is getting towards half of Adelaide's water needs. Colin Pitman from Salisbury council believes that we can harvest over 100 gigalitres of water, which is over half of Adelaide's water needs, and he probably knows a lot more about it than I do. The other side of the win-win situation is that we could significantly reduce the environmental damage occurring in Gulf St Vincent as a result of stormwater flows off metropolitan Adelaide. Why the government does not pick that up I do not know; I cannot understand it.

This very morning, on 891 ABC Radio, the minister said that it was a long-term project. She tried to make out that she was all for it, but she just said that the local councils were working on it—and they are. The reality, and its significance to the Supply Bill, is that Colin Pitman believes that in Salisbury he can harvest 20 gigalitres of stormwater and sell it. That is about 10 per cent of Adelaide's water use and about 10 per cent of the water SA Water currently sells.

I think that the Treasurer should be taking a keen interest in this because, if Colin Pitman is selling 10 per cent of the water that SA Water sells currently, what does that do to SA Water's bottom line? Recently, I was at Onkaparinga council, where I was told that the council believed it could harvest 15 gigalitres of water in its city area. Incidentally, the total water use in the City of Onkaparinga area is 15 gigalitres. The council believes that it can be totally independent from SA Water for its water supply for the whole of its area. In just those two councils—Salisbury and Onkaparinga—all of a sudden we can see 35 per cent of SA Water's clients being supplied water by another party.

The Treasurer should take a very keen interest in this; he should talk to the Premier about it, and the Premier should say to the minister, 'What the hell are you doing?' This will have a serious impact on the profitability of SA Water, and anybody who has been watching the budget process in South Australia in recent years knows that SA Water is vital to the budget of this Labor government.

From the day this government came to power in early 2002, and from last year's budget to the end of estimates in last year's budget, SA Water was providing some $2 billion to the government. That is fairly serious money, and it is a lot more than it costs to build a desalination plant. However, it has all gone into the Consolidated Account, and it has been spent, but none of it has been spent on stormwater harvesting, aquifer storage and re-use, and a huge risk is hanging over that income stream.

I implore the Premier to take his water minister aside and give her the facts on what she is doing not only to clients of SA Water and the water consumers of South Australia but also, potentially, to the budget, because it is in a big enough mess without that happening.

I want to move to infrastructure—another of my shadow portfolio areas—and make a few comments. I want to take up an answer by the Premier to a Dorothy Dixer question yesterday. He ran through a list of the infrastructure projects which, he claimed, had been completed by his government. I have extracted those projects that have been funded directly by the commonwealth, including transport routes such as the Port River Expressway, Port Wakefield Road, Sturt Highway and NExy—all of which were funded by the John Howard Liberal government out of Canberra. The trades schools operating in South Australia were funded by the Howard government.

The $60 million Glenelg wastewater treatment pipeline which is bringing treated wastewater back to the city was completely funded by the former Howard government. It would be a very good project if the state government put in a few more dollars and increased the size of the pipe so that a lot more water could be put into it. The Glenelg Waste Water Treatment Plant will still be dumping most of its treated waste into the sea because the pipe has not been made big enough.

When I go through the list of projects that the government claims—and can probably fairly claim—have been funded from state resources, it is interesting to note that a significant number of them were funded by the former Liberal government. The Premier listed a number of hospital projects and he talked about the Lyell McEwin Hospital. He said:

> Almost completed the $135 million stages A and B redevelopments of the Lyell McEwin Hospital, and started work on the $201 million stage C, effectively doubling the number of beds at the Lyell McEwin.

I invite members to go to the Public Works Committee website and look at the final report into the Lyell McEwin Health Service redevelopment dated October 2000. It was a project to increase the number of beds at Lyell McEwin from 167 to 280 and increase what are known as same day beds

from 16 to 50. The effective doubling of the beds at Lyell McEwin Hospital from 167 to 147 was funded by the previous Liberal government. It is now being claimed by this state government and this Premier as his work.

He claimed other things, such as the upgrade of Murray Bridge hospital. I refer members to a press release of the Hon. Dean Brown, a former minister for health, dated 31 May 2001, where he announced funding for the upgrade of Murray Bridge hospital. I refer members to a press release of 20 December 2001 of former health minister, Dean Brown, which states:

> Since 1993 this government has spent more than $700 million on rebuilding hospitals and providing major medical equipment. A further $200 million has been approved by cabinet for the Queen Elizabeth, Royal Adelaide and Lyell McEwin hospital redevelopments.

That is a cool $900 million. The Premier said yesterday—and continues to say in the public arena—that he is spending five times as much as the previous government on infrastructure. Well, in the hospital area he is yet to spend as much as the previous Liberal government. If you put an inflater onto the numbers, you will find that he has spent considerably less. This Premier and this government are very good at announcements.

The Hon. M.J. Atkinson interjecting:

Mr WILLIAMS: Well, there are more coming up. They are very good at announcements but they are not good at getting things done. In relation to desalination, I can remember the Premier, in answer to a question I asked in September 2006 from memory, said, 'We're in fact building two desalination plants in South Australia.' He was never building two desalination plants. He did have a plan to become a joint venturer with BHP Billiton in relation to its proposal to build a major desalination plant in the Upper Spencer Gulf. My understanding is that the government has totally walked away from that project.

When it came to power there was a plan on the books to build a desalination plant on Lower Eyre Peninsula and the government scuttled that. The money was funded—$25 million. It was on the books; it was in the budget; it was in the forward estimates. Unlike the proposed rail yards hospital, it was in the forward estimates. It stayed in the budget for a couple of years and then was taken out. That would have been a fine project, but the government walked away from it.

I come back to general infrastructure. The Premier is making this huge claim about the amount of infrastructure that he is proposing for South Australia. The reality is that the vast majority of what has been built in South Australia has been built in spite of this government. It has been built because the federal government (like the state government has had for the last seven years) has incredible revenues and has been quite generous. It has chosen to prop up failing state governments across the nation and is pumping tens or hundreds of millions of dollars into infrastructure. I could go on to speak at length about what I see as the mismanagement by the federal government of its expenses. I think we will live to rue the day that Wayne Swan was the Treasurer of this country, but that debate will be had in the future.

Coming back to infrastructure spending in South Australia, this government, from its own revenue sources which have grown exponentially in recent years, has spent very little on infrastructure. The thing that the Premier did not tell the house yesterday in his longwinded speech claiming credit for what others have done—both the federal government and the former Liberal government in South Australia—is the value of assets that this government has disposed of or intends to dispose of. Goodness me, it is even trying to sell things that it does not own.

We should factor in the value of all those schools that will be closed down—prime real estate. I hear on the radio this morning that a substantial part of Fort Largs will be sold. Prime real estate on the foreshore of Le Fevre Peninsula will be sold. Glenside Hospital—every piece of land that the government can flog off it is flogging off. I would like to see the Premier bring to this house a list of what he has sold and what he is intending to sell and put a value on that, and then, when he takes that value off even his claims of the asset increase through infrastructure development in this state, I think he will be very embarrassed. I think he will be very embarrassed because there is some prime real estate being sold by this government.

The last time we had a Labor government in South Australia in the glorious 1980s we had a similar thing. The former Labor government sold every piece of land that it could get its hands on and that is why we are struggling now to build highways and roadways through Adelaide. The land that had been collected over 20 and 30 years was flogged off by the Bannon Labor government. We are seeing every piece of real estate and every asset that the government can flog off being flogged off—even those buildings in the city that are full of government employees. It is a disgrace.

It shows that the current government's budget is out of control. It is a pity that we will see a continuation of poor management of the finances of this state for almost another 12 months.

Mr HANNA (Mitchell) (12:48): At about this time of the year, the government needs to bring legislation into the parliament to extend the funding beyond 30 June. That is to authorise expenditure while the budget is being finalised through the committees of the parliament and the final passage of the budget through the different houses of parliament. It is an opportune time to talk about areas where the government has got it right or wrong in relation to expenditure and where they are spending their money.

I thought about the most important issues to address on this occasion, and I kept coming back to water because there is a lot more the government could be doing. Incidentally, I looked back at a speech I gave about a year ago and, again, I concentrated on water. It comes up again and again when doorknocking. People are concerned about the issue, quite rightly.

One of the means by which we could approach this better is to effect more changes to water pricing. I firmly believe that we need to have a pricing system that relates much more to how the individual household or business consumes water rather than having a relatively flat rate for the consumption of water.

If I had my way, I would also reduce or eliminate the supply charge. I realise that the Productivity Commission nationally has recommended maintenance of a supply charge, but I still believe that, given the water crisis in South Australia, it would be better for us to have something much more aligned to a user-pays system in relation to water. It can be argued that the supply charge is there for capital purposes, but one can also consider that, for South Australia's existing residential households, the capacity has well and truly already been established; and so that supply charge, in a sense, is there to bolster SA Water's numbers from which the government receives a dividend.

I think the better way to do it is to price water so that people know that, whether they use water inside or outside their house, they will be paying a lot more if they use water extravagantly, and conversely they could actually save a lot of money by reducing their water consumption considerably. The problem with the current approach of water restrictions is that they apply only to the gardens. Although water use on residential gardens is a substantial part of our total water use, the water we use inside—in the laundry, in the bathroom, toilet and the kitchen—is very substantial.

There is very little incentive to cut down our water use inside the house. That is why, as a rule of thumb, I would suggest that those who use twice as much as the average household should pay about twice as much and those who use about half as much as the average household should pay about half as much. Of course, into any such system one would need to build in a system of rebates or discounts for concession holders, whether they be pensioners, unemployed people, etc., and also for dependents. For example, a family with a number of students, whether they be primary school age or university students, would need to have a discounted bill to represent that fact. I am not so concerned about share households, because if several adults are sharing expenses in a house they can pay the full tote odds and simply divide up the bill between them.

So I think that a change to water pricing is essential. I do acknowledge that, in the past 12 months, the government has seen fit to modify the water pricing tiers somewhat, but I think that could go a lot further. Indeed, when we talk about water pricing, we need to consider the culture of SA Water itself. There is something in the charter of SA Water about using water efficiently, but it needs to be much clearer that SA Water should be in the business of conserving water, not just retailing it.

This also needs to be driven from the government—top down—to make sure that every one within SA Water is working on conserving water, not just on reducing demand but also establishing wetlands, for example, and other speakers have expressed this point. I still believe that the Water Proofing Adelaide report, which came out a few years ago, is an excellent blueprint for us proceed with. Very little has been done to implement that report. I will read out a list of potential wetland sites and some of the estimates that have been provided in relation to how much water could be retained and reused. Even if this water is re-used only for outdoor purposes, it is an astonishing proportion of Adelaide's total current use. In fact, it adds up to about a third of the current total.

The list of sites includes: Gawler River, 15 gigalitres; the City of Salisbury and Playford, 18 gigalitres, Barker Inlet Wetlands, 6.5 gigalitres; Cheltenham Racecourse site, 1.5 gigalitres; Port Road, one gigalitre; the River Torrens, over 15 gigalitres; the South Parklands, 0.5 gigalitre;

Keswick/Brownhill/Sturt creek catchment, over 11 gigalitres; the Brighton system, nearly 1.5 gigalitres; the Field River, nearly four gigalitres; Christie Creek, or river, over one gigalitre; Onkaparinga and Aldinga creeks, nearly 11 gigalitres; and the Willunga Basin, two gigalitres.

In respect of that list, there are a couple of sites with which I am quite familiar. The Field River is primarily in the Mitchell electorate. There is tremendous scope there. I am pleased to say that over a number of years I have been suggesting that would be a site for better water retention. I have personally approached the NRM board, which covers the area, and I am pleased to say, whether it is through my submissions or other considerations, I do not know, the NRM board has seen fit to pursue some work in relation to the Field River.

There is another site just to the north of my electorate behind the driver training centre on Oaklands Road or, to look at it another way, behind the Warradale Army Barracks. The Marion council has a substantial reserve there. It is a great site for wetlands, incorporating part of the Sturt Creek, which runs through there. For years, these plans have been on the board, as far as I know, perhaps for about a decade. One of the sticking points is that, for wetlands to be effective there, they would need to incorporate part of the Oaklands Driver Training Centre. For that to be incorporated, the department of transport, that is to say, a state government agency, is asking for a $2 million contribution from the council. The council cannot afford to pay that. It is a sticking point which represents a lack of integrity on the part of the government when it says that it wants to promote stormwater retention. I cannot see why that site cannot proceed with greater alacrity.

There are other things that the government could be doing better. In relation to rebates, I think there is scope for increased rebates, but also applying the rebates in a smarter way; for example, I think there should be rebates for stand-alone rainwater tanks. I do not think they should necessarily need to be plumbed into the system of the house. If rainwater tanks are using water to water the garden, particularly vegetables in the backyard, etc., that household will not be drawing on mains water as much; so, we are achieving the same objective.

If these various measures were brought into effect, then we would perhaps be able to see a relaxing of current water restrictions. I note the restriction system in Perth is called a two days per week water restriction system. That means that they can water two days a week, like we can, but they can use sprinklers and wash cars on the lawn, which we cannot necessarily do. I think that the public would appreciate that, through extra expenditure in some ways and a change to water pricing, they would be able to enjoy real tangible benefits in terms of being able to better look after their own property.

In conclusion, I think that, although the government has taken action in some respects to address the water problem, indeed, drastic steps in terms of the desalination plant expenditure and the proposal to cut off the River Murray at Wellington, there is a lot more that we could be doing on the Adelaide Plains. The result could be a relaxing of water restrictions, and I know that that is what the community wants.

Debate adjourned on motion of Mrs Geraghty.

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

SECOND-HAND VEHICLE DEALERS (COOLING-OFF RIGHTS) AMENDMENT BILL

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

ROYAL ADELAIDE HOSPITAL

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition): Presented a petition signed by 186 residents of South Australia requesting the house to urge the government to support rebuilding the Royal Adelaide Hospital at its current location and to abandon all plans for a rail yards hospital.

BUDDHA STATUE

The Hon. R.B. SUCH (Fisher): Presented a petition signed by 40 residents of South Australia requesting the house to urge the government to oppose the erection of a Buddha statue structure on the Adelaide hills face.

HOUSING TRUST WATER METERS

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition): Presented a petition signed by 25 residents of South Australia requesting the house to urge the government to ensure all Housing Trust households are provided with their own individual water meters in order that they might monitor and control their own water use and pay SA Water for the accurate and appropriate usage.

PAPERS

The following paper was laid on the table:

By the Speaker—

Orroroo Carrieton, District Council of—Report 2007-08—Pursuant to Section 131 of the Local Government Act 1999.

TECHPORT 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) (14:03): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.D. RANN: It is good to see *A Current Affair* in the house. This morning I visited Techport Australia at Outer Harbor, the home of this state's exciting new shipbuilding industry. We were there to mark the achievement of a number of significant milestones in the development of this world-class facility, and it is truly world class. It will be home to the $8 billion air warfare destroyer project, the single largest naval contract ever let in Australian history. In fact, it is the biggest, and also the most complex, defence project in our history.

Among the major milestones reached at Techport recently are the completion and opening of the administration centre and the construction of the new, fully serviced wharf. At 213 metres long and 20 metres wide, the wharf is capable of servicing an air warfare destroyer as it undergoes final outfitting, harbour and sea trials, as well as maintenance and repair works.

Construction of the transfer runway and a separate dry berth, capable of supporting the consolidation of two air warfare destroyers concurrently, has also been completed. The shiplift, which is the largest of its type in Australia and capable of lifting vessels weighing up to 9,300 tonnes, is on track to be finished by February 2010.

The common user facility in which the state government has invested over $300 million is now 80 per cent complete. As I said, this is $14 billion worth of defence contracts which have been won by South Australia in the past three or four years, but the centrepiece of it is the air warfare destroyers.

The Australian Submarine Corporation's $100 million upgrade to its shipyard, adjacent to Techport, is more than 64 per cent complete and on schedule for completion by the end of the year. The business of building the Australian Navy's new destroyers will begin on site from the third quarter of this year.

The Australian Submarine Corporation will be recruiting 140 workers between now and the end of this year to begin the massive task of building the three ships under the $8 billion air warfare destroyer contract. Obviously, we have seen Raytheon take on hundreds of employees; other contractors and subcontractors will do likewise. For instance, we are very pleased that the British company, Ultra, is setting up here in South Australia.

What I have just mentioned represents just a fraction of the benefits that South Australia will receive from this project. At the height of the air warfare destroyer construction program in 2011, the shipbuilding workforce on site will be around 1,000 workers. The AWD project, including the state's $300 million investment in Techport Australia, should return to South Australia about $1.4 billion in economic benefits over the next decade creating more than 3,000 direct and indirect jobs.

The skills and infrastructure being generated to support this project will underpin the future of shipbuilding in this state for many decades to come. I consider the creation of this new shipbuilding industry to be one of the most important achievements of this government. This is this

government putting our money where our mouth is in terms of delivering $14 billion worth project. Can I say this—

An honourable member: And the federal government.

The Hon. K.O. Foley: One dollar.

An honourable member: And the federal government.

The Hon. K.O. Foley: Two dollars.

The Hon. M.D. RANN: The actual money—the member opposite interjected about the federal government, and that is why he has had to pay a fine under the new scheme. This is state government money. It is by making this commitment to build Techport, to build the skills centre and other facilities down there that we have been able to win these contracts. That is what I mean by, in fact, making our infrastructure investment.

It is an industry that will gather together the skills, facilities and the cluster of commercial interests capable of building both ships and the next generation of Australia's submarines. The Prime Minister has already said publicly that the next generation of submarines, worth over $20 billion, will be coming to Adelaide. So, after the air warfare destroyers, we move into the next generation of submarines which will be an even bigger project.

Importantly, ship and submarine building will not only deliver jobs but long-term careers for everyone from tradespeople to high-tech systems engineers. While the AWD project is the centrepiece of our defence industry expansion, it is by no means the sole element.

South Australia has secured around $14 billion in defence contracts in recent years and our state attracts about a quarter of Australia's in-country defence equipment and maintenance spend. So, with 8 per cent of the population, we get about 25 per cent of the defence industry spend in Australia.

In addition to the air warfare destroyers, we find a number of other major defence projects such as the $1 billion AP-3C aircraft maintenance and upgrade contract and also the Australian Submarine Corporation's multibillion dollar Collins class submarine through-life support contract.

The work has already begun on the new superbase at Edinburgh—the transfer over to a battalion. I hope we will see the battalion come to South Australia to get their colours this year, as they prepare to make the move over here. About $700 million will be spent in the northern suburbs on a superbase at Edinburgh.

We are also building another outstanding centre of defence industry expertise at Technology Park in Mawson Lakes, which is already home to leading global defence companies such as BAE Systems, Raytheon and Saab Systems. In recent months, both the Deputy Premier and I have welcomed the head globally of IT&T. We have welcomed the head globally of Raytheon and also, of course, most recently the head of Saab Systems from Sweden.

Planning and design is also underway for the Mawson Lakes precinct to host a secure electronic common user facility, about which I cannot brief the house because it is secret. This will be the only facility of its kind in Australia and will provide security-cleared office and laboratory space to support advanced engineering and research activities. When the expansion of our SABRENet ultra high-speed optic fibre network is completed here at Techport in June, all our major defence, research and education institutions will be linked by a broadband connection that operates 20,000 times faster than domestic broadband. So, I ask all of us here who are into IT to just take that into account—20,000 times faster than domestic broadband.

The concentration of these projects, companies and critical defence infrastructure will provide us with a significant advantage in attracting future defence projects to our state. We also recognise that a skilled workforce is fundamental to our growing defence sector. For example, Techport Australia is home to the Maritime Skills Centre, which provides training programs to develop white and blue-collar skills throughout the life of the AWD project, and beyond. We are also working with the state's education and training sector, as well as with the commonwealth, to ensure that our professional and technical education standards meet the industry's demands.

In addition to developing initiatives such as the Advanced Technology Schools Pathways program, we are attracting some of the world's premier educational institutions to Adelaide, including Britain's Cranfield University, which specialises in defence education. There is no doubt that South Australia leads the nation in defence industry development. We are the only state with a

dedicated agency—Defence SA—that is focused specifically on defence and defence industry growth.

We have also established the Defence SA Advisory Board, which is made up of some of Australia's greatest defence minds, chaired by General Peter Cosgrove, the former head of Australia's Armed Services. It also includes General Peter Lay, who until quite recently was the head of the Australian Army; David Shackleton, of course the former head of the Australian Navy; Les Fisher, the former head of the Australian Air Force; the former defence minister Kim Beazley; and others.

South Australia's commitment to the defence industry is irrefutable. Next to mining, defence is one of the state's most valuable industries of the future. It certainly is the jewel in the crown of South Australia's bright and burgeoning economic future, particularly in manufacturing. We now await the release of the commonwealth government's Defence White Paper. It is the aim of this government to ensure that our state wins as many opportunities and contracts as we possibly can that will be outlined in the Defence White Paper. This will enable us to continue the growth of this industry in the state and create jobs for South Australians.

I have an announcement to make, and that is that in our State Strategic Plan we had a target to increase the number of defence jobs in South Australia from 16,000 to 28,000 by 2013. Currently, at the halfway mark, we are up to the 24,000 mark in defence jobs. I look forward to briefing the parliament in the future on progress being made.

TRANSPLANT PATIENT

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:14): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.D. HILL: The Deputy Leader of the Opposition asked me a question at 2.47pm in the house yesterday, in which she accused ambulance officers in Mount Gambier of wasting a valued kidney and costing a patient the opportunity of a transplant—a very serious claim.

As members will recall, my staff were able to check with Professor Graeme Russ (head of the QEH transplant unit) about the patient to whom the Leader of the Opposition referred. Subsequently, at 3.13pm yesterday, I was able to inform the house that the patient referred to did, in fact, receive the kidney transplant. However, this major embarrassment did not stop the opposition in its quest to pursue this untrue story. In fact, the media were sent a fax from the opposition which was time-stamped 3.49pm, a full 36 minutes after I had informed the house of the facts. The fax contained a media release from the Deputy Leader of the Opposition entitled 'Kidney wasted as ambos sleep'. The deputy's release claimed I was 'under fire in state parliament today after an embarrassing bungle made by the SA Ambulance Service was exposed'.

The only thing that was exposed was the deputy leader's recklessness. The deputy attacked hardworking health workers by falsely casting aspersions on their professional ability. The deputy leader claimed in her release that 'a perfectly good organ was wasted because staff failed to fulfil their duties'. This is totally and absolutely untrue. As I informed the house yesterday, before that media release was sent out, I had been assured by Professor Graeme Russ that the patient did catch the flight, he was taken to the hospital and he did get the kidney transplant. Today, I can also inform the house that Professor Russ tells me that the patient is now recovering well—and that is a good thing.

The deputy leader continued in her media release stating that 'this is a shocking situation and the minister should be demanding answers'. The answers I am now demanding to know are: when will the Deputy Leader of the Opposition apologise, and when will the Leader of the Opposition take responsibility for the actions of his front bench? I also look forward to hearing the deputy leader's personal explanation to the house explaining her error. Ambulance officers, RFDS pilots and hospital transplant teams are some of the hardest-working people in our state. They deserve our thanks, not ill-founded slurs.

South Australia's kidney transplant team enjoys a worldwide reputation for excellence and has improved the lives of countless South Australians. In fact, last November, surgeons conducted South Australia's 2,000th kidney transplant. The deputy leader is willing to sacrifice the professional reputations of dedicated health workers to score cheap political points. Of course, this is not the first time the deputy leader has got it so wrong.

Members interjecting:

The SPEAKER: Order!

PUBLIC WORKS COMMITTEE

Ms CICCARELLO (Norwood) (14:19): I bring up the 328th report of the committee on Playford Alive—Munno Para, Andrews Farm Precincts.

Report received and ordered to be published.

LEGISLATIVE REVIEW COMMITTEE

Mrs GERAGHTY (Torrens) (14:20): I bring up the 16th report of the committee.

Report received.

Mrs GERAGHTY: I bring up the 17th report of the committee.

Report received and read.

PROJECT COMPASSION

The SPEAKER: Before I call on questions without notice, members will note that I have placed Project Compassion boxes in strategic locations around the chamber. I thank members in anticipation for their contributions, and I ask them to bear in mind that the donations are not a licence to interject: they are a penalty. Normal standing orders will still apply, and I will still warn and, if necessary, name members if I think that their interjections are unduly disruptive and that they are ignoring the warnings of the chair.

Mr WILLIAMS: Mr Speaker, I seek a point of clarification.

The Hon. A. Koutsantonis interjecting:

Mr WILLIAMS: I have come prepared, Tom. My understanding is that this is a Lentel—

The Hon. M.J. Atkinson: Lenten.

Mr WILLIAMS: Thank you, Attorney—a Lenten collection and that the period of Lent is one in which certainly good Catholics commit themselves to self-denial. I would hate you, sir, to derive so much pleasure from seeing my colleagues and I depositing gold coins into the box, albeit for a very worthwhile cause. The point of clarification I seek is: will you be making a one for one donation?

The SPEAKER: For the member for MacKillop's information, I have had a rigorous Lent. I think I have done my bit over many question times over the Lenten period. I thank him for his interest. The Deputy Premier.

The Hon. K.O. FOLEY: It is somewhat unfair that the deputy leader and I have been singled out. I advise that the deputy leader and I will be taking the first two grievances because we have to get five minutes of abuse and interjections out of our systems. My worry with the system is that it is clearly based on an honesty system. Having looked around the room, I ask what punitive action you will take if people do not pay.

The SPEAKER: I do not share the Deputy Premier's scepticism about the honesty of members. I have full confidence that members will contribute when they make their interjections.

VISITORS

The SPEAKER: I advise members of the presence in the gallery today of students from Our Lady of the Sacred Heart College, who are guests of the member for Enfield.

QUESTION TIME

WATER SECURITY

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:26): Given yesterday's announcement by the Murray-Darling Basin Authority that only 12 months of critical human needs water remains in storage, can the Premier guarantee that there is sufficient water within the Murray system itself to enable the delivery of South Australia's critical human needs water at the appropriate water quality to our pumping stations for the next year?

The Hon. K.A. MAYWALD (Chaffey—Minister for the River Murray, Minister for Water Security) (14:27): The drought is continuing and there are difficulties with the amount of water that is available and the competing needs. One thing we can guarantee is that South Australia has reserved enough water for next year's critical human needs. We have our 201 gigalitres for next year in the bank, so to speak. It is in the dams, and it has been accumulated this year during the month by month improvements that have been received into the system and purchases we have made out of the basin.

At the beginning of the year there will be a shortfall under current worst case scenarios in relation to the amount of delivery water needed for the 12 month period if we were to rely on just the water in the dams and minimum inflows, so the Murray-Darling Basin Authority and the jurisdictions have negotiated contingencies to back up, including tributary water from New South Wales and Victoria and also Snowy releases of other water that will be made available should inflows not improve sufficiently to deliver the water.

WATER SECURITY

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:28): I have a supplementary question. Is there enough water in the Murray channel, from where our critical needs are stored to our intakes, to guarantee that the water in the bank, if you like, is able to be passaged from where it is now to where it will need to be in order to provide for our critical human needs?

The Hon. K.A. MAYWALD (Chaffey—Minister for the River Murray, Minister for Water Security) (14:29): The answer is yes. With the contingencies we have in place through the provision of tributary water from New South Wales and Victoria and also through other contingency measures that have been negotiated, the answer is yes.

STATE STRATEGIC PLAN

Ms SIMMONS (Morialta) (14:29): Will the Premier inform the house about progress of the South Australian Strategic Plan?

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) (14:29): In relation to the honesty system that is being introduced, I think it is a terrific measure. It worries me, however, that it is almost like the cash for comment system. I saw some members depositing money in advance. It was like a down payment on interjections.

The Hon. M.J. Atkinson: I have put in a cheque for $100.

The Hon. M.D. RANN: He has put in a cheque for $100. I think we have to avoid any semblance of cash for comment in this parliament, as has happened in the British House of Lords.

South Australia's Strategic Plan was launched in March 2004 and updated in January 2007 after a comprehensive statewide community engagement process to include the views of South Australia's many communities. The plan articulates six key strategic, interrelated objectives:

- growing prosperity;
- improved wellbeing;
- attaining sustainability;
- fostering creativity and innovation;
- building communities; and
- expanding opportunity.

Under these six objectives sit 98 specific targets for the state. The targets in the plan were designed to set clear objectives for the state and to guide decision making and action, particularly by the government. The targets were designed to be challenging. As I have said many times, it was always going to be difficult to achieve all the targets in the plan, but there would be nothing more cynical than setting the bar too low so that we could pat ourselves on the back. Of course, there will always be people who say, 'It's too hard; it can't be done', but we make no apology for setting ambitious targets for our state. Ambitious targets are required to drive outcomes from government.

As such, we have made departments and chief executives accountable for their performance in target areas. Importantly, we have also encouraged people outside government to

focus their efforts on these common goals because achieving targets will happen only if we work together. We have established the Community Engagement Board to promote the involvement of individuals and organisations outside the state government in South Australia's Strategic Plan. The Community Engagement Board has initiated an alliance program where organisations and businesses can align themselves to specific targets in the plan.

When the plan was launched, the government committed to a two-yearly public report on South Australia's overall progress towards the 10-year targets. With this in mind, the government established the South Australian Strategic Plan Audit Committee to provide advice on the analysis of the targets and the appropriate indicators and data sources to use in measuring progress against the targets. The audit committee operates as an independent body. From the audit committee's work, we know that significant progress has been made on many targets. There has been some recent deliberate misinformation about progress against the plan and the update of targets in 2007—in fact, not only misinformation but, I think, outright dishonesty.

So, let me clarify: within the first two years of the plan, 19 of the original targets had been achieved—that is 10-year targets achieved in the first two years, 19 of them. A further 24 are on track to be achieved within the set time frame. The targets achieved by 2006, included:

- maintaining Adelaide's competitive business climate, rated by KPMG as the lowest cost business environment of Australian capital cities surveyed;
- achieving a AAA credit rating for the state;
- reducing regional unemployment rates;
- increasing literacy and numeracy for year 5 students to match the national average;
- achieving 81 per cent participation of government and non-government schools in the Premier's Reading Challenge; and
- increasing minerals processing revenue to $1 billion.

At that point, outcomes for 19 of the original targets were judged to be unclear by the audit committee due to a lack of reliable data. So, that is at the first two-year phase. This prompted the need for a rigorous review of the measures and data sources. In some cases single targets were replaced by multiple targets in order to ensure that progress can be accurately judged. In addition, targets which had already been met were updated and new areas of priority were assigned specific targets.

In addition, the process to update the plan in late 2006 included extensive consultation with industry and community groups across every corner of the state. That process was overseen by a team of community leaders who recommended changing some targets and inserting new ones. We listened to what South Australians told us they wanted to measure, and we also took expert advice from the audit committee on what was the best way to measure it. We can now say that the updated plan, released in January 2007, is not just a government document but is truly owned by all South Australians. In fact, we increased the number of targets from 84 to 98.

The iteration of the plan was assessed by the audit committee in 2008. The 2008 progress report illustrates that we are tracking well against the 98 targets. Almost 70 per cent of the targets were judged as within reach, on track, or already achieved. I did not read that in the story about it. Remember, this is not the government grading its own scorecard: this is the report of a completely independent audit committee.

Some of the things we have achieved that you did not read about have been way beyond anyone's expectations. But let me go through just some of them:

- Minerals exploration—our target was $100 million. We got $331 million—smashed the target, way ahead of it.
- Population growth—instead of the decline that was originally forecast—and then we had the 2050 target of two million—we are now due to reach that target way ahead of 2050.
- The proportion of electricity from renewable sources has more than doubled in the past four years, and South Australia now has 58 per cent of Australia's wind generation capacity—more wind power (for those who cannot count) than all the other states and territories put together.

- The 2008 progress report also shows that we have achieved our target on statewide crime rates; that is, to reduce victim reported crimes by 12 per cent by 2014.
- We set ourselves a target to increase the number of attendances at selected art activities by 40 per cent by 2014. Our support of iconic South Australian arts events such as WOMAD, the Adelaide Film Festival, the Adelaide Festival and The Fringe have made that target a reality. Some people were sceptical when we made the Adelaide Fringe an annual event, but we have seen a huge increase in attendances at art events and performances, with more than 6.8 million attendances in the two years to June 2008. This has seen our target achieved ahead of schedule.
- We are also on track to achieve our target of reducing the percentage of young cigarette smokers by 10 percentage points between 2004 and 2014.

And the list goes on. Having a plan has made a great difference to the lives of South Australians, and the results are reported independently and transparently for all to see. We are not resting on our laurels, but we would like to see the plan being reported honestly.

STATE BUDGET

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:37): My question is to the Treasurer. Will he rule out new taxes, fees and charges and increases in real terms in existing taxes, fees and charges in the upcoming budget?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:37): I have made it a practice now in the seven budgets I have delivered, and the eighth budget which will be delivered in June, of not foreshadowing what will or will not be in the budget. I also add for those members opposite who might be ambitious—and I think of the shadow finance minister, the member for Goyder—that the Leader of the Opposition on radio today, after I suggested he should ease his workload and give the shadow treasury to someone, first, who can read a balance sheet; secondly, who understands public finances; and, thirdly, who can undertake the workload, and he ruled it out. He said, 'I will not be shedding or giving the shadow treasury portfolio to any other member.'

Before you have your reshuffle—and I know the shadow minister for transport is under some pressure from what we are hearing—I would have thought the member for Goyder has served a good and fine apprenticeship as the shadow finance minister, but the leader who has to do everything himself has ruled out giving the shadow treasury to anyone else. I think that just goes to show that it will be a very interesting cabinet reshuffle next week.

PUBLIC TRANSPORT

Mr BIGNELL (Mawson) (14:39): My question is to the Treasurer. Can the Treasurer advise the house of the similarities between the Liberal's new transport policy and the government's announcement in June 2008 of a $2 billion investment in the state public transport system?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:39): The transport minister would normally have done this, but he is interstate and the task has been handed to me. I am not sure who devises the Liberal Party transport policy. Is that still you, Duncan?

Dr McFetridge: Yes.

The Hon. K.O. FOLEY: That was yes, with a shrug like that. Who is the guy in the upper house who is running around saying he is doing the transport policies these days?

An honourable member: Ridgway.

The Hon. K.O. FOLEY: Ridgway MLC. He is apparently saying that he is doing the transport portfolio. If we believe the paper today, our good friend the member for Morphett is for the high jump. He is about to be tipped out of a shadow portfolio. Perhaps we will see the member for Finniss coming back down to his rightful place on the front bench. I would have to say that I, for one, would be very sorry to see the member for Morphett bumped out of cabinet, because I think he is a good bloke.

I guess that copying is the best form of flattery. I am told that there were a number of Liberal Party personnel handing out flyers with the Liberal Party transport policy at some train

stations this morning. This is nine months after this government announced a $2 billion public transport infrastructure plan over the next decade. Let us have a look—

An honourable member interjecting:

The Hon. K.O. FOLEY: —$2 billion—at what the Liberals are saying that they will do in their new transport plan. We have a copy of the flyer here but I cannot show that around the house because it would be in breach of standing orders.

Members interjecting:

The Hon. K.O. FOLEY: I will put $1 in, sir. Do you accept 50¢ pieces, two of them? Is that all right? Just 50¢. Thank you. 'Re-sleeper and electrify the north-south access from Noarlunga to Gawler.' We have already announced that. That was in our last budget. 'Extend services from Noarlunga to Seaford.' We have already announced that we are—

Members interjecting:

The Hon. K.O. FOLEY: Seaforth, that is right. That is the guy who says that Andamooka is not in this state. We have already said that we have requested the federal government to provide that for us. The Liberals are saying that they will conduct a feasibility study on extending the Noarlunga line to Aldinga. Well, the first thing you have to do to get to Aldinga is to get to Seaford, so let us get to Seaford and then we will see how we go in terms of going to Aldinga. In fact, we are identifying a rail corridor to Aldinga as we speak. 'Improve bus services to the south, the north and the east.' In the 2008-09 budget we announced 80 extra buses over four years to provide an extra nine million passenger journeys.

Mr Kenyon: They are going one step further, they are reannouncing our policies!

The Hon. K.O. FOLEY: Reannouncing our policies! 'Increase Go Zones.' There are 41 Go Zones in metropolitan Adelaide. We have introduced 25 in seven years. The Liberals introduced 16 in nine years. Every single one of the Liberal Party's transport initiatives put out in a leaflet today is already being undertaken by the government.

It is nothing but a complete copy of the government's decisions—not plans—in terms of improving the state's infrastructure and transport corridors. I simply say to members opposite, you have to be a little more creative than simply copy government, and when you are creative you have to actually cost it and explain how you are going to pay for it.

CREDIT RATING

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:43): My question is again to the Treasurer. What will be the decline in South Australian jobs growth if the government loses its AAA credit rating? The Treasurer told the house on 14 October 2004, 'Restoring our AAA rating is what drives jobs growth in this state.' But the Treasurer told the American Chamber of Commerce lunch just last Friday, 'Well, I can't be fixated on maintaining the AAA rating as a badge of honour.'

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:44): I think I actually said that in the parliament. I hope this state does not see a re-rating of our state's credit rating, but it is a distinct possibility. That is because in the last four or five months we have been notified by the commonwealth, and I am expecting a third notification in the federal budget or prior to that, of an enormous reduction in GST revenue due to the substantial decline in consumer spending.

GST revenue is down in excess of $1.6 billion over the next four years against forecasts that we had in our previous budget (our last budget) which was based on the commonwealth data in terms of expected GST receipts to the state. We are in the worst financial crisis this state has ever seen, even though—

Mr Hamilton-Smith: No, no, no.

The Hon. K.O. FOLEY: No, no, no? We are not in a crisis? Do you know what the Leader of the Opposition said on radio this morning, when trying to put some coherence around the fantasy project that he announced yesterday? Our new leader, who I have now dubbed Mr Bankrupt and will refer to him as such from here until the election, said: 'This is a plan for recovery from the global financial crisis. It is not a plan for the next four years of that crisis.'

So, he is now telling us the financial crisis has another four years to run. If that is the case—

Mr Hamilton-Smith interjecting:

The Hon. K.O. FOLEY: That is what you've said on the radio this morning. You said—

Mrs REDMOND: On a point of order, Mr Speaker, the Treasurer appears to be debating an issue which is not even relevant to the question that was asked by the leader.

The SPEAKER: I think the Treasurer has strayed from the—

Members interjecting:

The SPEAKER: Order! I think the Treasurer has strayed from the question, which was about transport.

The Hon. K.O. FOLEY: The—

An honourable member interjecting:

The Hon. K.O. FOLEY: You should see what my kids have to do for pocket money.

An honourable member interjecting:

The Hon. K.O. FOLEY: No, they have to work. On radio today the Leader of the Opposition referred to this crisis lasting a further four years, yet the day before he could announce a multi-billion dollar project that would bankrupt the state. Mr Bankrupt, the person who would be premier—

Ms CHAPMAN: On a point of order, Mr Speaker: you have just ruled exactly on the same substance. The Treasurer is deliberately defying your ruling, going back to read out and repeat exactly what you ruled on to say that that was straying from the subject. It was about jobs and the AAA credit rating.

The SPEAKER: Order! The deputy leader will take her seat. Yes, the Treasurer is straying from the question which was about transport policy. Has the Treasurer finished his answer?

The Hon. K.O. FOLEY: No, sir. I apologise. I will try not to do it again. One of the policy options to maintain the AAA credit rating would be to cancel $1.6 billion-plus of capital works over the next four years to decrease the pressure on the budget. To do that would be effectively to abandon the state's rail regeneration program or not proceed with the hospital, prisons, schools or a whole raft of capital works projects.

Firstly, that would be damaging to the economy but, secondly, the commonwealth government will not let us do it. The commonwealth has made it very clear that Infrastructure Australia money is contingent upon the state government's maintaining capex effort and not to cut back on capital expenditure. So, we are in a very difficult position.

If we were to lose our AAA credit rating, I would regret it, but the policy option of maintaining capital expenditure, which is substantial fiscal stimulus into the state's economy, is the right policy option in these very difficult times. I would hope that the Leader of the Opposition, Mr Bankrupt, would understand that we are under pressure with our rating, we are under pressure with our finances, and recklessly committing the state to $2 billion, $3 billion or $4 billion of increased expenditure above that already in the forward estimates is a recipe for bankruptcy and further downgrading, and it demonstrates that Mr Bankrupt has no real policy options for the state other than promising that which he cannot deliver.

POLICE ACADEMY

The Hon. L. STEVENS (Little Para) (14:49): My question is to the Minister for Police. How is the Rann government contributing to increased safety and security of the communities in South Australia?

The Hon. M.J. WRIGHT (Lee—Minister for Police, Minister for Emergency Services, Minister for Recreation, Sport and Racing) (14:49): I thank the member for Little Para for her question. Yesterday, the Premier and I had the pleasure of unveiling exciting design plans for a new $59 million police academy. The current academy, being over 40 years old, is tired and no longer meets SAPOL's training needs. The need to equip and train our—

Mr Williams interjecting:

The Hon. M.J. WRIGHT: Put your money in. The need to equip and train our police officers—

Mr Williams interjecting:

The SPEAKER: Order!

Mr Pengilly interjecting:

The SPEAKER: Order, the member for Finniss!

Members interjecting:

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

The Hon. M.J. WRIGHT: The need to equip and train our police officers with the skills to deal effectively with all forms of crime has never been more important. Policing is becoming more complex with police now called upon to respond to everything ranging from assaults and burglaries to e-crime and outlaw motorcycle gangs.

This government will not now, nor ever, apologise for providing extra resources and better facilities for our police. We as a government—unlike the opposition—believe that it is critical to ensure that our police are properly resourced, prepared for the difficult job that they face and ready to protect the community.

Yesterday's Police Academy announcement comes just 13 days after we announced the successful developer for the brand new state-of-the-art police headquarters. At that time, we also saw the ever predictable opposition come out and attack the new police headquarters. We heard that the money would be better spent elsewhere and that the police do not need a new Taj Mahal. Contrary to the opposition statement, the new police headquarters is no Taj Mahal: it is something that is necessary for our police and necessary for the South Australian community.

The simple fact is that SAPOL's current headquarters at 30 Flinders Street do not support the service delivery needs of a modern police agency. The building is ageing and has a fit-out that is now well beyond its economic life. Plant and equipment are failing, building security needs enhancing and SAPOL's workforce is unable to be accommodated due to the limited floor space available in the current building. If it were possible to extend the lease at 30 Flinders Street, a substantial upgrade to base building and fit-out would be required. This would mean that the entire police headquarters workforce would need to temporarily move to alternative leased premises during the upgrade, adding significant cost to the project and disruption to SAPOL operations.

The Rann government's commitment to our police is in stark contrast to the failures of the previous Liberal government. The Liberal Party has no credibility on law and order after allowing police numbers to fall to appalling lows—

Mr WILLIAMS: Point of order, Mr Speaker.

The Hon. M.J. WRIGHT: —closing police stations and—

The SPEAKER: Order! The Minister for Police will take a seat. The member for MacKillop has a point of order.

Mr WILLIAMS: The minister is clearly starting to debate, Mr Speaker.

The SPEAKER: I will listen to what the minister is saying, and I just caution him not to enter debate. The Minister for Police.

The Hon. M.J. WRIGHT: Thank you, sir. As I was saying, the Liberal Party has no credibility on law and order after allowing police numbers to fall—

Ms CHAPMAN: Point of order.

The Hon. M.J. WRIGHT: —to appalling lows—

The SPEAKER: Order! There is a point of order. The minister is debating the answer. Has the minister completed his answer?

The Hon. M.J. WRIGHT: No.

The SPEAKER: The minister.

The Hon. M.J. WRIGHT: The opposition is opposed to our plans for the new police headquarters. It is opposed to the new academy.

Ms CHAPMAN: Point of order.

The Hon. M.J. WRIGHT: They criticise—

The SPEAKER: Order! The house will come to order. It is a little hard for the chair to judge when something is debate or when it is not when the minister has hardly got something out before people are on their feet calling a point of order. It is reasonable for the minister to draw comparisons between policies and provide information to the house. That is not debate, at least not to my mind, but he has to be careful about making comments such as the opposition has no credibility on such and such an issue. The Minister for Police.

The Hon. M.J. WRIGHT: Thank you, sir. They criticise the way the commissioner allocates his resources and they criticise the police strategy to reduce the carnage on our roads as mere—

Ms CHAPMAN: Point of order. The minister is deliberately defying your ruling as to what is relevant in the first instance. The third time around, he is now attempting to raise what criticisms the Liberal Party has made. That is not information or comparison.

The SPEAKER: I do not think the minister is debating. If I think he is debating or going into debate, I will pull him up. The Minister for Police.

The Hon. M.J. WRIGHT: The opposition is happy to commit billions of dollars for a new football stadium but are quick to criticise the government when we provide new facilities for our dedicated police officers. The opposition stands for fewer police, fewer police stations and higher crime rates.

Members interjecting:

The SPEAKER: Order! That is debate. The member for Unley.

PORT PIRIE SCHOOL CLOSURES

Mr PISONI (Unley) (14:55): My question is to the Minister for Education. Is the government planning to close public schools in Port Pirie and, if so, when will parents be consulted? The state opposition has been informed that the education department has been secretly meeting with school principals for several weeks over a plan to close up to nine schools in and around Port Pirie. Information leaked to the opposition indicates an intention to create the state's largest school with nearly 2,000 students.

The Hon. J.D. LOMAX-SMITH (Adelaide—Minister for Education, Minister for Mental Health and Substance Abuse, Minister for Tourism, Minister for the City of Adelaide) (14:56): As usual, the member for Unley gets the facts wrong. The problem is that he does not always engage his mind and feel any requirement to get the facts right. I think the largest school in the state is Trinity College, which has over 3,000 students. So, the largest school would not be one with 2,000 students. That is the first error in what he has suggested.

Certainly, the state government—by which, presumably, he means the department of education—possibly the department of education did speak to some principals. After all, the department of education employs the principals; they are staff and there is a line management role that goes from the CE through district directors through to principals. If they are speaking to principals I do not think that is a hanging offence. In fact, I would have thought that was pretty normal.

The member for Unley does have only a passing respect for accuracy, I know, but in terms of closing schools, who has been responsible for closing the most schools; which side of government? It does not take much wit to work out that they closed 67 schools. Our policy has been that we do not close schools. Where there is school closure it is by agreement and with decision-making and voting, even, by the school community.

In terms of the schools in Port Pirie the member for Unley is out there scaremongering again, spreading facts that are wrong and assertions that are unsubstantiated. His idea of what a fact is is so nebulous—

Mr Pisoni interjecting:

The SPEAKER: Order, member for Unley!

The Hon. J.D. LOMAX-SMITH: I have pages and pages of assertions by this individual which are entirely untrue. A fact from the member for Unley can only be defined as an imagination gone wild. In fact, so secret have been the discussions in the area of Port Pirie, that I understand there have been some discussions amongst the schools about how they might align their facilities better.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. LOMAX-SMITH: But those discussions are instigated by the community; they are driven by community desire and, in fact, they are not—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. LOMAX-SMITH: Unlike members of the opposition who, when they were in government—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. LOMAX-SMITH: —tried very hard to close schools without consultation, we have never had a view that that is the way we should progress the department. In fact, the only discussions that, I understand, are occurring in Port Pirie are for the school communities, the principals talking to school councils, and the school councils talking to parents.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. LOMAX-SMITH: I think the member for Unley would be better advised to get the facts before he spreads rumours that have no basis in reality.

FLEET SA

Mr GRIFFITHS (Goyder) (14:59): My question is to the Treasurer. Has he now checked the facts provided yesterday to the house in confirming that the increased state fleet car purchases over the short term to help General Motors Holden would actually cost $45 million? The Treasurer's statement to the house yesterday conflicts with the information provided by minister Wright on 8 June 2005 when that minister said that increasing vehicle turnover to three years and 60,000 kilometres would save $3.4 million per year by 2008-09. Surely, reversing that policy would have the same effect in dollar terms.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:00): The member for Goyder, the shadow finance minister, is correct: there would be a saving in the order of some $3.5 million plus per year in operating costs; however, there is a capital cost. The $3.6 million is operating savings. If you turn your cars over every 30,000 kilometres, as against every 60,000 kilometres, I am advised by Treasury that that involves up to 1,500 vehicles per year, and it builds up over a couple of years. If you assume a capital cost of roughly $30,000 for a vehicle, that is an annual capital cost of $45 million.

Mr Hamilton-Smith interjecting:

The Hon. K.O. FOLEY: Now he is saying yes.

Mr Hamilton-Smith interjecting:

The Hon. K.O. FOLEY: Yes, but you are saying—

The SPEAKER: Order!

The Hon. K.O. FOLEY: It a $45 million per year—

The Hon. A. Koutsantonis interjecting:

The SPEAKER: Order, the Minister for Correctional Services!

The Hon. K.O. FOLEY: I am advised that the Liberal Party policy of, effectively, doubling the rate of purchase would add an extra 1,500 vehicles per year being purchased by government,

at an average cost of $30,000 per vehicle, which equals an additional cost per year capex of $45 million. They got it half wrong yesterday, and that it is why I—

Members interjecting:

The Hon. K.O. FOLEY: Well, think of this—

Mr Hamilton-Smith: Fiddling the books again.

The SPEAKER: Order!

The Hon. K.O. FOLEY: Mr Speaker, I ask the Leader of the Opposition to withdraw that comment. The comment was that I am fiddling the books again. That is an outrageous reflection on me as Treasurer.

The SPEAKER: Order! The Leader of the Opposition will withdraw that remark.

Mr HAMILTON-SMITH: Mr Speaker, as I understand it, that is not an unparliamentary remark.

The SPEAKER: 'Fiddling the books' is a reflection on the Treasurer. 'Fiddling the books' is an allegation of corruption, and I direct the leader to withdraw.

Mr HAMILTON-SMITH: All right, well, that is your direction, Mr Speaker. I note the precedent you have now set and I withdraw the remark.

Members interjecting:

The Hon. K.O. FOLEY: That is a reflection on you, sir. I would leap to your defence. I am advised by Treasury that the Leader of the Opposition's policy on the run, off the top of his head, commits the state to a $45 million capex expenditure per annum. Just imagine what happens when the government sells the cars every two years. What do you think would happen to the second-hand car market for Holden Commodores in this state if, all of a sudden, we were flooding the market with cars that have only 30,000 kilometres on the dial? I assume you would actually significantly undermine the value of second-hand vehicles quite substantially and, in the process, probably do a lot more damage to General Motors Holden than you would benefit General Motors Holden.

I began this question time by suggesting that the leader should relinquish Treasury and give it to the member for Goyder (he probably should give it to the member for Davenport, who I think is the most capable of all shadow ministers in this place by a country mile) because you did not do your homework. You really have to try harder and do your homework. Perhaps you are not yet ready for that elevation.

LAND TAX

Mr GRIFFITHS (Goyder) (15:04): My question is again to the Treasurer. Will he confirm the number of complaints received by the government and Revenue SA from property owners disputing their land tax accounts issued for the current financial year?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:04): I will take that question on notice.

LAND TAX

Mr GRIFFITHS (Goyder) (15:04): As a supplementary question, how many of the land tax complaints received by Revenue SA have involved a formal appeal and, of those appeals, how many have been successful?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:04): I will take that question on notice.

EVENTS AND FESTIVALS

The Hon. S.W. KEY (Ashford) (15:05): Will the Premier update the chamber on the results of our summer events and festivals?

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) (15:05): I was distracted, but I have just heard that the Mayor of the City of Marion, Felicity-ann Lewis, a short time ago was elected President of the Local Government Association of South Australia. I think she will be terrific at the task.

Continuing on from the fantastic successes of the 2009 Tour Down Under, our arts and sports events have done very well, especially in the face of an uncertain economic environment. Certainly, I am very pleased that the member for Frome has spoken to me about his support for a section of the Tour Down Under for the first time ever to start in Clare. That is a very good idea, and one could imagine a section of the Tour Down Under starting in Clare, going through that fantastic countryside, past Penwortham, Sevenhill, Auburn, Leasingham and Tarlee, and so on.

I will have yet another discussion about next year's Tour Down Under. I know the member for Norwood is very keen to have a start in Norwood again. I know the member for Light is very keen to have an even bigger involvement for the township of Gawler. Of course, the member for Mawson can basically count on a Willunga Hill section of the race, as well. It is great to have such enthusiasts in this parliament for the Tour Down Under; and I hope the member for Unley supports the street carnival again.

Mr Pisoni interjecting:

The Hon. M.D. RANN: I know—and that is what I am saying. I said that I hope you support the idea of its continuing. The people of South Australia—indeed, from across the nation and world—look forward to our festivals and events season. With back-to-back events through, for the most part, balmy summer nights and sunny days, Adelaide streets have been alive and bustling with activity and excitement. The range of events has been quite remarkable and there is literally something for everyone throughout this time, with both free and ticketed events across sporting, racing, music and cultural events.

Last weekend we had another action packed International Rugby Sevens event. I have just been informed that attendances across the event exceeded 28,100. I know the member for Newland was there. It is quite clear that he has played rugby. One only has to look him. He has played Rugby Union and he has the neck for Rugby Union. Thousands of tickets were sold to interstate and overseas visitors. Visitors came from all states of Australia and countries including New Zealand, China, Singapore and Thailand.

I am told that the Rugby Sevens games were beamed into more than 263 million homes across 13 countries, including the United States, the UK, South Africa, Portugal, France, New Zealand and Japan—yet again bringing attention to our beautiful capital and, of course, the magnificent Adelaide Oval. Despite the global economic downturn, attendances were more than 10 per cent higher than the 2007 event.

Two weeks ago we saw our premier motorsport event, the Clipsal 500, draw huge crowds, despite the global economic downturn. Some 272,000 people attended across four days and it drew bigger daily crowds on the Friday and Saturday than the loss-making Melbourne Grand Prix on the equivalent days. Indeed, I was speaking to an expert on matters motor racing yesterday who told me that the Victorian government is losing $52 million this year on the Grand Prix. I am not sure whether that is correct, but that is what I was told by a usually informed source.

Of course, it was even better for motorsport fans this year, with free public transport for all ticket holders and the new temporary pit building and shade for all grandstand patrons. It was great to get a cheerio from those patrons and I could see that they appreciated the shaded facilities.

All Adelaide's hotels were booked out. The economic benefit of this year's event is still being calculated, but the first 10 years of this event has injected $217.9 million into the state's economy. While these latest results are not quite as high as the 2008 results, they are still very strong and add significantly to our cultural life and the economy.

Earlier in March, with the most beautiful weather and what I personally consider to be one of the best line-ups so far, WOMADelaide was again a spectacular success. About 72,000 jubilant attendees sang and danced for three days while watching, listening and experiencing the delights in the Botanic Park. Sales were initially slower than in 2008 (which was the record year) but, as the event got closer and it became apparent that the weather would be mild, interest and excitement grew, with Sunday passes completely selling out in advance—completely sold out.

This followed on from our record 2008 year, with Friday, Saturday and weekend passes selling out—the first year ever that the session passes sold out in advance. Performers and audiences came from around the world to be part of a truly international festival. Again, the

economic impact of this year's WOMAD is still being calculated, but last year's results show an estimated net new economic impact of $7.1 million in terms of gross state product. These results vindicate our decision to make WOMAD and the Adelaide Fringe Festival annual events. Where are all those critics who said, 'If you make them annual people won't turn up'? All those whingers and sneerers! Of course, the sales went up massively.

These are well-loved events, and people cannot wait for the time of the year when the program is released so they can plan what they will see—often many months out. The Adelaide Fringe Festival is no exception to this, as I understand that this year's result will show, with a record of up to 975,000 people attending performances and events across the Fringe. Organisers are still tallying ticket sales for this year's event, but current preliminary estimates show that attendances may very well break through the one million mark for the first time.

As I have already informed the house, the Adelaide Film Festival was yet again a resounding success, with a 30 per cent increase in ticketed attendances—an event conceived in genius in that it is absolutely one of the few in the world that invest in making movies rather than just screening them, and those movies have been stars at the Cannes Film Festival and have won virtually every AFI award. Tonight I am looking forward to the launch of the program of this year's Cabaret Festival, which will run from 5 to 20 June. It promises to take a new, diverse and exciting direction under the guidance of David Campbell.

We already know that the first show announced—Bernadette Peters—sold out not long after going on sale. Make sure you grab a program as soon as it is released and book early. You do not have to wait for the Cabaret Festival, because there is plenty to do between now and then. The Barossa Vintage Festival starts this weekend. That is always a treat, with over 100 music, food and cultural events celebrating vintage in one of our many world-class wine regions; and I know that we have a Baron of the Barossa present here. It is an outstanding event and I encourage people to go to the glorious Barossa Valley.

For more information about what is happening in the coming months, I encourage members to visit southaustralia.com or to tune into twitter.com/premiermikerann. You heard it here first!

ADELAIDE INTERNATIONAL GUITAR FESTIVAL

Mrs REDMOND (Heysen) (15:13): In view of the information the Premier has just given us, why did he endorse the concept of an international guitar festival without completing an adequate business case, and what impact has that festival's $2 million in losses had on other Festival Centre activities? The Premier claimed personal credit for the concept and the business case for the Guitar Festival when he told parliament on 27 June 2007:

> That is basically how it came about. David Spelman was visiting WOMAD from New York. I was introduced to him and, as a result, I met him in New York and we reached an agreement for the New York Guitar Festival, which is regarded as the best in the world, to basically have a southern hemisphere incarnation in Adelaide.

The 2007 and 2008 festivals each recorded a loss of more than $1 million. The 2008 Cabaret Festival was subsequently cut.

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) (15:14): Sometimes it's wrong to be right too soon! On Monday 30 March 2009 the Adelaide Festival Centre announced that the Adelaide International Guitar Festival is to become a biennial rather than annual event, with the next festival to be held in November 2010. This step will allow a greater lead time between each festival and thereby help the festival's artistic director, accomplished guitarist, Mr Slava Grigoryan, to secure artists and projects that will excite audiences and help to secure more sponsors.

Slava's national and international touring throughout 2009 provides an opportunity to discuss potential appearances with top level artists around the world. Inevitably, some of his first choices are simply not available for 2009. It is a huge coup to get Slava Grigoryan to be the artistic director—let me just give you the big tip—and I am looking forward to a very strong International Guitar Festival. It will continue, okay.

The Guitar Festival has built considerable interest amongst artists and audience. The Festival Centre is keen to work with Mr Grigoryan to build it into an event of the highest calibre. The 2010 Guitar Festival will be held in the last week of November and the Festival Centre aims to announce the full program by late August 2010. Can I say that I have great confidence in the Adelaide Festival Centre and in its artistic director. They have brought this Festival Centre, our artistic hub, to life. It was closed down; it was in darkness when you were in government because you do not give a damn about the arts. I did not see any of you in cheesecloth at WOMAdelaide a few weeks ago.

Ms CHAPMAN: I rise on a point of order, Mr Speaker. Surely, it is quite unacceptable to say that 'you do not give a damn about the arts', which is just what the Premier did.

The SPEAKER: Yes, I uphold the point of order. I do give a damn about the arts.

MOUNT BOLD RESERVOIR

Mr WILLIAMS (MacKillop) (15:16): My question is to the Minister for Water Security. What is the latest cost estimate for the doubling of the capacity of the Mount Bold reservoir or has the project been shelved? In June 2007, the government announced an $850 million plan to double the capacity of the Mount Bold reservoir, with the Premier qualifying the cost estimate at that time by saying:

> It is still too early to put an estimate cost on what it would take to increase the size of Mount Bold ahead of further engineering and environmental studies.

The Hon. K.A. MAYWALD (Chaffey—Minister for the River Murray, Minister for Water Security) (15:17): Subsequent to that announcement, we have also made further statements in relation to exploring options right across Mount Lofty. That work is still being undertaken in relation to what are the possible options for expansion of the capacity within the—

Mr Williams: No water; no action.

The SPEAKER: The member for MacKillop will come to order!

The Hon. K.A. MAYWALD: From memory, I think about 35 different options were being looked at and investigated, and were being progressively narrowed down to a smaller number for consideration by the government. We will consider that in the scheme of things and also in conjunction with the fact that we now have access to the Murray-Darling Basin storages of Hume and Dartmouth in the longer term, and I will report back to the house once that work has concluded.

DRIVER FATIGUE

Mr KENYON (Newland) (15:18): My question is to the Minister for Road Safety. What is the government doing to remind drivers about the dangers of fatigue?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (15:18): I thank the honourable member for his question and I know he has a keen concern in keeping South Australians safe this Easter. Many South Australians will be packing up their cars in order to enjoy the four day break. Driver fatigue is a significant contributor to death and injuries on our roads each year. Fatigue is a factor in approximately 30 per cent of fatal crashes and up to 15 per cent of serious injuries. Being tired seems harmless but it can be deadly, yet fatigue is unique, as it is not a measurable offence. As a result, the community relies on drivers to self-monitor and drive responsibly.

Research indicates that driving after being awake for 17 to 19 hours is equivalent to having a blood alcohol concentration of about .05. At this level, the risk of crash is double than with a blood alcohol level of zero. Driving after 24 to 27 hours of not sleeping is equivalent to driving with a BAC of around .1. At .1 the risk of a crash is seven times greater than driving with no alcohol in your blood at all.

Fatigue related crashes are also often more severe as driver reaction times are delayed, and they are often on open roads at high speeds. This is the harsh reality of driving while fatigued, and this is why the state government and the Motor Accident Commission have launched what is a very timely fatigue campaign.

The campaign, which will feature in print, radio, billboards and on buses in both metropolitan and regional areas for the next four weeks, will focus on preventing the onset of fatigued driving. I am very worried about our regional colleagues who drive home on the weekends.

I would like to highlight this very important road safety initiative while making another point very clear. The Rann government's approach to road safety does not include a $25 million drag racing stadium, as suggested by the opposition. For the government to support a plan such as that as part of a road safety strategy sends the wrong message to young people. The Rann government wants to change the attitudes and behaviour of reckless drivers, not encourage them to practise the full lethal power of their cars.

Officially sanctioned hoon driving is not the cure-all for the reckless behaviour on our roads that has recently claimed so many young lives. It has been a horror start to the road toll in 2009 so far, but over the last five years South Australia has achieved the highest annual decrease in the road toll compared to other states. Slowly but surely, what we are doing is making a difference. It is a long battle to change long-held attitudes and behaviours and, clearly, there is a long way to go.

Anecdotal evidence from interstate and advice from road safety experts within the government, strongly indicates to me that officially sanctioned drag racing would not stop road crashes and may, in fact, encourage bad behaviour among some drivers. A stadium seems to be the opposition's answer to all the ills of the world. Youth hunger, youth poverty: build a stadium. We are constantly hearing from them that if we just had a stadium it would end our road safety problem. Well, that is not the answer.

Members opposite might be interested to know about the views on harm minimisation by their shadow spokesperson in the upper house, Mr Stephen Wade. He espoused his views on ABC Radio. I wish the member for Stuart was here because I know he would be equally impressed with Mr Wade's description of road safety. This is what he said on ABC 891 on 30 March:

> The minister's—

that is me—

> tough talk on this reminds me of the attitude—

Members interjecting:

The Hon. A. KOUTSANTONIS: You will like this. Wait for this. It continues:

> to harm minimisation that we get in relation to condoms and needle exchanges. You need to have harm minimisation strategies not just say 'speed is bad'.

So, I look forward to the opposition's policy of needle exchanges in suburban streets and condom vending machines in our schools.

Aside from this being a curious departure from the Liberals' usual attacks on harm minimisation strategies, which surely gave some of his colleagues palpitations, this comment is yet another sign that the spokesperson, Mr Wade, has missed the point. Speed kills and driving recklessly kills.

Unfortunately, this is the message that some drivers still do not understand, and they need to. There is little room for harm minimisation, like drag racing stadiums, because once you are dead, you are dead. Once you kill somebody on our roads, it is game over. There is no minimising that harm. I would take this opportunity to wish everyone safe travelling over the Easter long weekend. Please take note of our campaign. Pull over every two hours. Stay awake, stay safe.

Mr Kenyon interjecting:

The Hon. A. KOUTSANTONIS: I do not need another box, I am nearly finished. Last year the state recorded one fatality over the Easter long weekend. We are aiming for zero fatalities and zero serious crashes. Police will be out in force this weekend. We hope everyone enjoys their Easter long weekend.

Honourable members: Hear, hear!

WORKCOVER LEVY

Dr McFETRIDGE (Morphett) (15:24): My question is to the Premier. When will you deliver on your promise to cut WorkCover levy rates to 2.25 per cent?

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) (15:24): The actions that we have taken in respect to WorkCover, many of which have not yet come into force—they come into force, as I understand from the Minister for Industrial Relations, on 1 July—were necessary. Unlike members opposite who came out and said they would not need to take action, we did. We had the guts to take on our friends. We had the courage as well as the commitment.

I was condemned unanimously by my own party conference. I was attacked by close friends and colleagues in the Labor movement. But we had to make tough decisions because that is what we were elected to do, and that meant that we had to take decisions because the WorkCover system, as it was, was failing South Australians. It was delivering higher premiums to businesses and the worst return-to-work rate in the country. It also had an unfunded liability.

Various government bodies—as well as some people even in this place, I would imagine, who invest heavily in shares—have seen their portfolios hit by the global financial crisis. I would be very interested to do an analysis of some members' private trusts to see how they are going. So, no-one is surprised that corporations around the world are suffering a hit to the bottom line as a result to the hit on share prices internationally.

The actions that we took last year were necessary, and many of those actions come into force on 1 July, because we do not live in a parallel universe like members opposite, promising everything to everyone and, not only never having to deliver but never having to deliver the costings.

WORKCOVER LEVY

Dr McFETRIDGE (Morphett) (15:26): I have a supplementary question to the Premier. Will the levies come down on 1 July?

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) (15:26): I have made myself quite clear; in fact, I have dealt with this matter not only seriatim but will come back to it sine die.

WORKCOVER CORPORATION

Dr McFETRIDGE (Morphett) (15:27): My question is to the Minister for Industrial Relations. What is the current state of the public sector unfunded liability for WorkCover?

The Hon. P. CAICA (Colton—Minister for Agriculture, Food and Fisheries, Minister for Industrial Relations, Minister for Forests, Minister for Regional Development) (15:27): I thank the honourable member for his question and I guess I say farewell, Duncan; it has been nice having you as the shadow spokesperson. I do not have that figure here in front of me, and not only will I get back to the member for Morphett, I will get back to the house.

LEGAL PRACTITIONERS GUARANTEE FUND

Mr BIGNELL (Mawson) (15:27): Can the Attorney-General inform the house about the professional conduct of former presidents of the Law Society and, in particular, their demands on the Legal Practitioners Guarantee Fund?

The Hon. M.D. Rann interjecting:

The Hon. M.J. ATKINSON (Croydon—Attorney-General, Minister for Justice, Minister for Multicultural Affairs, Minister for Veterans' Affairs) (15:28): The Law Society. In the 1991 motion picture *Point Break*, Patrick Swayze plays a surfie who leads a gang of fellow surfies in a series of armed robberies.

Mr Griffiths interjecting:

The Hon. M.J. ATKINSON: The member for Goyder is right. An undercover FBI agent, played by Keanu Reeves, attempts to crack the case by joining the local surfies but gets drawn into the bank heists. The bandits wear masks of ex-presidents of the United States as a disguise. I am reminded about that movie in replying to this question because, instead of hiding behind the masks of ex-presidents, some ex-presidents of the Law Society tried to hold up the guarantee fund playing themselves.

I am of the opinion that, on the whole, South Australia's legal profession are decent, hard working people who make a grand contribution to the wellbeing of this state and do much work for poor people gratis or at a reduced rate. The state cannot do without them. Alas, from time to time, I encounter lawyers whose professional conduct is most disappointing.

Mrs Redmond: So, do you make a complaint about them?

The Hon. M.J. ATKINSON: Recently, I came across an astonishing bill sent to the guarantee fund by former Law Society president, Andrew Goode.

Mrs Redmond interjecting:

The Hon. M.J. ATKINSON: I notice the member for Heysen interjects to try to stop this answer, and it will become obvious why she is doing that as I give this answer. By way of background, Mr Goode acts for a group of former clients of Magarey Farlam lawyers. As members would be aware, a supervisor and manager were appointed to wind up the firm and pay out what was left in the trusts.

As Attorney-General, I must authorise all payments made from the guarantee fund. Recently, I received a letter from the supervisor in which she sought my authorisation to pay an amount from the fund under the cost order. Andrew Goode, a former Law Society president and partner at Mellor Olsson, had submitted his accounts to the supervisor for acting as the solicitor for a group of former Magarey Farlam clients in the application. Mr Goode submitted his accounts in November 2007. As well as the usual charges for telephone calls to clients, attendances in court and meetings with counsel, these items were claimed for payment from the guarantee fund: proposals to issue media releases; the perusal of articles in newspapers—thousands of dollars; lobbying parliamentarians about the guarantee fund and the Legal Profession Bill; reading *Hansards*; providing copies of newspaper articles to clients—

Ms CHAPMAN: Point of order, Mr Speaker.

The SPEAKER: The deputy leader has a point of order.

Ms CHAPMAN: My point of order is that the legal practitioners bill is still under consideration before the house. These matters are the subject of that bill, and it is quite improper for the Attorney-General to start traversing issues in relation to the legal practitioners bill—the substance of which is being dealt with in the bill—and the continuing negotiations between the Attorney-General and members of this house and members of the Legislative Council. Bring in the Premier. It is a disgrace that you should try to do this. This bill is current.

Members interjecting:

The SPEAKER: Order! There is no point of order. The bill is not currently before the house and, in any case, I do not think the Attorney is in anyway pre-empting debate on the bill. The Attorney-General.

The Hon. M.J. ATKINSON: Mr Goode billed the guarantee fund for providing copies of newspaper articles to clients; lobbying members of the Law Society to attend the annual general meeting in October 2007 and vote for a motion to be moved about Magarey Farlam by ex-presidents Goode and Howard; and—wait for it—watching *Today Tonight*. An amount of $13,215 was claimed for work done at the Law Society annual general meeting.

These costs were broken down to include: lobbying other legal practitioners to attend the meeting, including a charge of $37 by Andrew Goode for a memo to Mellor Olsson staff to attend the Law Society annual general meeting (a later follow-up email to staff was provided for free)—crikey, at least the blokes at the SAJC paid themselves for the memberships of the young people they recruited—attempting to arrange proxy votes; correspondence with Law Society officers; $555 for six telephone calls Andrew Goode had with Mr Chris Snow (not a client of Mellor Olsson but a former client of Magarey Farlam and lobbyist in this matter); preparation for argument at the meeting about payment from the guarantee fund; compiling newspaper reports; and obtaining comparative legislative provisions from other states for use at the meeting. The supervisor disallowed all these claims. So, $13,215 for stacking the Law Society annual general meeting!

For the record, at the AGM, 29 of the 40 members present voted in favour of a resolution put by Andrew Goode and seconded by his counsel David Howard, another former Law Society president. I do not know how many of those who attended were employees of Mellor Olsson. The resolution called upon me to convene a mediation to resolve the claims of the victims of Magarey Farlam lawyers. For $13,000 they could have convened the mediation themselves. An amount of

$296 was charged for meetings and other communications with Nick Xenophon and members of his staff.

Here we have the reason that the member for Heysen is interjecting: at least $444 was charged to the guarantee fund for meetings and telephone conversations with the member for Heysen and her staff. Those telephone charges include one call made on 11 November 2007 between Andrew Goode and the member for Heysen which was described in the accounts as 'issues relating to politicians'. It must have been a bit like document H at the Petrov royal commission. The accounts reveal—

Members interjecting:

The SPEAKER: Order!

Mrs Redmond interjecting:

The SPEAKER: Order!

The Hon. M.J. ATKINSON: The accounts reveal that Andrew Goode and David Howard were assisting the member for Heysen in her attacks on the Legal Profession Bill including, indeed, reviewing her draft amendments to it before they were tabled in parliament. An amount of $333 was charged to the guarantee fund for reading her contributions to *Hansard*. The reading of my *Hansard* was not charged, I am pleased to say.

As my legal chum Whig Gowans told me, 'It's like charging the moneybox for the time it takes to prise it open.' I note that Mr Howard did not claim costs deemed inappropriate by the supervisor and I have no complaint with him about that. I have given Mr Goode and the Law Society president (Mr John Goldberg of Cowell Clarke) the opportunity to respond to my concerns before I gave this answer. Mr Goode explained that the initial claim he made was 'warts and all' by agreement with the supervisor's solicitor—warts and all.

Gee, I bet he would not have minded if it had all been paid, full tote odds. The agreement was that the supervisor would review the claim and offer a sum in settlement. He said that, as a consequence of a letter from the supervisor pointing out the problems with the claim, he found:

> The material submitted inadvertently included a record of all the time which had been applied to the matter whether chargeable against the client or not.

He said an instruction he had given 'to excise categories which had no relevance to the claim on the fund (for example, lobbying parliamentarians, press releases to the media) was unfortunately not carried out'—but we will come to that; we will come to that eventually.

He said that on 25 June 2008, after the items were brought to his attention by the supervisor, he advised the supervisor that he would not be making any claim for lobbying parliamentarians, share issues, press and media releases or the Law Society AGM. In May 2008, six months after the claims were submitted, Mr Goode wrote to the supervisor's lawyer and referred to his claim as being warts and all, and 'with the expectation that the submission could be worked through and, hopefully, a reasonable settlement reached'.

Mr Goldberg says that he is 'satisfied that there was no impropriety in the manner in which Mr Goode submitted his claim for costs'. He says (Mr Goldberg at the Law Society) that any criticism of Mr Goode would be unfair and any suggestion that he sat idly by, allowing improper conduct to occur, is absolutely rejected. Well, 15 months after the claim was submitted, a reasonable settlement has not been reached. Of the $365,205.16 claimed by Mellor Olsson, the supervisor, with the concurrence of the Crown Solicitor's Office, recommends that I pay—wait for it—$131,856.24. This reduced amount was reached after the supervisor, her lawyer and the Crown Solicitor's Office spent many hours trawling through the hundreds of pages of accounts and correspondence with Mr Goode. From the disallowed claims mentioned above, Mr Goode's claim also included claims for costs that are not claimable and claiming at hourly rates above those available.

For the record, closer scrutiny of all former Magarey Farlam lawyers' costs claims by the supervisor and the Crown Solicitor's Office have revealed many other lawyers claiming much more than that to which they are lawfully entitled. Double, triple and quadruple charging by lawyers have been uncovered, as have claims for rates higher than those claimable, charges for attending court on dates when the matter was not in court, charges for work not related to the supervisor's application and inflated charges through unjustifiable overworking of matters.

Mr Martin Keith, another former Law Society president, for example, has claimed about $246,959 in counsel fees, which the supervisor and the Crown Solicitor's Office has had to spend a large amount of time assessing, but that is just as well, given that the amount deemed by the supervisor and the Crown to be claimable from the Guarantee Fund is only—wait for it—$106,511, which sum is more than $140,000 less than was claimed.

Such erroneous and excessive charging has greatly increased the burden on the supervisor and the Crown Solicitor's Office in assessing costs claims. Nevertheless, I am advised that it is fairly usual, unfortunately, for claims to be settled in this manner. Overcharging should not be a routine gambit with the Guarantee Fund or any other client or funder.

Mrs Redmond interjecting:

The Hon. M.J. ATKINSON: Despite any industry standard approach, which I notice the member for Heysen tries to defend, I am concerned that everyday clients of Mellor Olsson and other Adelaide law firms may be given such inflated and erroneous accounts. Ordinary customers of lawyers do not have access to the legal teams that the Guarantee Fund and the government have to scrutinise the accounts. I urge clients to review all their legal accounts and, if in doubt, seek the advice of the Legal Practitioners Conduct Board.

I call upon Law Society ex-presidents to lift their game and the current president to lead the charge. I would like to have dealt with a few more Law Society luminaries today—Nick Niarchos, Rod Lindquist and, lastly, George Mancini, who starred in Ronald Robert Ironside v Regina in the Court of Criminal Appeal on 19 November—but those shall have to wait for another question time.

MINISTER'S REMARKS

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (15:43): I seek leave to make a personal explanation.

Leave granted.

Ms CHAPMAN: Yesterday, during question time, I asked the Minister for Health a question in relation to the example of the use of a taxi service in Mount Gambier to transport a potential kidney transplant patient. The minister indicated that he would inquire into the matter. Later that afternoon (he says today that it was at about 3.13, and I have no reason to suggest that that is not correct), he advised the house of what information he had been provided by his department. In summary, it included that there had been a policy whereby taxidrivers had been utilised to transport prospective transplant patients.

The dispute on that is a matter for another day. Further, in relation to the case cited, he said that there had been an ultimate flight to Adelaide with the transplant kidney being utilised; and I think all members in the house were pleased to hear that.

What the minister did today during question time was to assert to the house two further things. First, he said that criticisms were made by me to the house in respect of RFDS officers and SA Ambulance officers. He said in his opening statement 'ambulance officers in Mount Gambier'. I totally and utterly refute that allegation. The statement is clear in the *Hansard* in support of the question and in no way does it assert what is alleged by the minister.

Secondly, he asserted that there was knowing action on my part to publish this inaccurate information subsequent to being informed in the house. Today he said that at 3.49pm yesterday—after the statement had been made by the minister at 3.13pm—that there had been a publication by facsimile transmission of a media statement.

Mr Speaker, this is the position: first, the facsimile transmission took place at 2.49pm. However, as you may be aware, Mr Speaker—and I am sure others in the house are aware—the facsimile machine from Parliament House had not been changed for daylight saving. The plot thickens because not only was that inaccurate information provided by the minister, he came into the house today—

The Hon. M.J. ATKINSON: I have a point of order, sir.

The SPEAKER: Order! The deputy leader has made her explanation and nothing further is required.

Ms CHAPMAN: I seek leave to make a further personal explanation.

The Hon. M.J. Atkinson interjecting:

The SPEAKER: Order! I am loath to receive leave. In essence, the deputy leader has explained what happened and that is all that a personal explanation allows for.

Ms CHAPMAN: Sir, I want leave to make a further personal explanation.

The SPEAKER: Leave is sought. Is leave granted?

The Hon. M.J. Atkinson: No.

The SPEAKER: Leave is not granted.

The Hon. G.M. GUNN: I have a point of order, sir.

The SPEAKER: I know what the member for Stuart will say. What he says may be true, but it is not a point of order.

The Hon. G.M. GUNN: All right; you have drawn the line in the sand.

GRIEVANCE DEBATE

NOARLUNGA TRAIN BREAKDOWN

Dr McFETRIDGE (Morphett) (15:48): I rise to remind the house of a disgraceful situation that occurred last week on the Noarlunga train when the 4.48 train—fortunately, not packed as usual—left Adelaide Railway Station on time—which is unusual—and broke down just past Marino Rocks Railway Station. We can understand that old trains break down. That situation is forgivable, because we have some old trains. There are plans—which may extend to 2018—to get some new trains. When these old trains do break down, one would expect plans to be in place to get people off or to get the trains moving.

It was an absolute disgrace. It was disorganised, dangerous and a disgrace. The people were left for up to four hours on the train. It was described to me in an email as 'the 4.48 hostage express to Noarlunga' last Tuesday. I have received an email from a fellow which describes some of the events that occurred. The email states:

> Yep I was trapped on the 4.38 'Hostage Express' to Noarlunga on Tuesday evening. I escaped at 7.30pm by others forcing the door open. I read *The Advertiser* today [and] saw the rest of the commuter hostages were not released by TransAdelaide until 8.45pm. Noted also in *The Advertiser* article last paragraph that 'TransAdelaide advised that customer service and safety were a priority for passengers'.

This is what this man said:

> What absolute 'crap'!!!!!!! (Apologies for the use of this word, must still be a bit traumatised). Either the 'penny hasn't dropped' or 'TransAdelaide are in a state of denial'. The driver would not open the doors, I understand people relieved themselves in corners etc., how embarrassing, I wonder how traumatised they still are. The driver even announced at one time he was going home. I think he was trying to be funny!!!!!!!!!

The email continues:

> It was quite possible to escape or should I say disembark in an ordered manner, there were no steep embankments, cliffs etc when the train did finally stop. The only problem was that TransAdelaide were grossly incompetent to organise an ordered disemarkment of passengers. If a train was brought from behind at 8.30 and passengers transferred...why was this not done in the first hour rather than four hours later. There is no excuse [for] 'gross incompetence'.
>
> Why are there no developed contingency plans when this happens, again 'gross incompetence'. If the train had crashed derailed etc emergency services would have been there within the hour, when a breakdown occurs it is four hours.
>
> 'Heads must roll, formal apologies must be made.' TransAdelaide must strategically learn from this debacle. There must be a formal apology from the minister to the commuters on this train. Commuters or trapped hostages must get compensated with free travel if they are still willing to travel on this 3rd world and grossly incompetent rail system.
>
> Will apologies be made, [will] compensation happen?

Will a report be tabled before this house, because that is what the opposition is calling for? We want a full, open and honest report on this, not just the precis, the edited highlights of the report, as we saw with the Melbourne Cup tram derailment. We did not get that full report. We still do not know all the issues around this. This was a disgraceful episode the other night. People are phoning and emailing my office telling me what went on. I understand that even the train that was driven up behind had problems, which compounded the difficulties.

Mechanics were taken out there from Adelaide. The excuse was that it was rush hour and it took them an hour to get there. What happens when we move the rail car depot, together with the mechanics and brake fitters, from Adelaide to Dry Creek? Will it take two hours for them to respond? I would like to know why it was that, in the end, the driver did allow some passengers to disembark. A lady was there who was extremely claustrophobic. The driver, I understand, assisted her to get off the train. He thought it was safe. There were people who jumped off the train and then wandered off up the track.

I spoke to one brave passenger last Thursday morning who was getting on the train at the Hallett Cove Railway Station, and that person said to me, 'This is not the first time this has happened.' Apparently, last year the train broke down for two hours. Again, they prised open the doors, jumped off and got home under their own steam. It is not good enough for this to be happening. I say that we can forgive old trains breaking down. What we cannot forgive is the incompetence that has been shown by the minister in not having plans in place to cope with this situation.

We saw the derailment at the Adelaide Railway Station. We have seen the breakdowns, we have seen the buckled tracks and we have seen instances in the past where passengers have been inconvenienced in a terrible fashion, and what have we seen from this government? We have seen fake sincerity.

Time expired.

STUART HIGHWAY ARTWORK

Ms BREUER (Giles) (15:53): I want to report today on a number of issues, but, first, I want to say that last week I travelled down the Oodnadatta Track, and a number of issues came up while I was there. One particular issue, though, was that, on the way back, we had to drive along the Stuart Highway, and I want to mention the new artwork that Port Augusta has installed there and suggest that, perhaps, they should name it the Graham Gunn art memorial, seeing that the member for Stuart is leaving very shortly. It is quite an interesting art project there in Port Augusta. I know that the member for Stuart is a simple country boy, as I am a simple country girl. We do not know very much about art but we do know what we like.

Like me, I know that the member for Stuart is somewhat overawed by the project. It was designed and coordinated by an artist, Margaret Worth, and it is unique to regional South Australia. Of course, it includes the causeway itself, which is very good, because it includes the smell of the sea as you go across. The gravel mounds component is quite unique. I know that some say, 'When will that be spread?' Obviously, they do not see the colours of the local landscape in these gravel mounds. The swinging poles, with the windvanes atop these coloured poles, apparently have local stories in each one. Port Augusta has re-imagined itself apparently through its art project. It is a visible and personalised story of Port Augusta. Coming from Whyalla, I can only say: Port Augusta, you have done it again.

On my trip, I had an opportunity to discuss a number of issues particularly related to tourism. I also want to comment today about an event that has recently occurred in Whyalla. The Campervan and Motorhome Club of Australia Limited had their 23rd anniversary CMCA rally in Whyalla. This was an amazing event. I had the honour of closing the event on Sunday night. It brought approximately 2,000 to 3,000 visitors to our town. It was incredible to see the number of campervans and motor homes that were parked in the showground area. It brought something like $3 million of revenue into our town. The revenue went to place like hairdressers, local delis and small businesses in town. I suppose basically it was the grey nomads who were there. In fact, when I closed it, I asked whether there was anyone under 60. I felt that I was part of a minority group. It is really quite impressive when you are under 60 to be part of a minority group. They had a wonderful time.

Mr Pengilly: You're not a grey nomad.

Ms BREUER: I enjoyed myself. I never felt so young. They had a wonderful time. It was so impressive to see. I was told about this about 12 months ago. When they came in to see me, I thought what on earth are they talking about, what is this rubbish, but it was a fantastic exercise and the people of Whyalla really appreciated their visit. We welcome them back. We hope that they will visit other places and bring other people back to our city in the future. It was just an amazing event. Congratulations to everyone involved.

I mention some of the other issues I discovered and discussed with locals while I was up north. Primarily I was looking at the impact of the proposed new act relating to the Outback Areas Trust which is now in another place—and I will be discussing that at some other stage.

One of the issues which I know is really important for tourism is the need for more toilets in the outback. There are not enough toilets, particularly for women. It is very difficult when you are travelling long distances and there is four and five hours between toilet stops. I would urge the Minister for Tourism to look at that seriously.

One thing that has happened is that there are many rest stops along the highways now. I was told that these are sucking the blood out of some of the small communities in the outback because people are camping at these rest stops, rather than camping in the smaller communities and using their caravan park facilities. I can understand that, if you are travelling around Australia, you do not want to be paying huge fees every night. As I said to the people at the camping show, please keep in mind that these little communities rely on tourism, and they rely on people using their facilities and their caravan parks. Rather than their staying at these little rest stops, I would urge them to go into the little communities.

Another problem when people are travelling is that they go into outback communities and expect to be given water at caravan parks, rest stops or wherever. They think that there is plenty of water and get quite angry when people will not give them water, but they have to be aware that many of these communities have very limited water. Everything is extremely expensive. You are looking at paying $10 or $12 per kilolitre for water. It is just incredible to be expecting that caravans can come in and load up with their water.

Another issue that arose was the emptying of their chemical toilets. They have to be extremely careful about where they empty them. I think we need to look at having more places where they can be emptied, because people are either emptying them in the septic tanks, which then messes up the septic tanks, or emptying them on the side of the road. I finish with wishing the member for Morialta all the best in her forthcoming wedding—congratulations.

EASLING, MR T.

The Hon. I.F. EVANS (Davenport) (15:58): As part of the investigation into Tom Easling, the Special Investigations Unit of the Department for Families and Communities contacted all of Mr Easling's previous employers. The reason I raise this is that the Special Investigations Unit investigators, I believe, paraded as police officers—in other words, impersonated police officers—to gain access to Tom Easling's employment files. That is a very serious allegation and I make the allegation based on a letter that I have received dated 23 March this year from the City of Mitcham. Mr Easling was employed by the City of Mitcham as a youth worker. The City of Mitcham has written to Mr Easling advising him as follows:

> …on 12 August 2004 two investigators attended the Council office to conduct investigations into your employment with the City of Mitcham. They previously had rung the Chief Executive Officer claiming to be members of SAPOL working on the special task force established by the State Government and asked for Council's cooperation in conducting their investigation. An appointment was subsequently made to meet with the human resources manager where they examined your personnel file. I believe copies may have been taken of some documents contained therein.

Of course, in August 2004 Tom Easling was already arrested. The police had already undertaken the arrest, so what were the department's investigators doing conducting further investigations when the police had taken over the matter? What were they doing going to Mr Easling's previous employers parading as police officers, as alleged in the letter from the City of Mitcham?

I invite the government to go to some of Mr Easling's other employers and ask whether that occurred. And ask this question: did it occur before they went to the City of Mitcham? If it did and the previous employers rejected the investigators, because at that stage they might not have paraded as police officers, if they then went to the City of Mitcham and paraded as police officers that would be a deliberate deception, because when investigators roll up they have an obligation to show some identification.

How is it that the City of Mitcham has written to Mr Easling saying that these investigators paraded and put themselves out there as police officers? That is what the letter alleges, that they told the chief executive that they were police officers conducting an investigation. I have called for a royal commission into this matter for months and here is another piece of evidence, dated 23 March this year, relating to this particular matter.

There is one other matter I wish to raise while the Minister for Youth is in the chamber. I will say to him that I am not going to make the contents of this memo public, but I ask him to investigate this issue. This memo I am about to give you, minister, was subpoenaed twice by Mr Easling, once in a general subpoena, and then once specifically on its own under subpoena. The government said that this document did not exist.

Can the minister explain how a document that does not exist and was subpoenaed twice is in the possession of the opposition and Mr Easling? Can the government guarantee that there are no other documents that have been subpoenaed that were not provided to Mr Easling for the purposes of his trial? I have raised two very serious issues today and I hope that the government will do the right thing and have a royal commission into this matter.

Honourable members: Hear, hear!

The DEPUTY SPEAKER: I am sure that we all offer our congratulations to the member for Morialta, who is proceeding rapidly to her place.

BAHA'I SPIRITUAL ASSEMBLY

Ms SIMMONS (Morialta) (16:03): I commence by thanking the house for the many good wishes that Ken and I have received. We are very grateful for that. I am looking forward to next week and I am sure that we will have a wonderful day and a wonderful life together.

I was very privileged on Sunday to be invited to attend a very special prayer evening organised by the Spiritual Assembly of the Baha'i community of Campbelltown. This prayer evening was especially for the seven leaders of the national coordinating committee of the Baha'i faith in Iran, who have been held in Tehran's notorious Evin prison since early 2008.

Iranian officials have recently announced that the seven will face trial this month on charges of espionage for Israel, insulting Islam and propaganda against Iran. Three of these leaders have close relatives living in Australia. I was very pleased to meet Mr Amin Tavakoli on Sunday. His brother is one of the leaders incarcerated in what he tells me are appalling conditions.

There has been an international reaction to the recent announcement made by the Iranian government that the seven Baha'i leaders are to face court. A number of governments, international organisations and prominent individuals have reacted to the announcement of a trial of the seven members of the Friends in Iran. Among those issuing statements are the European parliament, the UK Foreign Office, the US State Department, Germany, the Human Rights Commission in Brazil, the European Union, the government of Australia, a Canadian parliamentary committee and Amnesty International.

It took more than eight months for the Iranian government to accuse these individuals of any crime during which time no evidence against them was brought to light. They were accused of espionage for Israel, insulting religious sanctities and propaganda against the Islamic republic. It has been announced that their case will soon be submitted to court with a request for indictment.

The international headquarters of the Baha'i faith is based today within the borders of modern day Israel, purely as a result of the banishment of the faith's founder by the Persian and Ottoman empires in the mid-19th century. In 1868, 80 years before the state of Israel was founded, the leader was exiled to perpetual imprisonment in the city of Akka.

At no time during their incarceration have the seven leaders been given access to their legal counsel, Nobel Laureate Mrs Shirin Ebadi. Mrs Ebadi has been harassed, intimidated and threatened since taking on this case and has not been given access to their case files.

On 25 March 2009, Australia's peak interfaith body, the Australian Partnership of Religious Organisations, released a statement requesting that the government of Iran respect the human rights of Baha'is and supported the Australian government's deep concern for the seven. The signatories to the statement included Australia's major Christian ecumenical organisation, the National Council of Churches and national representatives of the Buddhist, Hindu, Jewish and Sikh communities.

This followed a statement by the Australian government delegation to the UN Human Rights Council on 17 March 2009, expressing deep concern at the discrimination against Baha'is in Iran and calling on Iran to adhere to its international human rights obligations.

The Australian Partnership of Religious Organisations said that the detention of the seven Baha'i leaders, without access to lawyers or the laying of formal charges, is a clear breach of their

rights under international law. The Australian Department of Foreign Affairs and Trade said in February 2009 that it is hard to believe that there is any basis to the charges or that they will receive a fair trial.

On 19 December 2008, Australia was one of more than 40 countries that co-sponsored the General Assembly resolution which expressed deep concern at serious human rights violations in Iran. I urge the house to condemn the incarceration of these seven Baha'i leaders.

LEGAL PRACTITIONERS GUARANTEE FUND

Mrs REDMOND (Heysen) (16:08): At this point of the afternoon all I want to do is say that the people who were named by the Attorney-General in his completely unwarranted and appalling attack in response to the last Dorothy Dixer of the day need to have the record clarified so that they can have their names somewhat cleared by this parliament; although, clearly, if the Attorney-General was prepared to go out of this parliament and say what he said, he would find a great many people after him.

Of course, we already have an Attorney-General who has spent more time in court as a witness or a party to proceedings than he ever has as a practitioner. Can I say, at the outset, that legal costs—

The Hon. M.J. ATKINSON: On a point of order, Madam Deputy Speaker: I do not recall any trial in which I have been a party.

The DEPUTY SPEAKER: That is not a point of order, and the Attorney will refrain from interjection.

Mrs REDMOND: I want to put on the record the reality of the matters about which the Attorney was speaking as question time finished, and it is this—

The Hon. M.J. Atkinson: Cheating and overcharging.

Mrs REDMOND: The Attorney accuses the legal profession of having a culture of cheating and overcharging, and I would agree with him that sometimes they have been known to, and it is something I have been very angry about on occasions in legal practice. For the most part, they have not been. Let me inform the Attorney that I was at one stage lecturing the graduate diploma on the issue of costs and ethics. I was invited to do that because I am well known in the profession for having very strict standards about these things. What the Attorney did this afternoon was entirely appalling, inappropriate and unwarranted.

The situation is that our Legal Profession Bill has been held up over a debate between the two sides in this chamber about the guarantee fund. In particular, a part of that debate is to do with the ability of people who make a claim against the guarantee fund to have their costs paid, in addition to whatever they have lost from a solicitor's trust account. That is the situation. Indeed, the Attorney and his cohort so opposed the idea that costs might be paid that the matter had to go all the way up to the court, and Justice Debelle made an order saying that, no, clearly the guarantee fund can pay out not only what people have lost, but their reasonable costs.

Consequently, they were about to prepare all their invoices for costs, and so on, and it happened that Mr Andrew Goode ran into one of the people who has been charged with assessing these matters, and that person said, 'Rather than spend all the time and effort, and obviously more money, which would be chargeable, in preparing a bill that only accords with what you are going to charge, send us'—

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: Order!

Mrs REDMOND: —'a global account, including the warts and all matter.' If the Attorney had ever practised law, he would know that, when you are practising, you have to keep a record of everything you do; not just everything that is chargeable, but every single thing you do. We are taken to risk management classes in order to be taught to always keep a paper record so that we know exactly—moment by moment—what we have done on any file. That is exactly what all these lawyers have done: they have kept an accurate record of every conversation with me, everything they have done related to the case—

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: Order! The Attorney will cease interjecting.

Mrs REDMOND: —never with any intention of claiming against the fund for that amount. They were never, ever going to claim against the fund for those amounts.

The Hon. M.J. Atkinson: But they did; they submitted it.

Mrs REDMOND: They submitted it because the officer in charge of the accounts at the guarantee fund said, 'Don't bother to go to all that trouble; just send us all of your records and we will make the decision about a global figure.' If the Attorney-General had ever practised, he would also know that it is quite common in legal practice to come to a global figure on costs, because it is cheaper at the end of the day for both sides, and for the client, to be invited to submit a global figure, rather than go through the detailed costing process. Having been invited by the Attorney's officers—

The Hon. M.J. Atkinson: No, not by me.

Mrs REDMOND: —by the Attorney's officers—

The Hon. M.J. Atkinson: She's not in my office; she's at the Law Society.

The DEPUTY SPEAKER: Order, the Attorney-General! You will have an opportunity.

Mrs REDMOND: And who do they report to? You told the House of Assembly this afternoon that you have to sign off on it.

The Hon. M.J. Atkinson: That's right, and I wouldn't.

Mrs REDMOND: You wouldn't, even though they had invited these very same people to put in a global figure. They were invited, Attorney, to send these accounts, warts and all. There was no suggestion of overcharging. There was no attempt on any of their parts to claim these amounts. They were invited to send the whole lot, warts and all. They did, and now you attack them for it unreasonably and unjustifiably.

Mr Pengilly: What a disgrace.

Mrs REDMOND: You are a disgrace of an attorney-general.

The DEPUTY SPEAKER: Order!

Members interjecting:

The DEPUTY SPEAKER: Order! Everyone just calm down.

HACKHAM WEST SCHOOLS

Mr BIGNELL (Mawson) (16:14): Last Friday, I had the pleasure of attending a function at the Hackham West schools to celebrate the school being named a United Nations peace school, one of only five in South Australia and the only one in the southern suburbs. At that function, the principal, Yannoula Michael, the staff, the teachers, the students, of course, and many parents, caregivers and grandparents from around the area gathered in the school gymnasium. A United Nations flag was presented to the school which now flies proudly alongside the Australian flag outside the Hackham West school.

It was great to see the students performing songs and dance, reading speeches about peace and what it meant to them in their local environment and in the wider community, and then peace throughout the world. We do need to start young and if we can have kids learning all about these things then it puts them in good stead for the future and, indeed, it puts our community, hopefully, in a better place once these primary school students move through secondary school and into adulthood.

Jill Hicks, a South Australian who was injured in the London bombings a few years ago, came back from London to address the students. She was almost moved to tears, as many of the adults at the school were, by the wonderful emotion displayed through songs, words, drumming and other music by the students. The students are a credit to their teachers and their families for the way they behaved, the way that they spoke and they way that they performed for all the visitors. There were dignitaries not only from the United Nations but from state and federal parliament. Amanda Rishworth, our hard-working member for Kingston in the southern suburbs, was there representing the Australian parliament. She is also going to present the school with a new Australian flag so that the new United Nations flag does not look out of place against the slightly aged Australian flag that is currently there. I would like to thank Amanda for giving up her time and being there as well.

As I mentioned, Hackham West has become the fifth United Nations peace school in South Australia, and representatives from other schools as far away as Parafield Gardens made the trip down to Hackham West for last Friday's ceremony.

The United Nations Peace School initiative is part of the Save The Children movement and it had representatives there on the day. The day started, of course, with a Kaurna welcome (which was very well received) by one of the youngest students at the school who did a fantastic job in welcoming us to the school and explaining the link between the school and the Kaurna people.

A welcome was given by Eva Varga and Mrs Sathavy Suos, the United Nations representative. They handed the flag to the school and then a big cake was cut and handed out to all the students at the school. They then spent the rest of the day taking part in peace activities, and a barbecue luncheon.

Some of the things that the students were involved in were Tibetan flag making, yoga and other projects that saw the students work industriously together in a very quiet time for the school but on a day that the pupils, as young as they are, will not forget. Harmony Day was celebrated last month at primary schools throughout the state and I know that many members would have attended Harmony Day functions in their electorates. I went to Hackham East that day where the primary school students there were wearing orange as a sign of their commitment to harmony and getting on with others, not only in their school community but the wider community. We should commend the teachers and principals of these schools for exercising these great values.

MINISTER'S REMARKS

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (16:19): I seek leave to make a personal explanation.

Leave granted.

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: I understand that the deputy leader is aware of the rules and needs no help from the Attorney-General, whom I ask to refrain—completely refrain—from interjecting.

Ms CHAPMAN: Thank you, Madam Deputy Speaker. Earlier this afternoon, I gave a personal explanation to the house in relation to a question which I asked during question time yesterday of the Minister for Health, and his subsequent ministerial statement this afternoon, in this house in respect of a policy surrounding the transportation of a prospective transplant recipient.

I indicated to the house earlier that two assertions were made in the ministerial statement, and one related to allegations of a slur against certain medical and health professionals. I indicated to the house that that was totally and utterly denied. I invited the Speaker and now you, Madam Deputy Speaker, as you are now in the chair, should you wish to do so, to examine the *Hansard* from yesterday to identify that that is simply and utterly untrue.

Secondly, there was an assertion in relation to the time frame of the issuing of a media release that asserted that the issuing of this release was subsequent to the information being given to the parliament that purportedly refuted some of the facts raised in the information I gave to the house on a previous day. I indicated to the house that it was acknowledged that the minister did return to the house at approximately 3.13 (and we are certainly not disputing that time) and that he had provided further information to the house.

However, I outlined that the error in relation to the assertion of subsequent publication was to be explained by the fact that the facsimile transmission time on the document had not been changed according to daylight saving. That assertion of publication after information had been provided to the house, certainly had it been the case, if there has been information perpetuated, I would certainly agree that that would be the case. However, that explanation, I suggest, is one that utterly refutes that.

A further matter was raised in the ministerial statement in which the minister said, 'I also look forward to hearing her personal explanation to the house explaining her error.' I have done so, and I indicate that I am completely at a loss, given that statement, as to why leave was then withdrawn earlier this afternoon for my giving a personal explanation, when the minister had sought it.

Finally, he seeks an apology in relation to these two allegations. Primarily, what certainly would be unacceptable would be to publish information subsequent to being informed of it after the event, and that has clearly been carried forward and, I think, clearly explained. I think it is important that we have some assistance from the Speaker's office to make sure that there is a way of ensuring that the equipment in Parliament House has the accurate time on it. I raise this issue because my understanding is that there have been communications between the Government Whip's office and the Opposition Whip's office to detail this.

What is most concerning is the information being conveyed between the whips' offices that this error had been identified and noted, yet still almost 24 hours after the information was conveyed to the house and the facsimile transmission has been made—

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: Order!

Ms CHAPMAN: —and the communication between the whips' offices highlighting this issue. I think the Speaker needs to take on board how this might be addressed, namely, how a minister of the government can come into the parliament this afternoon—not this morning, when parliament resumed—

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: Order!

Ms CHAPMAN: —or when he first became aware of it, after that conversation had occurred. That is very concerning.

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: Order!

PAYROLL TAX BILL

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:26): Obtained leave and introduced a bill for an act to re-enact and modernise the law relating to payroll tax, to harmonise payroll tax law with other states, to repeal the Pay-roll Tax Act 1971 and for other purposes. Read a first time.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:26): I move:

That this bill be now read a second time.

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

Leave granted.

I move that this Bill be read for a second time.

The *Payroll Tax Bill 2009* (the 'Bill') repeals the *Payroll Tax Act 1971* (the 'Act') and replaces it with a new Act that harmonises payroll tax provisions as far as possible with the equivalent payroll tax legislation of New South Wales and Victoria.

On 29 March 2007, all State and Territory Treasurers agreed to move towards the adoption of uniform positions in a number of key areas announced by New South Wales and Victoria in February 2007. The legislative amendments to implement these measures were contained in the *Payroll Tax (Harmonisation Project) Amendment Act 2008*, which was assented to on 26 June 2008 and came into operation on 1 July 2008.

The *Payroll Tax (Harmonisation Project) Amendment Act 2008* provided payroll tax alignment between South Australia and New South Wales and Victoria in relation to motor vehicle allowances, accommodation allowances, fringe benefits, work performed outside a jurisdiction, employee share acquisition schemes, superannuation contributions for non-working directors and grouping provisions.

With key harmonisation initiatives already incorporated into the Act, the current provisions of the Act provide the same tax outcome in South Australia as for New South Wales and Victoria, with the exception of rates, thresholds and exemptions. Consequently it is not envisaged that there will be any significant revenue implications as a result of adopting the harmonised legislative model.

During debate on the *Payroll Tax (Harmonisation Project) Amendment Act 2008* the Government flagged its intention that with effect from 1 July 2009, South Australia would adopt the harmonised payroll tax legislative

model operating in New South Wales and Victoria to maximise the degree of uniformity both with those States and also with Queensland and Tasmania who had similarly announced that they would be moving towards greater harmony.

This Bill operates to repeal the Act and replace it with an Act that is harmonised both in style and substance with the legislative model implemented in New South Wales, Victoria and now Tasmania.

The Bill amends the operation of the Act in the following ways.

Firstly, it reduces by 1 week the current administrative due date of the annual adjustment return (including the monthly return for June) from 28 July to 21 July of each year. Most taxpayers currently pay their payroll tax within 21 days.

Secondly, it allows for designated group employers, with the Commissioner's approval, to lodge joint returns on behalf of specified members of the group. This will provide an administrative benefit to some employers but does not change the grouping arrangements in the context of the application of payroll tax.

Thirdly, it provides a specific provision for the collection and recovery of tax from certain third parties, including agents, trustees, executors and liquidators and provides indemnities and rights of recovery as between third parties who are required to pay tax and the person on whose behalf the tax is paid. These provisions will provide improved administration in relation to collection and recovery of tax. There will be no change to existing practice as recovery of tax was previously undertaken in accordance with the *Taxation Administration Act 1996*, which includes similar provisions.

The Bill also amends the operation of the current payroll tax arrangements by varying the exemption for charitable bodies and modifying grouping provisions. These amendments reflect recent changes to New South Wales and Victoria's harmonised legislation.

The current exemption for charitable bodies will also be amended to apply to wages paid by a non-profit organisation that has, as its sole or dominant purpose, a charitable purpose rather than a non-profit organisation that has a wholly charitable purpose.

In relation to the grouping provisions, the requirement that trustee companies be grouped together as related bodies corporate for payroll tax purposes is removed.

In moving to the harmonised legislative model, jurisdictions will have legislative provisions that relate to jurisdiction-specific circumstances.

The most significant of these jurisdiction-specific matters for South Australia is the retention of the current superannuation provisions that ensure that the payroll tax base includes contributions paid by an employer in respect of an unfunded or partly funded arrangement, and contribution holidays.

In summary, the introduction of a harmonised payroll tax legislative model will assist businesses in South Australia that operate in more than one jurisdiction by reducing the regulatory costs associated with administering payroll tax.

I also take this opportunity to thank the members of RevenueSA's Consulting Groups and Business SA who have taken the time to provide valuable assistance in the formulation of the Bill.

I commend this Bill to the House.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

These clauses are formal.

3—Interpretation

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

4—Taxation Administration Act 1996

This clause provides that the Bill is to be read together with the *Taxation Administration Act 1996*, which deals with matters of administration and enforcement of the Bill and other taxation laws.

5—Act binds the Crown

This clause provides that the Bill binds the Crown.

Part 2—Imposition of payroll tax

Division 1—Imposition of tax

6—Imposition of payroll tax

This clause sets out the basis for liability under the Bill, by providing that payroll tax is imposed on all taxable wages, being wages that are not exempt from tax, and that have the requisite connection to SA. The definition of *taxable wages* is contained in clause 10 of the Bill.

7—Who is liable for payroll tax?

This clause imposes payroll tax on employers. An employer is liable for payroll tax in respect of all SA taxable wages paid or payable by that employer.

8—Amount of payroll tax

This clause provides that the method for determining an employer's payroll tax liability is contained in Schedules 1 and 2 of the Bill.

9—When must payroll tax be paid?

This clause sets out when payroll tax must be paid. For wages paid or payable from July until May, payroll tax for each month must be paid by the 7th day of the following month. At the end of the financial year, registered employers must lodge an annual adjustment return, due by 21 July, which accounts for any underpayment or overpayment of tax throughout the year, and includes tax for wages paid or payable in the month of June. The Commissioner has the power to fix a different date for payment of payroll tax where the Commissioner believes that a person may leave Australia before their payroll tax liability arises.

Division 2—Taxable wages

10—What are taxable wages?

Subclause (1) defines *taxable wages* to mean wages, other than exempt wages, that are paid or payable by an employer for services performed, and that are:

- paid or payable in SA (except if the relevant services are performed wholly in 1 other State or Territory); or
- paid or payable outside SA for services performed wholly in SA; or
- paid or payable outside Australia for services performed mainly in SA. Taxable wages do not include wages paid or payable in respect of services which are performed wholly in another country for a continuous period of more than 6 months. Such wages are exempt from tax from the commencement of the period of overseas service.

Subclause (2) provides a method for determining the jurisdiction in which wages are payable, in circumstances where the wages have not been paid at the time that the payroll tax liability arises.

Subclause (3) provides a method for determining the time and place of the payment of wages where the payment is made by way of an instrument (such as a cheque) or transfer of funds.

Subclause (4) provides that, in determining where services are performed in Australia, regard must be had only to the services performed in the month in respect of which the question arises.

Subclause (5) defines *instrument* for the purposes of subclause (3).

11—Wages not referable to services performed in a particular month

This clause provides that wages which are not referable to services performed in a particular month are taken to be paid or payable for services performed during the month in which they were in fact paid or became payable.

Division 3—Other

12—Liability for payroll tax not affected by subsequent amendment to Act

This clause provides that a liability for payroll tax arises and will be assessed in accordance with the provisions of the Bill as in force at the time the liability arises and such a liability, once having arisen, is not affected by a subsequent amendment to the Bill (except to the extent that the amendment operates retrospectively).

Part 3—Wages

Division 1—General concept of wages

13—What are wages?

This clause provides the general concept of wages for the purposes of the Bill. Wages means wages, remuneration, salary, commission, bonuses or allowances paid or payable to an employee, whether paid or payable at piece work rates or otherwise, and whether paid or payable in cash or in kind. The clause also provides that wages include:

- an amount paid or payable as remuneration to a person holding an office under the Crown;
- an amount paid or payable under any prescribed classes of contracts to the extent to which that payment is attributable to labour;
- an amount paid or payable by a company as remuneration to a director;
- an amount paid or payable as commission to an insurance or time-payment canvasser or collector;
- any amount or benefit that is included as or taken to be wages under the Bill.

Division 2—Fringe benefits

14—Wages include fringe benefits

This clause provides that a fringe benefit constitutes wages for payroll tax purposes, with the exception of certain benefits which are exempt benefits under the *Fringe Benefits Tax Assessment Act 1986* of the Commonwealth.

15—Value of wages comprising fringe benefits

Subclause (1) provides a formula for determining the value of a fringe benefit for payroll tax purposes. This value is the taxable value of the fringe benefit grossed up using the formula for 'Type 2 benefits' specified in the *Fringe Benefits Tax Assessment Act 1986* of the Commonwealth. Under the *Pay-roll Tax Act 1971*, fringe benefits were grossed up using the 'Type 1 benefits' formula or the 'Type 2 benefits' formula accordingly.

Subclauses (2) and (3) specify the bases on which fringe benefits are to be included in monthly returns for payroll tax purposes. An employer must include the actual monthly value of the fringe benefits determined under subclause (1) unless the employer has made an election under clause 16, and that election is still in force.

16—Employer election regarding taxable value of fringe benefits

This clause permits employers to elect to declare 1/12 of the SA aggregate fringe benefits amount (grossed up using the formula for 'Type 2 benefits') included in a preceding annual FBT return. The clause provides a method for reconciling these monthly amounts at the end of the financial year with the current year's FBT return. An election, once made, may only be terminated with the approval of the Commissioner. The clause also specifies the basis on which a final adjustment of payroll tax is to be effected by an employer who ceases to be liable to payroll tax.

Division 3—Superannuation contributions

17—Wages include superannuation contributions

This clause provides that a superannuation contribution constitutes wages for payroll tax purposes. A superannuation contribution includes an employer contribution:

- to a superannuation fund within the meaning of the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth;
- as a superannuation guarantee charge within the meaning of the *Superannuation Guarantee (Administration) Act 1992* of the Commonwealth;
- to or as a form of superannuation, provident or retirement fund or scheme, including to the Superannuation Holding Accounts Special Account within the meaning of the *Small Superannuation Accounts Act 1995* of the Commonwealth, and to a retirement savings account within the meaning of the *Retirement Savings Accounts Act 1997* of the Commonwealth;
- involving the crediting of an account of an employee, or any other allocation to the benefit of an employee (other than the actual payment of a contribution), or the crediting or the debiting of any other account, or any other allocation or deduction, so as to increase the entitlement or contingent entitlement of the employee under any form of superannuation, provident or retirement fund or scheme.

A superannuation contribution also includes a non-monetary contribution, the value of which is to be worked out in accordance with clause 43 of the Bill.

The Bill retains the ability of the Treasurer to estimate the contingent liability of an employer for contributions that will be payable to or in respect of an employee who is a member of the old or new scheme of superannuation under the *Superannuation Act 1988* or of any other unfunded or partly funded scheme of superannuation, and the Treasurer's estimate is to be treated as a contribution paid or payable by an employer in respect of an employee for the purposes of the definition of a superannuation contribution.

A superannuation contribution also constitutes wages if paid or payable in respect of a company director, or in respect of a person taken to be an employee under the contractor provisions in Division 7.

Division 4—Shares and options

18—Inclusion of grant of shares and options as wages

This clause provides that the grant of a share or option to an employee constitutes wages for payroll tax purposes.

The clause also ensures that the grant of a share or option by or to a third party may be subject to payroll tax under the third party payment provisions in clause 46 of the Bill.

19—Choice of relevant day

This clause permits employers to elect to treat the wages constituted by the grant of a share or option as having been paid or payable on the date the share or option is granted to the employee, or the date on which the share or option vests in the employee. The vesting date of a share is the date on which any conditions applying to the grant of the share have been met and the employee's legal or beneficial interest in the share cannot be rescinded. The vesting date for an option is the earlier of 2 dates, being the date on which the share to which the option relates is granted to the employee, or the date on which the employee exercises a right to have the share transferred or allotted to (or vest in) him or her. The clause adopts provisions of the *Income Tax Assessment Act 1936* of the Commonwealth for determining when a share or option is granted.

20—Deemed choice of relevant day in special cases

This clause provides that, where an employer does not include the value of a grant of a share or option in its taxable wages for the financial year in which the grant occurred, the wages constituted by the grant are taken to have been paid or payable on the vesting date of the share or option. Where the value of a grant of a share or option is nil, or the wages constituted by such a grant would not be liable to payroll tax on the date of the grant, such wages will be treated as paid or payable on the date that the share or option was granted.

21—Effect of rescission, cancellation of share or option

This clause ensures that payroll tax will continue to be payable in respect of a grant of a share or option that is later withdrawn, cancelled or exchanged, if it is withdrawn, cancelled or exchanged for valuable consideration. The clause also allows an employer to reduce its taxable wages by the value of a grant of a share or option, where it previously paid payroll tax on the grant, and the grant is subsequently rescinded because the conditions attaching to it were not met.

22—Grant of share pursuant to exercise of option

This clause ensures that, where an employer has paid any applicable payroll tax in respect of the grant of an option, the subsequent grant of a share pursuant to the exercise of that option is not subject to payroll tax. Additionally, payroll tax is not payable where an employer grants a share pursuant to the exercise of an option, if the option was granted before 1 July 2003.

23—Value of shares and options

This clause provides for the valuation of grants of shares or options in accordance with Commonwealth income tax provisions. Any consideration paid by an employee in respect of the share or option is to be deducted from the value of the share or option for payroll tax purposes.

24—Inclusion of shares and options granted to directors as wages

This clause ensures that the grant of a share or option to a director as remuneration for the appointment or services of the director constitutes wages for payroll tax purposes.

25—When services considered to have been performed

This clause provides that, where a grant of a share or option constitutes wages under the Bill, the services to which those wages relate will be taken to have been performed during the month in which the grant or vesting (whichever date applies, as determined under clauses 19 and 20) of the share or option occurs.

26—Place where wages are payable

This clause provides that wages constituted by the grant of a share or option will be taken to be paid or payable in SA if the share is a share in a company registered in SA or any other body corporate incorporated under a SA Act. If the wages are taken to be paid or payable outside SA, the grant of a share or option may still be liable to payroll tax in SA (under clause 10 (1) (b) or (c) of this Bill) if the grant is made for services performed wholly or mainly in SA.

Division 5—Termination payments

27—Definitions

This clause defines *termination payment* as a payment made in consequence of the retirement from, or termination of, any office or employment of an employee. This includes:

- unused annual leave and long service leave payments; and
- employment termination payments (within the meaning of section 82-130 of the *Income Tax Assessment Act 1997* of the Commonwealth) that would be included in the assessable income of an employee under Part 2-40 of that Act, including transitional termination payments within the meaning of section 82-10 of the *Income Tax (Transitional Provisions) Act 1997* of the Commonwealth, and any payment that would be an employment *termination payment* but for the fact it was received more than 12 months after termination.

The definition of *termination payment* also includes amounts paid or payable:

- by a company as a consequence of terminating the services or office of a director; or
- by a person who is taken to be an employer under the contractor provisions contained in Division 7, as a consequence of terminating the supply of services by a person taken to be an employee under those provisions.

28—Termination payments

This clause provides that a *termination payment*, as defined in clause 27, constitutes wages for payroll tax purposes.

Division 6—Allowances

29—Motor vehicle allowances

This clause provides that wages do not include the exempt component of a motor vehicle allowance, calculated in accordance with this clause. An employer need only pay payroll tax on the amount of the motor vehicle allowance that exceeds the exempt component. The exempt component is a function of the number of business

kilometres travelled during the financial year and the exempt rate (being a rate prescribed by regulations under the *Income Tax Assessment Act 1997* of the Commonwealth, or otherwise as prescribed by regulations under the Bill). The method for determining the number of business kilometres travelled is determined in accordance with Part 4 of Schedule 1.

30—Accommodation allowances

This clause provides that wages only include an accommodation allowance paid or payable to an employee for a night's absence from his or her usual place of residence to the extent that it exceeds the exempt rate. The exempt rate is ascertained by reference to Australian Taxation Office determinations in respect of reasonable daily travel allowance expenses, or is otherwise as prescribed by regulations under the Bill.

Division 7—Contractor provisions

31—Definitions

This clause contains the following definitions applicable to the contractor provisions:

contract which is defined to include an agreement, arrangement or undertaking, whether formal or informal and whether express or implied;

relevant contract which is defined to have the meaning given in clause 32 of the Bill;

re-supply which, in relation to goods acquired from a person, is defined to include a supply to the person of goods in an altered form or condition, and a supply to the person of goods in which the first-mentioned goods have been incorporated;

services which is defined to include results, whether goods or services, of work performed;

supply which is defined to include supply by way of sale, exchange, lease, hire or hire-purchase, and in relation to services includes the provision, grant or conferral of services.

32—What is a relevant contract?

Subclause (1) defines a *relevant contract* as one under which a person, in the course of a business carried on by that person, supplies services to another person, or is supplied with persons to perform work, or gives out goods to natural persons for work to be performed by those persons and for the re-supply of those goods to the first-mentioned person.

Subclause (2) provides that various contracts are not *relevant contracts* for payroll tax purposes. These include contracts under which a person, in the course of a business carried on by that person, is supplied with services meeting any of the following criteria:

- the services are incidental to the supply or use of goods by the person who is supplying the services;
- the services are of a kind not ordinarily required in the course of the person's business and which are provided by persons who are genuinely supplying services to the public generally;
- the services are of a kind ordinarily required in the course of the person's business but are required for less than 180 days in a financial year;
- the services are provided by a person for less than 90 days in a financial year;
- none of the above criteria are met, but the Commissioner is satisfied that the services are supplied by a person who ordinarily supplied services of that kind to the public generally in the financial year in respect of which liability is being assessed.

The clause further provides that, in some cases, a contract is not a relevant contract where a contractor supplies services to a person, in the course of a business carried on by that person, and uses 1 or more additional persons to perform the work to which the services relate. Nevertheless, such a contract will be taken to be a relevant contract if the Commissioner determines that the contract or arrangement under which the services were supplied was entered into for the purposes of evading or avoiding tax.

The clause also provides that a contract is not a relevant contract if it relates to services supplied by an owner driver, insurance agent or direct selling agent, unless the Commissioner determines that the contract or arrangement under which the services were supplied was entered into for the purposes of evading or avoiding tax.

Lastly, the clause provides that the relevant contract provisions do not apply to employment agency contracts, which are covered by Division 8 of Part 3.

33—Persons taken to be employers

This clause provides rules for determining which of the parties to a relevant contract is taken to be the employer for payroll tax purposes.

34—Persons taken to be employees

This clause provides rules for determining which of the parties to a relevant contract is taken to be the employee for payroll tax purposes.

35—Amounts under relevant contracts taken to be wages

This clause provides that amounts paid or payable by an employer under a relevant contract are taken to be wages for payroll tax purposes. However, where only part of the amount paid or payable relates to the performance of work or re-supply of goods under the contract, the Commissioner has the power to determine how much of the overall amount paid or payable will be taken to be wages for payroll tax purposes.

The clause also provides that the following are taken to be wages:

- any payment which would amount to a superannuation contribution if the parties to the relevant contract were actually in a relationship of employer and employee;
- the value of any grant of a share or option, provided or liable to be provided by the person taken to be the employer, that would be wages under Division 4 if the parties to the relevant contract were actually in a relationship of employer and employee.

36—Liability provisions

This clause is designed to prevent double taxation. Where a person taken to be an employer has paid payroll tax in respect of a payment taken to be wages under the contractor provisions, no other person is liable to pay payroll tax in respect of that payment, or any other payment for the same work, unless any such payment is made for the purpose of avoiding tax.

Division 8—Employment agents

37—Definitions

This clause defines an *employment agency contract*, which includes an agreement, arrangement or undertaking under which an employment agent procures the services of another person (*service provider*) for a client of the agent. Due to the wide concept of *person*, a service provider may include a company, a partnership or a natural person. An employment agency contract does not include arrangements under which a contract of employment results between the service provider and the client.

38—Persons taken to be employers

This clause provides that an employment agent under an employment agency contract is taken to be an employer for payroll tax purposes.

39—Persons taken to be employees

This clause provides that the natural person who performs the work for the client of the employment agent is taken to be an employee of the employment agent. This clause applies to situations where the service provider is a company, partnership or trustee. It provides that the natural person who in fact performs the work is taken to be an employee of the employment agent.

40—Amounts taken to be wages

This clause provides that any amount paid or payable (or the value of any benefit which would be a fringe benefit or a payment which would be a superannuation contribution) to or in relation to the service provider in respect of the provision of services under the employment agency contract is taken to be wages paid or payable by the employment agent. However, such a payment or benefit is not taken to be wages if it would be exempt from payroll tax under Part 4 of the Bill (other than under Division 4 or 5 or clause 50 of that Part) had the service provider been paid by the client as an employee. It is a requirement that the employment agent receives a declaration to that effect from the client. This clause also provides that if it is not reasonably practicable to determine the extent to which an amount, benefit or payment constitutes wages, the Commissioner may accept a return, or make an assessment, in which the amount on which payroll tax is levied is determined on the basis of estimates

41—Liability provisions

This clause is designed to prevent double taxation. Where an employment agent has paid payroll tax in respect of an amount or benefit taken to be wages under an employment agency contract, no other person is liable to pay payroll tax in respect of wages paid or payable in respect of the provision of those services by the service provider for the client.

42—Agreement to reduce or avoid liability to payroll tax

This clause provides that if an employment agency contract has the effect of reducing or avoiding the liability of any party to the contract to assessment, imposition or payment of payroll tax, the Commissioner may disregard the contract and determine any party to it to be an employer and any payment in respect of the contract to be wages. A notice of the determination must be served on the person taken to be an employer.

Division 9—Other

43—Value of wages paid in kind

This clause sets out the method for determining the value of wages (except fringe benefits, shares and options) that are paid or payable in kind.

44—GST excluded from wages

This clause provides for GST to be excluded from wages in circumstances where payment for a supply of services is taken to be wages under the Bill and the payment includes an amount of GST.

45—Wages paid by group employers

This clause provides that a reference in the Bill to wages paid or payable by a member of a group includes wages that would be taken to be paid or payable by a member of a group if the member were the employer of the employee to whom the wages were paid.

46—Wages paid by or to third parties

This clause ensures that payments of money or provision of other valuable consideration, which is referable to an employee's services to his or her employer, is taken to be wages paid or payable by the employer to the employee (and therefore subject to payroll tax), even if the amount is paid, or the benefit is provided, by:

- a third party to the employee; or
- the employer to a third party; or
- a third party to a third party.

The same principles apply to payments of money or provision of other valuable consideration by way of remuneration for the appointment or services of a company director.

47—Agreement etc to reduce or avoid liability to payroll tax

This clause is an anti-avoidance provision which relates to agreements etc under which a natural person performs services for or on behalf of another person, and a payment in respect of those services is made to a person related or connected to the natural person. If such an agreement has the effect of reducing or avoiding the liability of any party to the agreement to assessment, imposition or payment of payroll tax, the Commissioner may disregard the agreement and determine any party to it to be an employer and any payment in respect of the agreement to be wages. A notice of the determination must be served on the person taken to be an employer.

Part 4—Exemptions

Division 1—Non-profit organisations

48—Non-profit organisations

This clause provides an exemption for non-profit organisations. Wages are exempt from payroll tax if they are paid or payable by a religious institution or a public benevolent institution. In order to qualify for exemption, the wages must be paid or payable for work of a kind ordinarily performed in connection with the religious or public benevolent purposes of the institution, and to a person engaged exclusively in that kind of work.

The clause also provides an exemption for wages paid or payable by a non-profit organisation that has wholly charitable, benevolent, philanthropic or patriotic purposes. The wages must be paid or payable for work of a kind ordinarily performed in connection with those purposes, and to a person engaged exclusively in that kind of work.

Wages are not exempt under this clause if they are paid or payable by a school, an educational institution, a company in which an educational institution has a controlling interest, or an instrumentality of the State. However, schools and persons providing educational services may be exempt from payroll tax under Division 2 of this Part.

Division 2—Education and training

49—Schools and educational services and training

This clause provides a payroll tax exemption for wages paid or payable by schools and certain other educational bodies. The exemption is specific to SA. The content of the exemption is set out in Division 1 of Part 3 of Schedule 2 to the Bill.

50—Community Development Employment Project

This clause provides that wages are exempt from payroll tax if they are paid or payable to an Aboriginal person who is employed under an employment project of the Community Development Employment Project.

Division 3—Health services providers

51—Health services providers

This clause provides that wages paid or payable by an employer who provides health services otherwise than for the purpose of profit or gain are exempt wages. The wages must be paid or payable to a person engaged exclusively in the provision of health services, or work that is incidental to the provision of health services.. A health care service provider is defined in Division 2 of Part 3 of Schedule 2.

52—Division not to limit other exemptions

This clause ensures that the provisions relating to the exemption for health care service providers do not limit the application of any other payroll tax exemption. In other words, the exemption for health care service providers may co-exist with other exemptions. An example is given of a health care service provider which is also an exempt non-profit organisation under clause 48 of the Bill.

Division 4—Maternity and adoption leave

53—Maternity and adoption leave

This clause provides an exemption from payroll tax in respect of paid maternity leave and paid adoption leave. Employers providing paid maternity or adoption leave are entitled to an exemption from tax for any wages paid or payable to an employee, up to a maximum of 14 weeks maternity leave or adoption leave. The maternity leave exemption is available in respect of leave provided to female employees. The adoption leave exemption is available in respect of leave provided to employees of either gender.

54—Administrative requirements for exemption

This clause provides that an employer wishing to claim an exemption for paid maternity or adoption leave must obtain certain records and keep them for a period of at least 5 years, as required by section 53 of the *Taxation Administration Act 1996*.

Division 5—Volunteer firefighters and emergency service volunteers

55—Volunteer firefighters

This clause provides an exemption from payroll tax for wages paid or payable to an employee in respect of any period when he or she was engaged as a volunteer member of a SACFS organisation within the meaning of the *Fire and Emergency Services Act 2005* in responding to any situation that involved or may have involved an emergency under that Act.

56—Emergency service volunteers

This clause provides an exemption from payroll tax for wages paid or payable to an employee in respect of any period when he or she was engaged as a volunteer member of an emergency services organisation under the *Fire and Emergency Services Act 2005* in responding to any situation that involved or may have involved an emergency under that Act.

57—Limitation of exemption

This clause provides that the exemptions for volunteer firefighter and emergency service duty do not apply to wages paid or payable as part of approved leave.

Division 6—Local government

58—Councils

This clause provides an exemption for wages paid or payable by a council.

59—Limitation on local government exemptions

This clause provides that councils and their subsidiaries are not entitled to an exemption for wages paid or payable in respect of specified activities.

60—Specified activities

This clause specifies activities for the purposes of clause 59, including the supply of electricity and gas, water supply, sewerage, and the conduct of other activities. An exemption is also not available for wages paid or payable in respect of construction of buildings or works, or installation of plant, machinery or equipment, for use in or in connection with any such activities. The list of non-exempt activities can be extended by regulation.

Division 7—Other government and defence

61—State Governors

This clause provides that wages paid or payable by the Governor of a State are exempt wages.

62—Defence personnel

This clause provides an exemption for wages paid or payable to an employee who is on leave from employment by reason of being a member of the Defence Force of the Commonwealth, or the armed forces of any part of the Commonwealth of Nations.

63—War Graves Commission

This clause provides an exemption for wages paid or payable by the Commonwealth War Graves Commission.

Division 8—Foreign government representatives and international agencies

64—Consular and non-diplomatic representatives

This clause provides an exemption for wages paid or payable by a consular or other representative in Australia to members of his or her official staff. This exemption does not apply to a diplomatic representative.

65—Trade commissioners

This clause provides an exemption for wages paid or payable by a Trade Commissioner representing any other part of the Commonwealth of Nations in Australia, to members of his or her official staff.

66—Australian–American Fulbright Commission

This clause provides an exemption for wages paid or payable by the Australian-American Fulbright Commission.

Part 5—Grouping of employers

Division 1—Interpretation

67—Definitions

This clause provides definitions of *business* and *group* for the purposes of this Part.

68—Grouping provisions to operate independently

This clause provides that the fact that a person is not a member of a group constituted under 1 of the grouping provisions does not prevent them from being a member of a group constituted under any of the other grouping provisions.

Division 2—Business groups

69—Constitution of groups

This clause ensures that when 2 or more groups form part of a larger group, the 2 or more smaller groups are not considered as groups in their own right.

70—Groups of corporations

This clause provides that corporations constitute a group if they are related bodies corporate within the meaning of the *Corporations Act 2001* of the Commonwealth.

71—Groups arising from the use of common employees

This clause provides for groups arising from the inter-use of employees. Where:

- 1 or more employees of an employer perform duties for 1 or more businesses carried on by the employer and 1 or more other persons; or
- 1 or more employees of an employer are employed solely or mainly to perform duties for 1 or more businesses carried on by 1 or more other persons; or
- 1 or more employees of an employer perform duties for 1 or more businesses carried on by 1 or more other persons, being duties performed in connection with or in fulfilment of the employer's obligation under an agreement, arrangement or undertaking for the provision of services to any of those persons,

the employer and each of those other persons constitutes a group.

72—Groups of commonly controlled businesses

This clause provides for groups arising through common control of 2 businesses.

Under this clause, a group exists where a person, or a set of persons, has a controlling interest in each of 2 businesses. The entities carrying on the businesses are grouped.

The rules for determining whether a person (or set of persons) has a controlling interest in a business vary depending upon the type of entity conducting the business (eg a corporation, partnership or trust), and generally relate to the level of ownership or control of the business, or of the entity conducting the business.

In some circumstances, a person or set of persons will be taken to have a controlling interest in a business on the basis that a related person or entity has a controlling interest in that business. More specifically:

- if a corporation has a controlling interest in a business, any related body corporate of the corporation (within the meaning of the *Corporations Act 2001* of the Commonwealth) will also be taken to have a controlling interest in the business;
- if a person or set of persons has a controlling interest in a business, and the person or set of persons who carry on that business has a controlling interest in another business, the first-mentioned person or set of persons is taken to have a controlling interest in the second-mentioned business;
- if a person or set of persons has a controlling interest in the business of a trust, and the trustee(s) of the trust has a controlling interest in the business of another entity (being a trust, corporation or partnership), the person or set of persons is taken to have a controlling interest in the business of that other entity.

73—Groups arising from tracing of interests in corporations

This clause provides for groups arising from the tracing of interests in a corporation.

Under this clause, an entity (being a person or 2 or more associated persons) and a corporation form part of a group if the entity has a controlling interest in the corporation. Such a controlling interest exists if the entity has a direct interest, an indirect interest, or an aggregate interest in the corporation, and the value of that interest exceeds 50%. Division 3 applies in making this determination. This clause also contains a definition of *associated person*, and defines a number of other relevant terms.

74—Smaller groups subsumed by larger groups

This clause provides that, where any person is a member of 2 or more groups, those groups will form a single group. Under clause 69, the smaller groups which have been subsumed cease to exist as groups for the purposes of the legislation. This clause also provides that if 2 or more members of a group have together a

controlling interest in a business (within the meaning of section 72), all the members of the group and the person or persons who carry on the business together constitute a group.

Division 3—Business groups—tracing of interests in corporations

75—Application

This clause applies this Division for the purposes of grouping an entity with a corporation under clause 73.

76—Direct interest

This clause provides that an entity has a direct interest in a corporation if the entity can directly or indirectly exercise, control the exercise, or substantially influence the exercise of voting power attached to voting shares in the corporation. The clause also provides that the percentage interest of voting power which an entity controls is the percentage of total voting power which the entity can exercise, control the exercise of, or substantially influence the exercise of.

77—Indirect interest

This clause provides that an entity has an indirect interest in a corporation (called the indirectly controlled corporation) if the entity is linked to that corporation by a direct interest in another corporation (called the directly controlled corporation) that has a direct and/or an indirect interest in the indirectly controlled corporation. The clause also provides that the value of an indirect interest in an indirectly controlled corporation is determined by multiplying the value of the entity's direct interest in the directly controlled corporation by the value of the directly controlled corporation's interest in the indirectly controlled corporation.

78—Aggregation of interests

This clause provides that an entity has an aggregate interest in a corporation when it has either a direct interest and 1 or more indirect interests, or 2 or more indirect interests. The clause also provides that the value of an entity's aggregate interest is the sum of the entity's direct and indirect interests in that corporation.

Division 4—Miscellaneous

79—Exclusion of persons from groups

This clause provides the Commissioner with a discretion to exclude a member from a group if satisfied that the business conducted by that member is independent of, and not connected with, the business conducted by any other member of the group. In considering the application of this discretion, the Commissioner will have regard to the nature and degree of ownership and control of the businesses, the nature of the businesses, and any other relevant matters. The discretion is not available for corporations that are related bodies corporate under section 50 of the *Corporations Act 2001* of the Commonwealth.

80—Designated group employers

This clause provides that the members of a group or the Commissioner may designate 1 member of the group to be the designated group employer for the group. The designated group employer is the member entitled to claim the benefit of the threshold on behalf of the group when calculating its payroll tax liability.

81—Joint and several liability

This clause provides for the joint and several liability of every member of a group where any one of them fails to pay an amount required under the Bill. The Commissioner is entitled to recover the whole amount payable from any member of the group.

Part 6—Adjustments of tax

82—Determination of correct amount of payroll tax

This clause provides that this Part applies to both group and non-group employers, and defines various terms which are used in the Part. Where an employer is a group employer for parts of a financial year, and a non-group employer for other parts of the same financial year, separate adjustments are to be made in respect of any period as a group employer, and any period as a non-group employer.

83—Annual adjustment of payroll tax

This clause provides for an annual adjustment of payroll tax at the end of each financial year in accordance with the calculations in Schedule 1. Where an employer has paid too much tax throughout a financial year, the employer may apply for a refund from the Commissioner. Conversely, where an employer has not paid enough tax throughout a financial year, the employer must make up the difference in their annual return.

84—Adjustment of payroll tax when employer changes circumstances

This clause requires an employer to make an adjustment of payroll tax if they change their circumstances at any time during a financial year, meaning that they cease to pay or be liable to pay wages, become a member of a group, or cease to be a member of a group. The adjustment is made at the time that the employer's circumstances change, and relates to the period commencing from the start of the financial year (or the last change of circumstances, whichever is more recent) and ending with the change of circumstances. The adjustment requires an employer to compare their monthly returns with their actual liability for the period (using the annual payroll tax calculations in Schedule 1, pro-rated for the number of days in the period). The employer is then required to make up any tax shortfall to the Commissioner.

Any payments made under this clause are taken into account in the employer's annual adjustment calculation at the end of the financial year.

85—Special provision where wages fluctuate

This clause ensures that an employer who only pays or is liable to pay wages for part of a financial year receives the benefit of the payroll tax threshold for the whole year if the Commissioner determines that, by reason of the nature of the employer's trade or business, the wages paid or payable by the employer fluctuate with different periods of the year. If the employer only conducts that trade or business in Australia for part of the financial year, they can still seek a determination under this clause, and if successful, will receive the benefit of the payroll tax threshold for that part of the financial year.

Part 7—Registration and returns

86—Registration

This clause provides that an employer who pays wages in SA must register for payroll tax if their total Australian wages exceeds the weekly exemption level during any 1 month. If the employer is a member of a group, the total Australian wages paid or payable by all members of the group determines whether the employer should register for payroll tax. If a registered employer's wages fall below the weekly exemption level during any 1 month, the Commissioner may cancel that employer's registration.

87—Returns

This clause provides that every employer who is registered, or required to be registered, under the Bill must lodge a monthly return within 7 days after the end of each month except June, and an annual adjustment return (including the monthly return for June) by 21 July of each year. The Commissioner may vary the time within which a specified employer is required to furnish returns and the period in relation to which a specified employer, or employers of a specified class, are required to furnish returns generally, or returns relating to wages of a specified kind.

This clause also provides that designated group employers may, with the Commissioner's approval, lodge joint returns on behalf of specified members of the group.

Part 8—Collection and recovery of tax

Division 1—Agents and trustees generally

88—Application

This clause provides that this Division applies to an agent or trustee for an employer, and states that nothing in the Division limits the application of the Part 5 grouping provisions to agents and trustees.

89—Agents and trustees are answerable

This clause provides that an agent or trustee for an employer may be treated as the employer and is subject to all of the employer's obligations arising from the payment of taxable wages under the Bill.

90—Returns by agent or trustee

This clause provides that an agent or trustee must make returns, in its representative capacity only, and where a person is an agent or trustee for more than 1 employer, returns for each employer must be made separately.

91—Liability to pay tax

This clause provides that an agent or trustee must retain enough money to pay payroll tax out of any money which comes to the agent or trustee in their representative capacity, and provides for the personal liability of the agent or trustee in some circumstances where they fail to do so.

92—Indemnity for agent or trustee

This clause provides an agent or trustee who pays tax in its representative capacity with an indemnity and right of recovery against the employer.

Division 2—Special cases

93—Tax not paid during lifetime

This clause provides for the lodgment of returns and payment of tax by the trustee of a deceased estate where the deceased person did not make complete and accurate returns during his or her lifetime, and therefore escaped full payment of tax. The amount of tax payable is a charge on the estate with priority over all other encumbrances.

94—Payment of tax by executors or administrators

This clause provides for the assessment and recovery of tax from executors or administrators of an employer's estate where an employer dies without paying all of the tax payable up to the date of death.

95—Assessment if no probate within 6 months of death

This clause provides for the assessment of a deceased person where probate has not been granted within 6 months of their death. The clause requires the Commissioner to advertise the notice of assessment, and permits

any person claiming an interest in the estate of the deceased to lodge an objection. Once an assessment has been advertised and confirmed under this clause, the Commissioner may rely on the general rights to recover unpaid tax contained in the *Taxation Administration Act 1996*.

96—Person in receipt or control of money for absentee

This clause provides that the Commissioner may recover tax from any person (the *controller*) who has the receipt, control or disposal of money belonging to a person (the *principal*) who is liable for tax, and who is resident out of Australia. The clause requires the controller to retain sufficient money to pay the tax, and provides for the personal liability of the controller in some circumstances where it fails to do so. It also provides the controller with an indemnity and right of recovery against the principal.

97—Agent for absentee principal winding-up business

This clause provides for the recovery of tax from an agent of an absentee principal who has been required to wind-up the principal's business. The agent is required to notify the Commissioner of the intention to wind-up the business before taking any steps to do so, and must pay any payroll tax liability from the assets of the business. The agent is penalised for failure to comply with these obligations, and made personally liable for the tax.

98—Recovery of tax paid on behalf of another person

This clause provides a general right of recovery for any person who pays tax for another person under the provisions of the Bill.

99—Liquidator to give notice

This clause provides for the recovery of tax from a liquidator of an employer which is registered or required to be registered under the Bill. A liquidator is obliged to set aside assets to the value of the amount of tax notified by the Commissioner as being payable by the employer, and is liable as trustee to pay the tax to the extent of the value of those assets. The liquidator is penalised for failure to comply with these obligations, and made personally liable for the tax.

Part 9—General

100—Returns etc to be completed in manner approved by Commissioner

This clause provides that a return, application, statement, notice or any other document relating to the payment of payroll tax that is to be provided to the Commissioner for the purposes of the Bill or the *Taxation Administration Act 1996* must be provided in a manner and form determined or approved by the Commissioner.

101—Regulations

This clause provides powers to make regulations for the purposes of the Bill.

Schedule 1—Calculation of payroll tax liability

This Schedule makes provision for matters relating to the calculation of payroll tax liability.

Schedule 2—South Australia Specific Provisions

This Schedule contains provisions relating to payroll tax, including exemptions from payroll tax, that are specific to South Australia.

Schedule 3—Repeal and transitional provisions

This Schedule repeals the *Pay-roll Tax Act 1971* and contains transitional arrangements for the implementation of the measure.

Debate adjourned on motion of Ms Chapman.

STAMP DUTIES (TAX REFORM) AMENDMENT BILL

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:27): Obtained leave and introduced a bill for an act to amend the Stamp Duties Act 1923 and to make related amendments to the Statutes Amendment (Budget 2005) Act 2005. Read a first time.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:27): I move:

That this bill be now read a second time.

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

Leave granted.

Legislative amendments were introduced and passed, as part of the 2005-06 Budget, to phase out rental duty and mortgage duty. Both of these stamp duties will be abolished from 1 July 2009.

In the case of rental duty, the termination provisions were drafted on a basis consistent with representations made by the finance industry—namely, to restrict the phase out of stamp duty to new rental contracts so as to avoid the administrative burden of adjusting existing rental contracts each time stamp duty rates were reduced and then abolished.

The finance industry has since made representations for the legislation to be amended to enable all rental contracts in existence at 1 July 2009 to obtain the benefit of the abolition of rental duty. Industry revised their position following the receipt of more detailed advice in relation to the application of the Goods and Services Tax (GST) that removed the need to issue GST adjustment notices when stamp duty rates changed.

This Bill gives effect to the amendments that have been requested by industry and ensures that no rental duty is payable on rental contracts on or after 1 July 2009.

In the case of mortgage duty, amendments have also been included in the Bill to clarify the stamp duty treatment of mortgages entered into both before and after the abolition date of 1 July 2009.

A mortgage executed on or after 1 July 2009 will be free from stamp duty.

Mortgages executed prior to 1 July 2009 will only be liable for stamp duty where an advance is made under such a mortgage prior to 1 July 2009 and will be chargeable at the rate in force, as at the date that the advance was made.

In addition to clarifying the abolition of rental and mortgage duty the opportunity is being taken to extend the concessional stamp duty treatment provided to exploration licences to include geothermal licences.

The *Stamp Duties Act 1923* provides for concessional stamp duty arrangements for the transfer of exploration licences. However, the current wording of the provisions does not cover transfers of geothermal exploration licences under the *Petroleum Act 2000*.

The opportunity has therefore been taken to update the coverage of exploration licences eligible for concessional stamp duty arrangements under the *Stamp Duties Act 1923* to include geothermal exploration licences under the *Petroleum Act 2000*.

A number of minor amendments to the *Stamp Duties Act 1923* have also been included such as repealing redundant provisions in relation to cheque duty and lease duty which have not operated for some time.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause is formal.

2—Commencement

The Act will come into operation on the day of assent. However, clause 13, which amends section 79 of the *Stamp Duties Act 1923*, will come into operation on 1 July 2009. It is necessary for this amendment to come into operation on the day on which duty ceases to arise in relation to mortgages.

3—Amendment provisions

This clause is formal.

Part 2—Amendment of *Stamp Duties Act 1923*

4—Amendment of section 7—Distribution of stamps, commission etc

This amendment is consequential on the abolition of duty in respect of cheques and cheque forms. Duty is not chargeable on cheque forms issued, or cheques paid, on or after 1 July 2004. Clause 8 repeals provisions of the Act relating to duty in respect of cheques. This clause amends section 7 by removing a redundant provision referring to the payment of duty in respect of cheque forms and cheques.

5—Amendment of section 16—Duty in force when instrument produced for stamping to apply

Section 16 provides that the duty chargeable on an instrument is to be calculated according to the rates in force when the instrument is produced to the Commissioner. This clause makes a consequential amendment to section 16 to make it clear that the section operates subject to the Act. This is because proposed section 104(2), to be inserted by clause 15, provides for a different calculation of duty in certain circumstances.

6—Amendment of section 31B—Interpretation

This clause amends the definition of *dutiable rental business* in section 31B of the Act. This amendment is necessary because section 103 in new Part 4A, which provides for the abolition of various duties (to be inserted by clause 15), is to abolish duty on rental business from 1 July 2009.

7—Insertion of section 31N

This clause inserts a new section.

31N—Repeal of Division

Section 31N provides for the repeal by proclamation of Part 3 Division 2 of the Act, which relates to duty in respect of rental business.

8—Repeal of Part 3 Division 5

This clause repeals Part 3 Division 5 of the Act. Division 5 deals with duty payable in respect of cheques and cheque forms. The Division is to be repealed because duty is not chargeable on cheque forms issued, or cheques paid, by financial institutions on or after 1 July 2004.

9—Amendment of section 71—Instruments chargeable as conveyances

Under section 71(14), if property transferred to a trustee is subsequently transferred back to the transferor, and duty was paid on the first transfer, the Commissioner may refund the duty paid less $10 to the person who paid the duty. Under the provision as amended by this clause, the whole amount of the duty paid will be refundable.

10—Amendment of section 71C—Concessional rates of duty in respect of purchase of first home etc

The contents of proposed section 71C(3a) are currently included in a note at the end of subsection (3). Subsection (3a) will replace the note.

11—Amendment of section 71D—Concessional duty to encourage mineral or petroleum exploration activity

This clause updates the definition of *exploration tenement* so that it includes exploration licences granted under the *Petroleum Act 2000*.

12—Repeal of Part 3 Division 9

Section 75A of the Act provides that no liability to duty arises in relation to leases entered into on or after 1 July 2004. This clause repeals Part 3 Division 9 of the Act, which contains provisions no longer required because they relate to the duty previously payable in respect of leases.

13—Amendment of section 79—Mortgage securing future and contingent liabilities

It is necessary to repeal subsections (6) and (7) of section 79 on the date on which mortgages cease to be liable to duty. Subsection (6) prevents the registration of the discharge of a mortgage for an unlimited amount unless the instrument of discharge is endorsed with a certificate stating that the mortgage has been duly stamped.

14—Insertion of section 82A

This clause inserts a new section.

82A—Repeal of Division

Part 9 Division 10 of the Act contains provisions relevant to the duty payable in respect of mortgages. Section 82A will provide for the repeal by proclamation of Division 10. This is because, under proposed section 104, duty will not be payable in relation to mortgages first executed, or that first affect property in South Australia, on or after 1 July 2009.

15—Insertion of Part 4A

This clause inserts new Part 4A. The provisions of this Part have the effect of abolishing various duties.

Part 4A—Abolition of various duties

Division 1—Abolition of duty on rental business

103—Abolition of duty on rental business (1 July 2009)

Section 103 provides that there is to be no duty in relation to amounts received in respect of rental business after 30 June 2009. Rental business is currently dutiable under the provisions of Part 3 Division 2 of the Act. Despite those provisions, registration under Division 2 is not required or to be granted on or after 22 July 2009. The registration of a person who is registered immediately before that date will be taken to have been cancelled.

Division 2—Abolition of duty on mortgages

104—Abolition of duty on mortgages (1 July 2009)

Section 104 abolishes duty in relation to mortgages first executed, or that first affect property, on or after 1 July 2009. Further, if a mortgage is executed before 1 July 2009, or first affects property in South Australia before that day, but no advance secured under the mortgage is made before that day, no liability to duty will arise. It will also be the case that no liability to duty will arise in relation to an advance on or after 1 July 2009 under a mortgage first executed, or that first affects property in South Australia, before that day.

If a dutiable mortgage, bond, debenture, covenant or warrant of attorney is executed before 1 July 2009 but produced to the Commissioner after that day, the duty is to be calculated according to the rates in force when the instrument became liable to duty.

16—Amendment of section 107—Transfer of property to correct error

Section 107 of the Act authorises the Commissioner to grant relief from stamp duty in respect of an instrument if the sole purpose of the instrument is to reverse or correct a disposition of property resulting from an error in an earlier instrument. Currently, the amount of duty payable if the Commissioner grants such relief is $10 in addition to the amount (if any) by which the duty that would have been paid on the earlier instrument if it had been correctly made exceeds the amount of duty actually paid on that instrument. This clause removes the reference to $10, so that the duty payable in these circumstances is only the difference (if any) between the correct amount of duty and the amount actually paid.

17—Amendment of Schedule 1—Transitional provisions

This clause inserts a new transitional provision connected to the repeal of the provisions of the Act relating to duty on cheques and cheque forms. Despite any other provision of the Act or the *Taxation Administration Act 1996*, no refund of duty on cheque forms is allowed.

18—Amendment of Schedule 2—Stamp duties and exemptions

This clause amends Schedule 2 of the Act by deleting provisions relating to the duty formerly payable in respect of cheques and leases.

Schedule 1—Related amendments

Part 1—Amendment of *Statutes Amendment (Budget 2005) Act 2005*

1—Repeal of Part 7

This clause repeals Part 7 of the *Statutes Amendment (Budget 2005) Act 2005*, which has not yet come into operation. Section 21 of the Budget 2005 Act is to repeal section 81A of the *Stamp Duties Act 1923*. However, that section was repealed by the *Statutes Amendment and Repeal (Taxation Administration) Act 2008*. Section 22 of the Budget 2005 Act, which amends the *Stamp Duties Act 1923* to abolish duty on mortgages, is to be repealed because the way in which that abolition is achieved is inconsistent with the way in which the abolition of duty on mortgages is to be achieved under provisions to be inserted by the *Stamp Duties (Tax Reform) Amendment Act 2009*.

Debate adjourned on motion of Ms Chapman.

SOUTHERN STATE SUPERANNUATION BILL

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:28): Obtained leave and introduced a bill for an act to continue the Triple S contributory superannuation scheme for persons employed in the public sector; to make consequential amendments to certain other acts; to repeal the Southern State Superannuation Act 1994; and for other purposes. Read a first time.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:28): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill deals with the Triple S contributory superannuation scheme for persons employed in the public sector.

The Bill proposes the replacement of the existing statute that establishes the Triple S scheme with a new Act that will continue the scheme.

The principal purpose of this Bill is to remove from the Act establishing the scheme the detailed prescriptive scheme rules, and provide for those rules to be prescribed in subordinate legislation.

The Triple S scheme is not being changed under this legislation. What is effectively occurring is that the enabling legislation is being simplified with the detailed prescriptive scheme rules to be transferred to regulations.

With superannuation rules and standards constantly changing, often to meet Commonwealth requirements, this restructuring of the enabling legislation will enable much quicker responses to required changes to scheme rules. Often changes to scheme rules need to be implemented at relatively short notice in order to meet new industry standards or Commonwealth requirements. Being able to change scheme rules quickly is often necessary to prevent inconvenience to members and prevent them from being disadvantaged by necessary changes to rules being delayed.

This restructuring of the enabling legislation will have no impact on members of the scheme, nor to their accrued entitlements. The scheme rules that are currently in the *Southern State Superannuation Act* are to be removed under the legislation contained in this Bill and prescribed in regulations under the new Act.

The restructure reflected in this Bill is strongly supported by the South Australian Superannuation Board, which is the body responsible for administering the Triple S scheme.

Notwithstanding that the aim of this restructure is the transfer of the prescriptive rules to subordinate legislation, there are a number of basic features of the scheme that the Government believes should remain in the Act. Accordingly, this Bill provides for those matters, features or principles to remain in the Act. These matters, features, or principles include; the feature and principle that where a member of the scheme makes personal after tax contributions to the scheme of at least 4.5 per cent of salary, the contribution by the employer shall be 10 per cent of salary; a continuation of the 'putative spouse' concept in the current statute; the power of the Board to require an employer, a workers compensation authority, a member or a spouse member to supply the Board with any information that it requires for the purposes of the Act; the important privacy and confidentiality provisions; and the power of the Board to resolve any doubts and difficulties that arise in the application of the Act or regulations to particular circumstances, or where the provisions of the Act or the regulations do not address particular circumstances that have arisen.

Since the main aim of this legislation is to have most of the prescriptive scheme rules provided in regulations, the regulation making provisions in the Bill are much more extensive than in the existing Act. Whilst the regulation making powers are more extensive, they are simply wide enough to cover those matters that need to be dealt with by having the detailed prescriptive rules in regulations. The regulation making provisions in the legislation will also make it a condition that any regulation may not reduce the amount of a person's accrued benefits unless the regulation is necessary to ensure compliance with a Commonwealth law, to rectify a mistake or error, or to facilitate the division under the Commonwealth's *Family Law Act*, of superannuation interests between spouses who have separated. This provision will re-assure members about this restructure.

The post retirement investment product arrangements whilst not strictly part of the Triple S scheme, are to be continued under this legislation. However, under the restructure, the prescriptive rules and terms and conditions for the post retirement product arrangements are to be also dealt with by subordinate legislation.

The Bill contains a number of amendments to other Acts that are related to the amendments contained in this legislation. A number of transitional provisions are also proposed with the majority of the provisions relating to the transfer of members of the former Police Lump Sum Scheme to Triple S on 1 July 2008. These transitional provisions relating to police officers maintain some of the transitional provisions legislated under the *Statutes Amendment (Police Superannuation) Act 2008*. Only those transitional provisions that will continue to serve a purpose are to be continued in this new legislation.

Whilst the Bill will continue the Triple S scheme with no change to the benefit structure and with no impact on members, the opportunity has been taken in this legislation to make two amendments to the current administrative arrangements. The Triple S scheme currently has two separate and distinct funds holding the assets of the scheme. There is the Southern State Superannuation Fund that holds the money contributed by members, the co-contribution money paid to members by the Commonwealth, the members' money rolled over from other funds, and the investment earnings on those funds. The second fund is the Southern State Superannuation (Employers) Fund that holds the money contributed by employers and the investment earnings on those funds. So the first administrative change contained in this Bill proposes that in the future there be only one fund formed from the amalgamation of the existing two funds. The ongoing fund will be the Southern State Superannuation Fund. There will be administrative benefits in having the assets backing the scheme held in one fund. Furthermore, there is no reason to continue holding the assets of the Triple S scheme in two separate funds.

The other change to the administrative arrangements deals with employers. Under the existing scheme, only those employers who are entities of the Crown are eligible to be participating employers and accordingly have employees as members of the scheme. Under this Bill, it is proposed to introduce an arrangement under which an 'approved employer' can enter into an arrangement with the Superannuation Board for the purposes of providing eligibility for employees of that employer to be members of Triple S. The 'approved employer' will of course be required to make the employer contributions necessary under the terms of the scheme. The legislation defines an 'approved employer' to be an instrumentality or agency of the Crown in right of the Commonwealth or any State or Territory; or any other authority, body or person. The proposed provision is similar to Section 5 of the *Superannuation Act 1988*. It is envisaged that only statutory bodies, or entities that receive the majority of their funding from government would be considered for approval by the Minister under this proposed new provision.

In preparing this Bill, the Government has consulted extensively with the Superannuation Board, the Superannuation Federation, the Public Service Association, the Australian Education Union and the Police Association.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause is formal.

2—Commencement

The date for commencement of the measure will be fixed by proclamation.

3—Interpretation

This clause provides definitions of various terms used in the measure.

The *Board* is the South Australian Superannuation Board continued in existence by the *Superannuation Act 1988*. The *Fund* is the Southern State Superannuation Fund, which is continued in existence by the Act - see section 10. A *member* is a person who is a member of the Triple S scheme by virtue of section 19, which deals with membership. A *police member* is a police officer who is a police member of the Triple S scheme by virtue of regulations made under section 19. The term *spouse* includes a putative spouse, which is defined in section 7.

4—Continuation of Triple S scheme

The *Southern State Superannuation Act 2009* will continue the scheme of superannuation established by the *Southern State Superannuation Act 1995*. The scheme will continue to be known as the 'Southern State Superannuation Scheme' or the 'Triple S scheme'.

5—Employer contribution percentage

The employer contribution percentage applicable in respect of a member (that is, the percentage of the member's salary that is to be paid to the Treasurer by the member's employer and credited to his or her contribution account) is to be fixed by regulation. However, subsection (3) specifies that where an employer contribution percentage is not fixed by the regulations for a particular member, the relevant employer contribution percentage will be 9 per cent. If the member is making personal contributions at a rate of at least 4.5 per cent, the relevant employer contribution will be 10 per cent.

6—Participating employers

This clause permits the South Australian Superannuation Board to enter into arrangements with employers for the purpose of allowing employees to become eligible to be accepted as members of the scheme. The Board cannot enter into an arrangement with an employer unless the employer is an instrumentality or agency of the Crown in right of the Commonwealth or a State or Territory, or any other authority, body or person, that has been approved by the Minister.

7—Putative spouses

This clause sets out the procedure for determining whether or not a person is the putative spouse of another person for the purposes of the Act. A person may apply to the District Court for a declaration that he or she and another person were putative spouses on a particular date.

8—Restriction on publication of court proceedings

This clause imposes restrictions on the publication of information relating to proceedings before the District Court under proposed section 7.

Part 2—Administration

Division 1—The Board

9—Function of Board

The Board is responsible to the Minister for all aspects of the administration of the Act (other than the management and investment of the Southern State Superannuation Fund) and is to provide advice to the Minister.

Division 2—The Southern State Superannuation Fund

10—The Fund

This clause continues the Southern State Superannuation Fund, which is subject to the management and control of the Superannuation Funds Management Corporation of South Australia. The Treasurer is required to pay the following into the Fund:

- periodic contributions reflecting the contributions paid to the Treasurer by members and spouse members;
- the amount of co-contributions paid or transferred to the Board on behalf of a member or spouse member;
- an amount or amounts rolled over from another superannuation fund or scheme to the Triple S scheme;
- payments to the Treasurer by employers as required by proposed section 21;
- payments to the Treasurer by or on behalf of employers as required under the regulations.

The clause requires that all earnings arising from investment of the Fund be paid into the Fund.

11—Investment of Fund

The Fund is to be invested in a manner determined by the Superannuation Funds Management Corporation of South Australia.

Division 3—Accounts

12—Accounts

This clause requires the Board to maintain contribution accounts, rollover accounts and co-contribution accounts for members and spouse members. Accounts are to be maintained in accordance with requirements

specified in the regulations. The clause operates subject to regulations that may make further provision in relation to the maintenance of accounts.

The Board is required to establish a scheme under which each member's or spouse member's beneficial interest in the Fund, as held in the accounts of the Board, is represented by 1 or more units, with each unit being an undivided beneficial interest in the Fund.

13—Accretions to accounts

Contribution accounts, rollover accounts and co-contribution accounts that have a credit balance are to be adjusted by the Board from time to time to reflect movements in the value of units allocated to accounts under the scheme established by the Board pursuant to proposed section 12. In determining movements in the value of each unit of beneficial interest held in the name of each member or spouse member, the Board must have regard to the earnings achieved on the class of investments in which the accounts of a member or spouse member are allocated.

If a member or spouse member has nominated a class of investments or combination of classes of investments under section 14, the Board is to have regard to the earnings achieved on the nominated class or combination of classes when determining movements in the value of each unit of beneficial interest held in the name of the member or spouse member.

14—Investment choice

This clause authorises the Board to permit members and spouse members, on such terms and conditions as the Board thinks fit, to nominate the class of investments, or the combination of classes of investments, for the purpose of determining adjustments to be made to accounts under proposed section 13. Where a member or spouse member has not made a nomination, the Board is to allocate the accounts of the member or spouse member to a class of investments according to a determination of the Board.

15—Other accounts to be kept by Board

The Board is required under this clause to maintain proper accounts of—

- receipts of members' contributions, spouse members' contributions and employer contributions; and
- payments to, on behalf of, or in respect of, members and spouse members; and
- payments made from members' contribution accounts to spouse accounts; and
- amounts transferred from spouse accounts to other accounts for the purpose of amalgamating accounts.

The Board is also required to prepare financial statements and to maintain other accounts as required by the regulations.

16—Reports

This clause requires the Board to submit an annual report to the Minister on the operation of the Act during the financial year ending on 30 June in each year. Copies of the report are to be laid before both Houses of Parliament.

17—Report as to cost and funding of insurance benefits

This clause requires the Minister to obtain an annual report on the cost and funding of insurance benefits (including disability pensions) provided through the scheme. Copies of the report are to be laid before both Houses of Parliament.

Division 4—Payment of benefits

18—Payment of benefits

Payments made under the Act are to be made by the Treasurer out of the Consolidated Account or out of a special deposit account (ie, a special deposit account established under section 8 of the *Public Finance and Audit Act 1987*) established by the Treasurer for the purpose.

If a payment includes an amount standing to the credit of a contribution account, a rollover account or a co-contribution account, an amount equal to the amount of the payment is to be charged against the appropriate account. The Treasurer is required to reimburse the Consolidated Account or special deposit account by charging the Fund with that amount.

Part 3—Membership and contributions

19—Membership of scheme

This clause deals with membership of the Triple S scheme.

The following are members of the scheme:

persons in relation to whom the Crown, or an agency or instrumentality of the Crown, is liable to pay a superannuation guarantee charge under the *Superannuation Guarantee (Administration) Act 1992* of the Commonwealth;

- persons who—
  - are employed by a participating employer; and

- have been accepted as members of the scheme;
- persons who were members of the Triple S scheme immediately before the repeal of the *Southern State Superannuation Act 1994*.

The clause provides for the regulations to make further provision in relation to membership and spouse membership of the Triple S scheme. The regulations can, for example, provide—

- that particular persons, or particular classes of persons are, or are not, members of the scheme; or
- that a police officer who is a member of the scheme is, or is not, a police member of the scheme; or
- that a person who is or was the spouse of a member is, subject to conditions specified in the regulations, a spouse member of the scheme; or
- that a specified provision of the Act does not apply, or applies subject to prescribed modifications, to a member or a class of members, or to a spouse member or a class of spouse members.

20—Contributions

Under this clause, members may elect to make contributions to the Triple S scheme as a deduction from salary. Most police members are required to make contributions to the Treasurer as a deduction from salary at a rate that equals or exceeds the prescribed percentage. Members who are making contributions to the scheme as a deduction from salary may make additional monetary contributions.

Regulations made under this clause may provide that particular members, or particular classes of member, are not entitled to make contributions under the clause or must contribute at a specified rate. The regulations may also require specified members, or members of a specified class, to make contributions to the Treasurer as a deduction from salary at a prescribed rate.

21—Payments by employers

This clause requires an employer, within a specified period following the payment of salary to a member, to pay an amount to the Treasurer. The amount is to be determined by reference to the employer contribution percentage applicable in respect of the member and in accordance with the formula set out in subclause (1).

Part 4—Miscellaneous

22—Insurance benefits

Invalidity insurance, death insurance and a disability pension are to be provided through the scheme for members. Death insurance is to be provided for spouse members. The terms and conditions of insurance are to be prescribed by regulation.

23—Rollover of money from other funds or schemes

This clause provides for money rolled over to the Triple S scheme from another superannuation fund or scheme to be paid to the Treasurer.

24—Employer benefits and contributions if member on leave without pay

This clause provides that where a member is on leave without pay, the Minister may, at the request of the employing authority, direct that section 21 (relating to employer contributions) and any relevant provision of the regulations will apply in relation to the member as though he or she were not on leave without pay. The member will be taken, for that purpose, to be receiving the salary that he or she would have received if he or she were not on leave without pay.

25—Review of Board's decision

A person who is dissatisfied with a decision of the Board under this Act may, under this clause, appeal to the Administrative and Disciplinary Division of the District Court or to the Board against the decision.

26—Power to obtain information

This clause authorises the Board to require an employing authority, a workers compensation authority, a member or a spouse member to supply the Board with any information that it reasonably requires for the purposes of the Act.

27—Delegation by Board

This clause authorises the Board to delegate its powers under the Act. A delegation—

- must be by instrument in writing; and
- may be conditional or unconditional; and
- does not derogate from the power of the Board to act in any matter; and
- is revocable at will by the Board.

28—Confidentiality

This clause makes it an offence for a member or former member of the Board or the board of directors of the Superannuation Funds Management Corporation of South Australia, or a person employed or formerly employed in the administration of the Act, to divulge information of a personal or private nature, or information as to the entitlements or benefits of a person under the Act, except—

- as required by or under an Act of the State or the Commonwealth; or
- to, or with the consent of, the person; or
- to that person's employing authority; or
- to another person for purposes related to the administration of the Act; or
- as may be required by a court.

The clause also provides that a member or former member of the Board or the board of directors of the Superannuation Funds Management Corporation of South Australia, or a person employed or formerly employed in the administration of the Act, must not divulge information if to divulge the information is inconsistent with a requirement imposed on the trustee of an eligible superannuation plan under Part VIIIB of the *Family Law Act 1975* of the Commonwealth.

These provisions do not prevent the disclosure of statistical or other information related to members or spouse members generally or to a class of members or spouse members rather than to an individual member or spouse member.

29—Resolution of difficulties

If, in the opinion of the Board, a doubt or difficulty has arisen in the application of the Act or the regulations to particular circumstances or the provisions of the Act or the regulations do not address particular circumstances that have arisen, the Board may give directions reasonably necessary to resolve the doubt or difficulty or to address the circumstances. A direction will have effect according to its terms.

The clause also authorises the Board to extend a time limit or waive compliance with a procedural step if of the opinion that the extension or waiver is necessary.

30—Regulations

This clause authorises the making of such regulations as are contemplated by, or necessary or expedient for the purposes of, the Act.

Subclause (2) lists a number of matters in relation to which regulations may be made:

- administration of the scheme;
- contributions to be made to the Fund;
- charges to be made against the Fund;
- accounts and other records to be kept by the Board;
- benefits and how and when they are paid or dealt with;
- the division under the *Family Law Act 1975* of the Commonwealth of superannuation interests between spouses who have separated;
- provision by the Board of investment services and other products and services.

This clause provides that regulations under the Act may, in limited circumstances, modify the operation of a provision of the *Superannuation Act 1988* or the *Police Superannuation Act 1990*. It is necessary for the regulations to be able to modify the operation of the *Superannuation Act 1988* and the *Police Superannuation Act 1990* in their application to certain members because some members of the Triple S scheme will also be members of schemes of superannuation established by those other Acts and there may be the potential for such a member to be entitled to, for example, a disability pension under more than 1 superannuation scheme.

Regulations under the Act will ordinarily come into operation 4 months after the day on which they are made but may come into operation at an earlier time if—

- they revoke a regulation without making provision in substitution for that regulation; or
- they correct an error or inaccuracy in a regulation; or
- they are required to ensure that the scheme is consistent with an Act that comes into operation on assent or less than 4 months after assent; or
- they are required to ensure that the scheme complies with a provision of the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth; or
- they confer a benefit or right on a person (other than the Board); or
- the Minister certifies that the Minister is satisfied that it is necessary or appropriate that the regulations come into operation on the specified day.

The regulations cannot reduce the amount of a person's accrued benefits unless the regulations are necessary—

- to ensure compliance with a law of the Commonwealth; or
- to rectify a mistake; or
- to facilitate the division under the *Family Law Act 1975* of the Commonwealth of superannuation interests between spouses who have separated.

Schedule 1—Related amendments, repeal and transitional provisions

Part 1—Preliminary

1—Amendment provisions

This clause is formal.

Part 2—Amendment of *Police Superannuation Act 1990*

2—Amendment of section 4—Interpretation

3—Amendment of section 13A—Investment option

4—Amendment of section 34—Resignation and preservation of benefits

5—Amendment of section 38G—Interpretation

The amendments made to the *Police Superannuation Act 1990* by these clauses are consequential on the enactment of the *Southern State Superannuation Act 2009*.

Part 3—Amendment of *Subordinate Legislation Act 1978*

6—Amendment of section 16A—Regulations to which this Part applies

Part 3A of the *Subordinate Legislation Act 1978* provides for the expiry of regulations on 1 September of the year following the tenth anniversary of the day on which the regulations were made. As a consequence of the amendment made by this clause to section 16A of that Act, Part 3A will not apply to regulations made under the *Southern State Superannuation Act 2009*.

Part 4—Amendment of *Superannuation Funds Management Corporation of South Australia Act 1995*

7—Amendment of section 3—Interpretation

The amendment made to the *Superannuation Funds Management Corporation of South Australia Act 1995* by this clause is consequential on the enactment of the *Southern State Superannuation Act 2009*.

Part 5—Repeal of *Southern State Superannuation Act 1994*

8—Repeal of Act

This clause repeals the *Southern State Superannuation Act 1994*.

Part 6—Transitional provisions

9—Interpretation

This clause provides definitions of a number of terms required for the purposes of the transitional provisions. The *new scheme* is the Southern State Superannuation Scheme continued in existence under the 2009 Act. The *old scheme* is the Southern State Superannuation Scheme under the 1994 Act.

The *relevant day* is the day on which the *Southern State Superannuation Act 1994* is repealed.

10—Southern State Superannuation (Employers) Fund

This clause dissolves the Southern State Superannuation (Employers) Fund and incorporates the money constituting that Fund immediately before the relevant day into the Southern State Superannuation Fund. The balance of a member's employer contribution account immediately before the repeal of the *Southern State Superannuation Act 1994* will be credited to the member's contribution account.

11—Balances of accounts

Under this clause, an account maintained by the Board for the purposes of the old scheme immediately before the relevant day (other than an employer contribution account) is to be continued under the new scheme. The balance on the relevant day of an account continued under the new scheme is to be equivalent to the balance of the account immediately before that day.

12—Former members of Police Superannuation Scheme

This clause preserves the rights and entitlements of former members of the Police Superannuation Scheme who were transferred to the Triple S scheme on the enactment of the *Statutes Amendment (Police Superannuation) Act 2008*.

13—Children in receipt of pension under *Police Superannuation Act 1990*

This clause also relates to the enactment of the *Statutes Amendment (Police Superannuation) Act 2008*, which repealed section 26 of the *Police Superannuation Act 1990*. A pension paid to a child under that section will continue to be paid to the child as if the section had not been repealed.

14—Amounts preserved for certain contributors to Police Superannuation Scheme

This clause preserves the application of relevant provisions to certain rollover accounts established under the *Statutes Amendment (Police Superannuation) Act 2008* for members of the Police Superannuation Scheme.

15—Operation of nominations and elections under old scheme

The operation of nominations and election made by members and spouse members under the old scheme are preserved by this clause.

16—Insurance and disability pension

This clause ensures that insurance cover enjoyed by a person under the old scheme immediately before the relevant day will continue under the new scheme at the same level and, subject to the regulations, with the same terms and conditions.

17—Other provisions

This clause provides for the making by regulation of additional provisions of a saving or transitional nature consequent on the enactment of the Act or on the amendment of the Act by another Act.

Debate adjourned on motion of Ms Chapman.

PETROLEUM PRODUCTS SUBSIDY ACT REPEAL BILL

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:30): Obtained leave and introduced a bill for an act to repeal the Petroleum Products Subsidy Act 1965. Read a first time.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:30): I move:

That this bill be now read a second time.

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

Leave granted.

The Bill I am introducing today removes redundant legislation from the State's statute books.

The purpose of the *Petroleum Products Subsidy Act 1965* was to administer the Commonwealth's former Petroleum Products Freight Subsidy Scheme in South Australia. The Scheme assisted consumers in eligible remote areas by off-setting the freight cost associated with transporting petrol, diesel, aviation gasoline and aviation turbine fuel over a long distance. All States had similar legislation in place to administer the Scheme on behalf of the Commonwealth.

The Scheme was introduced in 1965 and closed by the Commonwealth Government on 1 July 2006. As part of the transition the Commonwealth provided time for claims to be settled by 1 July 2007. The Commonwealth repealed the legislation establishing the Scheme from that date.

All eligible claims from South Australia have been received and paid and the Commonwealth has reimbursed the South Australian Government.

Subsequent to the closure of the Scheme, Queensland has amended its *Petroleum Products Subsidy Act 1965* to reflect the closure of the Scheme and the repeal of the Commonwealth Government funding legislation. The Queensland Act is due to expire on 1 July 2009.

In summary, the Act's purpose has expired and there is no other reason to retain it.

I commend the Bill to Honourable Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause is formal.

Part 2—Repeal of *Petroleum Products Subsidy Act 1965*

2—Repeal of Act

This clause repeals the *Petroleum Products Subsidy Act 1965*.

Debate adjourned on motion of Ms Chapman.

MARITIME SERVICES (ACCESS) (MISCELLANEOUS) AMENDMENT BILL

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:31): Obtained leave and introduced a bill for an act to amend the Maritime Services (Access) Act 2000. Read a first time.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:32): I move:

That this bill be now read a second time.

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

Leave granted.

In February 2006 COAG signed the Competition and Infrastructure Reform Agreement (CIRA) to provide a simpler and consistent national system of economic regulation for nationally-significant infrastructure including ports, railways and other export related infrastructure. The agreed reforms aim to reduce regulatory uncertainty and compliance costs for owners, users and investors in significant infrastructure and to support the efficient use of national infrastructure.

The agreement commits South Australia to review the regulation of ports and to make certain amendments to the State access regime by providing consistent regulatory principles aimed at ensuring efficient and timely investment in infrastructure and effective competition in the provision of port services (CIRA, Clause 2).

In 2007 the Government directed the Essential Services Commission of South Australia to extend the scope of the review of the *Maritime Service (Access) Act 2000* to include provision of advice on:

- any amendments to the ports access regime that would be needed to comply with certain parts of clause 2 of the CIRA;
- any other changes to the access regime that may improve its overall effectiveness.

This review identified a number of areas where the *Maritime Service (Access) Act 2000* could be modified to provide both greater consistency with the CIRA and greater certainty to regulated operators and customers.

Amendments to achieve greater national consistency

The Bill provides for the adoption of regulatory principles consistent with those to be employed in all third party access regimes nationally. These principles include:

- An objects clause to promote economic efficiency and effective competition;
- Six month time limits for conciliation by the Commission and arbitration decisions made by the arbitrator to provide greater certainty to business and to reduce the time and costs associated with settling access disputes; and
- Pricing principles to be taken into account by an arbitrator.

Other improvements to the access regime

The regulatory period for the access regime and price regulation has been extended from 3 to 5 years. This will reduce regulatory costs and uncertainty to the port operators, provide a suitable timeframe to examine outcomes over a period and provide consistency with the regulation of other infrastructure businesses.

The Bill also makes improvements to the negotiation and arbitration processes set out in Part 3 of the *Act*. These amendments aim to improve the clarity and efficiency of these processes and to reduce the regulatory impact on business.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Maritime Services (Access) Act 2000*

4—Amendment of section 3—Objects

This amendment broadens the objects of the Act to provide for the facilitation of competitive markets in the provision of maritime services through the promotion of the economically efficient use and operation of, and investment in, those services.

5—Amendment of section 4—Interpretation

This amendment deletes the definition of *initial period of price regulation*. The deletion of the defined term is consequential and reflects the repeal of section 7.

6—Amendment of section 6—Certain maritime industries to be regulated industries

The amendments to this section are two-fold. They 'tidy' the section by repealing subsections that are spent (see also clause 7) and insert new subsections that are consistent with the amendments proposed to section 43 by clause 12. Proposed subsection (2) provides that the Commission may make a price determination under Part 3 of the *Essential Services Commission Act 2002* relating to essential maritime services. This power is currently provided for by a regulation made under the *Essential Services Commission Act 2002*. That regulation will be otiose following the enactment of this measure. Proposed subsection (3) provides that such a price determination must specify an expiry date that is not later than the date on which the prescribed period in which the determination takes effect ends.

7—Repeal of section 7

This clause repeals section 7. The operation of this section is spent.

8—Amendment of section 18—Power to refer dispute to arbitration

This clause provides that the Commission may refer the dispute to arbitration if the dispute is not resolved within 6 months after the referral of the dispute to the Commission under section 16.

9—Insertion of section 30A

This clause inserts new section 30A

30A—Time limit for arbitration

Proposed section 30A provides that an award must be made within the period of 6 months from the date on which the dispute is referred to arbitration (the *standard period*).

However, if after the commencement of the standard period the arbitrator exercises a power under this Part in relation to the provision of information or documents, any period between the date of the exercise of the power and the date of compliance is not to be taken into account when determining the end date of the standard period.

10—Amendment of section 32—Principles to be taken into account by arbitrator

This clause adds to the principles to be taken into account by the arbitrator by including reference to the following pricing principles relating to the price of access to a service:

(a) that access prices should allow multi-part pricing and price discrimination when it aids efficiency;

(b) that access prices should not allow a vertically integrated operator to set terms and conditions that would discriminate in favour of its downstream operations, except to the extent that the cost of providing access to others would be higher;

(c) that access prices should provide incentives to reduce costs or otherwise improve productivity.

11—Amendment of section 40—Appeal from award on question of law

This clause inserts new subsection (4), which provides that unless the Court specifically decides to suspend the operation of an award until the determination of an appeal, an appeal does not suspend the operation of an award.

12—Amendment of section 43—Review and expiry of Part

This clause amends section 43 to increase the period between each review conducted by the Commission under the section. The period between reviews is increased from 3 years to 5 years. This clause ensures that the next review will be conducted within the last year of the period ending 30 October 2012.

13—Amendment of section 46—Transitional provision

This clause deletes the note that follows subsection (3) of section 46 and inserts a new subsection that provides for the continuation of the price determination in force immediately before the commencement of that subsection until 30 October 2012.

Debate adjourned on motion of Ms Chapman.

ROAD TRAFFIC (MISCELLANEOUS) AMENDMENT BILL

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:33): Obtained leave and introduced a bill for an act to amend the Road Traffic Act 1961. Read a first time.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:33): I move:

That this bill be now read a second time.

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

Leave granted.

The *Road Traffic (Miscellaneous) Amendment Bill 2009* provides regulation-making powers to enable the introduction of 2 national heavy vehicle initiatives (the intelligent access program and heavy vehicle speeding compliance); and makes several amendments to the requirements for declaration, notification and testing of speed and red light cameras.

Heavy vehicle speeding compliance

Better heavy vehicle speed management and the reduction of fatalities and injuries involving speeding heavy vehicles is an objective of the National Heavy Vehicle Safety Strategy 2003-10, which was approved by the Australian Transport Council (ATC), and has the commitment of the Commonwealth, State and Territory Governments.

Despite the presence of many responsible operators, speeding heavy vehicles remain a problem within the road transport industry from a road safety perspective. Available data shows that speed is a significant contributing factor in heavy vehicle crashes. Research has shown if a vehicle is travelling at, or below, the speed limit when an accident occurs, the result of the crash will be less severe than if the vehicle was speeding.

There were 12 fatal crashes in South Australia involving heavy vehicles (including rigid trucks and buses) in 2007 and 19 in 2008. The National Transport Commission (NTC) has estimated that if all heavy vehicles comply with speed limits, there would be a 29 per cent reduction in crashes involving them.

The NTC commenced a review of speed compliance for heavy vehicles in 2005, including the release of a formal discussion paper in October 2005. In December 2006, the NTC released a draft policy proposal. The proposal focussed on the off-road parties in the industry who, through their action or inactions, can have a major influence on heavy vehicle driver speed behaviour.

Following this policy proposal, the *National Transport Commission (Model Act on Heavy Vehicle Speeding Compliance) Regulations 2007* (the model speeding heavy vehicle legislation) were developed by the NTC in conjunction with State and Territory transport and enforcement agencies, and through extensive consultation with the road transport industry. On 21 December 2007, the ATC voted unanimously to approve the package. Under Intergovernmental agreements of the ATC and the Council of Australian Governments (COAG), jurisdictions are required to implement national road transport reforms approved by the ATC. This Bill realises that commitment by providing the head of power to make regulations that will embody the model speeding heavy vehicle legislation. Implementation of the model legislation will contribute to improved road safety and reduced deaths and injuries through increased compliance of heavy vehicles with speed limits.

The primary purpose of the model speeding heavy vehicle legislation is to adopt a chain of responsibility approach in relation to heavy vehicle speed compliance to ensure that those who are in a position to influence a decision to breach speed limits are held accountable for their actions. This means a person upon whom a duty to prevent a breach of speed limits is imposed must actively consider whether the way in which they intend to carry out their activities will satisfy that duty. This builds on the existing chain of responsibility framework for mass, dimension and load restraint and the driver fatigue compliance framework. A regulated heavy vehicle, for the purpose of this legislation, is a motor vehicle or trailer combination that has a gross vehicle mass greater than 4.5 tonnes.

The following are key features of the model speeding heavy vehicle legislation:

- the introduction of obligations on all parties in the transport chain to take positive steps to prevent breaches of speed limits;
- the chain parties identified in the legislation are employer, prime contractor, operator, scheduler, consignor, consignee and loading manager;
- drivers of heavy vehicles are not included under this legislation as there is already an existing framework and roadside enforcement that targets drivers. The focus of this chain of responsibility legislation for speed compliance is off-road parties;
- although the duties vary somewhat for each party, the core obligation remains the same, which is to take ‘all reasonable steps’ to ensure that the party’s activities will not cause, contribute to causing, or encourage a driver to speed;
- chain parties will be able to demonstrate that they have taken all reasonable steps by complying with an industry code of practice that has been registered with the road authority and developed and maintained according to Austroads guidelines;
- it will be illegal for companies to enter into contracts that result in speeding due to unreasonable schedules or deadlines;
- the application of existing general compliance and enforcement provisions, including stronger penalties and sanctions, for heavy vehicle speed non-compliance.

It is not proposed to vary from the model national provisions other than as required to accommodate South Australian drafting style and maintain consistency with the way in which other national heavy vehicle reforms have been implemented in our legislation.

The Intelligent Access Program (IAP)

The IAP framework provides a means to monitor, by global positioning satellite technology and in-vehicle measuring devices, the compliance of individual heavy vehicles, particularly Restricted Access Vehicles (RAVs), with various access conditions in an accurate and tamper-evident manner. It will allow the heavy vehicle industry increased productivity and provide improved protection for the road network.

RAVs currently operate under an exemption or approval arrangements pursuant to the sections 161A and 163AA of the RTA (i.e. by permit or in accordance with a notice published in the South Australian Government Gazette) on parts of the road network. Route access is provided according to certain restrictions (such as mass, vehicle dimension and time of travel). Within the competitive environment of the transport industry, some operators resort to non-compliance to improve productivity, at the expense of road safety and increased wear to the road network.

The probability of non-compliant behaviour being detected is very low using traditional enforcement practices. The successful implementation of national transport reforms has led to the greater use of larger and heavier RAVs and demands from industry for increased heavy vehicle mass limits and expanded access opportunities to the road network.

Numerous parts of the road network, especially local roads, cannot safely or structurally accommodate heavy vehicles. Councils are very concerned at the level of damage caused when these vehicles, in particular RAVs, travel on non-approved routes.

Within this new context, the ability of governments to administer and enforce heavy vehicle road law, while also promoting economic reforms within the industry and protecting the community and road infrastructure, becomes increasingly important.

The *Intelligent Access Program National Model Legislation* (the model IAP legislation) was approved by ATC on 2 December 2005. As with the heavy vehicle speeding compliance reform, implementation is an obligation under Intergovernmental agreements.

IAP uses an in-vehicle monitoring device to provide data for the vehicle. The data is relayed by satellite to an accredited third party data collection centre (called an IAP service provider). Location, speed and time of day are currently capable of being monitored, and in time, so will mass and vehicle configuration.

Operators who wish to operate under IAP apply to the relevant state road authority, and if accepted, enter into a contract with an IAP service provider. Agreed Intelligent Access Conditions are monitored and any deviation is automatically detected. Where this occurs, a Non Compliance Report is generated and forwarded to the relevant state road authority for processing, adjudication and/or prosecution.

The following are the key elements of the model legislation:

- powers for a state road authority to issue Intelligent Access Conditions when granting concessions to transport operators;
- duties of transport operators, drivers and IAP service providers—including the process for IAP service provider certification;
- privacy safeguards for heavy vehicle operators and drivers;
- auditing requirements for IAP service providers;
- obligations on IAP service providers to report certain types of breaches and any tampering with IAP equipment;
- provisions relating to non-compliance with Intelligent Access Conditions, including offences and defences;
- evidentiary provisions to assist the use of data to prosecute breaches of Intelligent Access Conditions.

It is intended that the model legislation will be adopted without variation by regulations made under the head of power provided in the Bill.

It has taken several years since the approval of the reform to develop rigorous ICT operational standards that applicant IAP service providers must comply with in order to be certified. Since March 2008, 2 providers have been certified and are offering services. Queensland, New South Wales and Victoria have now implemented the model IAP legislation, with the other jurisdictions expected to follow during 2009.

Passage of this Bill will enable recognition of IAP operators from the jurisdictions currently offering the scheme so that they will not have to comply with the paper-based requirements for monitoring access conditions in South Australia. It will also provide the advantages of IAP to South Australian operators.

Declaration, notification and testing of speed and red light cameras

Approval of Traffic Speed Analysers by Regulation

Section 53A of the Act provides that the Governor may, by notice published in the gazette, approve apparatus of a specified kind as traffic speed analysers. This is in contrast to approving apparatus of a specified kind as photographic detection devices, which the Governor may approve by regulation.

For consistency and greater transparency, the Bill requires that both apparatus be approved by regulation. In addition, as traffic speed analysers often form part of a photographic detection device, it makes sense to have the approval located in the same place.

Removing the requirement to gazette the locations where both red light and traffic speed analysers are installed

Section 79B(9a) of the Act requires that a photographic detection device must not be operated for the purpose of obtaining evidence of the commission of a red light offence and a speeding offence arising out of the same incident, except at locations approved by the Minister and notified in the Government Gazette.

This requirement was introduced in 2003 when cameras which could detect both speeding and red light offences were introduced so that the public would be aware of the locations and modify their behaviour accordingly. At that time, there were only 13 of these cameras rotating amongst 26 sites. Most cameras now operate as dual red light and traffic speed analysers and by the end of June 2009, there will be 86 sites.

The requirement to gazette these locations is thus becoming an onerous and administratively time-consuming task, and an incorrect identification of a site may lead to a prosecution failing on a mere technicality.

It is also unnecessary as signs are installed leading up to each of location advising road users that there are a red light and speed camera ahead and a list of all camera locations is available on the Department for Transport, Energy and Infrastructure internet site. This will continue. In addition, most street directories and many GPS tracking devices installed in motor vehicles display red light camera locations.

Extending the testing period - section 175(3)(ba)(i)

In proceedings for the commission of an offence detected by a traffic speed analyser, the Commissioner of Police or any other police officer of, or above, the rank of Inspector must certify that a specified traffic speed analyser was tested on a specified day and was accurate on that day and for the following 6 days. This will be taken as proof of these facts in the absence of proof to the contrary is proof of the facts certified, pursuant to of the Act.

South Australia Police (SAPOL) has requested that presumption of accuracy be extended from the following 6 to the following 27 days.

When the speed function of red light cameras was first activated in December 2003, SAPOL had no experience as to the volatility of induction loops for the purpose of providing evidence of speeding offences. Consequently, rigid testing procedures were developed. They require tests every 7 days to ensure that the device is operating correctly and detecting vehicles passing over the induction loop; correctly indicating the lane in which the vehicle is travelling; accurately indicating the speed of any detected vehicle; and correctly indicating the date, time and code for the location at which the photos are taken.

After 5 years of operation, SAPOL advises it has gained sufficient experience and evidence as to the stability and accuracy of induction loop technology and the seven day testing requirement is now regarded as too onerous.

The induction loops are calibrated pursuant to the *National Measurement Act 1960* (Cth) every 12 months by the Department for Transport, Energy and Infrastructure. The tolerance allowed before a site would be defected is 25mm between leading edges of the induction loops. Calibration results for 2003-04 and 2004-05 reveal that the maximum movement was 2.25mm, well within stability parameters. This provides a further indication that the induction loops of the speed detection device are stable and do not require seven day testing.

The manufacturers of the systems for speed and red light camera operations involving induction loops recommend testing to maintain the accuracy of the device at intervals of 30 to 90 days. Interstate jurisdictions test speed detection devices at monthly or longer intervals. In NSW the induction loops are tested every 30 days and so are the overall systems. In Victoria the induction loops are tested every three months and the systems are tested monthly.

Extending the presumption of accuracy to 27 days rather than 6 days will reduce the number of on-road tests, reducing the resource requirement spent on what SAPOL believes, on the basis of the above information, is unnecessary testing of accuracy and to provide consequent occupational health, safety and welfare benefits to both police officers and non-sworn members of the Traffic Camera Unit who perform these on-road procedures.

Other minor amendments—section 175(4)

The Bill also makes 2 minor amendments to the evidentiary provision in section 175(4) of the Act.

The first is to permit the presumption of accuracy in relation to traffic speed analysers found in section 175(3)(ba)(i) to be available where the analyser is fixed in a housing that is itself fixed to a permanent structure (such as a tunnel or underpass) rather than directly affixed to the ground by means of a pole.

The second amendment is consequential on the repeal of section 79B(9a) by this measure.

This Bill will provide mechanisms to assist the heavy vehicle industry improve its safety and productivity and will assist government efficiencies and protection of the road network.

I commend the Bill to the House.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Road Traffic Act 1961*

4—Substitution of section 53A

This clause substitutes a new section 53A of the Act, which allows the Governor, by regulation, to approve apparatus of a specified kind as traffic speed analysers, as opposed the old section 53A which allowed the approval to be given by notice in the Gazette.

5—Amendment of section 79B—Provisions applying where certain offences are detected by photographic detection devices

This clause repeals section 79B(9a), a subsection that prevented the operation of a photographic detection device for the purpose of obtaining evidence of the commission of a red light offence and a speeding offence arising out of the same incident.

6—Insertion of sections 110AB and 110AC

This clause inserts new sections 110AB and 110AC into the Act as follows:

110AB—Speed

This clause provides a regulation-making power in relation to the establishment of a scheme for the management of speeding by drivers of certain heavy vehicles.

110AC—Intelligent Access Program

This clause provides a regulation-making power in relation to the establishment of a scheme to provide increased access to the road network for certain heavy vehicles (known as the *Intelligent Access Program*).

7—Amendment of section 173AA—Reasonable steps defence

This clause inserts new section 173AA(4) into the Act, which provides a regulation-making power allowing the regulations to set out circumstances in which a requirement under the Act to take all reasonable steps to prevent the occurrence of a specified offence will be taken to have been satisfied.

8—Amendment of section 175—Evidence

This clause amends section 175(3)(ba)(i) of the Act, extending from 6 days to 27 days the period within which certain traffic speed analysers will be presumed to be accurate following the day of testing.

The clause also amends section 175(4) of the Act to address traffic speed analysers that are fixed to permanent structures (such as tunnels or underpasses) rather than directly affixed to the ground by means of a pole.

Finally, the clause amends section 175(4) of the Act to correct an obsolete aspect of the subsection.

Debate adjourned on motion of Ms Chapman.

OMBUDSMAN

Consideration of the Legislative Council's resolution:

That a recommendation be made to His Excellency the Governor to appoint Mr Richard Bingham to the Office of the Ombudsman.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Correctional Services, Minister for Road Safety, Minister for Gambling, Minister for Youth, Minister for Volunteers, Minister Assisting the Minister for Multicultural Affairs) (16:35): I move:

That the resolution be agreed to.

Mrs REDMOND (Heysen) (16:35): I would like to second the motion, and if I may be so bold, I would like to add a few words of comment on the motion in seconding it. The process is that both houses of parliament have to approve this. We received the message yesterday about the appointment of Mr Bingham, who is coming to us from Tasmania. Indeed, he was the person recommended by a committee, and we met as the Statutory Officers Committee yesterday with Mr Bingham.

I think it would be fair to say that we were quite impressed with him, and certainly, when one reads his CV, it would also be fair to say that I wonder that a person of about my age could have achieved so much. I suspect that he has not slept in his lifetime. I will take you through a little of it. Mr Bingham, as I said, comes to us from Tasmania and he will come up to his 54th birthday fairly shortly. Having been educated at Hutchins School, he then attended the University of Tasmania, where he graduated with his law degree in 1976.

I will not take the time of the house to go through his very extensive CV, suffice to say that he is currently the chair of the Tasmanian Electoral Commission and, in terms of his previous work, for instance, for 10 years he was the secretary of the Department of Justice in Tasmania. He was a consultant on a range of issues. He was the acting ombudsman and acting health complaints commissioner and, indeed, he explained to us yesterday that as ombudsman he had responsibility (I think) for an industrial area, plus the police complaints, plus the health area, plus the normal ombudsman's duties. So, four jurisdictions within one in that capacity. He held that position from November 2005 to July 2006.

In terms of the other things that he currently has that he has to give up, as well as being the chair of the Electoral Commission in Tasmania, he is the independent assessor appointed by that state for the abuse of children in state care assessment process. That is, they have had a similar finding to us that children in state care have been abused and he is the person to oversee the third phase of their reparation scheme for people who have been shown to be abused.

He is the chair of the Standards Panel for the Local Government Association of Tasmania. He is the chair of the Heavy Truck Safety Advisory Council; the chair of the Board of Directors of the Tasmanian Institute of Law Enforcement Studies; the chair of the Professional Review Tribunal of the Nursing Board of Tasmania; a director of General Practice Limited in Tasmania, which administers commonwealth government programs and health services and seeks to enhance the role of general practice; and a director of the Eskleigh Foundation, which is a not-for-profit body which runs a residential home, several group homes and attendant care services for people with disabilities.

It will be obvious from those few words that this is a man of exceptional ability and enterprise, who will come to this state with a set of fresh eyes but with, we believe, a fundamental, sound background which will equip him appropriately. I might say that it was an exceptional field of candidates from which this person has been chosen. In doing so, I endorse the Statutory Officers Committee (of which I have just recently become a member) and welcome the appointment of Mr Richard Bingham as the new Ombudsman for this state.

Motion carried.

SUPPLY BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 2286.)

Mr PEDERICK (Hammond) (16:40): In my contribution to the Supply Bill today, I want to acknowledge the fact that we are in the grip of a severe drought and we are also suffering the effects of major allocation on our River Murray system. It is heartening, in one sense, to know that in this next year critical human needs water is available, but it is disheartening to learn that there is no guarantee of delivery of that water. When we see the battles that have gone on with water—

The Hon. K.A. Maywald interjecting:

Mr PEDERICK: There is no guarantee, minister. The Minister for Water Security interjects, but there is absolutely no guarantee of delivery of water, and I will explain from my perspective why I say that. Battles over the supply of water from the River Murray have gone on for well over 100 years, and they just continue. We have had this problem since the late 1800s. It was 1885 when Victoria and New South Wales decided that they would split up any water allocations out of the river between themselves and forget South Australia. In the time since, South Australia has almost had to beg to make sure that we get water, not just for critical human needs but for irrigators and our environment, which is under severe threat.

We have a government that said last year, along with the federal government, that it was going ahead with great world-changing, earth-shattering legislation, to which we agreed, to change the powers so that we could go from the Murray-Darling Basin Commission to the Murray-Darling Basin Authority. The government trumpets that it has this fully independent authority, which is completely untrue. There is still a ministerial council in the system that reports to the federal minister, and separate states can intervene on certain matters.

In the negotiations recently, Victoria secured $1 billion worth of water infrastructure metering upgrades in the food bowl project, while we took little out of that initial discussion. As time has gone on, I believe the Rann government has probably been polling the issue not just on the river but on what it intends to do with the river in terms of putting more obstructions into the river

because, even though the Premier is the federal President of the Labor Party, he has not been able to negotiate with his Labor mates or the federal government to make sure that South Australia gets its fair share.

The Hon. K.A. Maywald interjecting:

Mr PEDERICK: The minister interjects and, if the minister has not spoken to the Supply Bill, I am sure the opportunity is there this afternoon. We get these so-called groundbreaking arrangements and new plans and hear how South Australia is going to be in a lot better spot. I know I have told the story here many times but we have seen what has happened throughout the Riverland where people have spent hundreds of millions of dollars on water so that they can water their trees.

Belatedly, the government came in with the critical water allocation this season and leased in water for the permanent plantings. But we were talking about that 12 months beforehand. The government has also presided over the disappearance of water out of the lower end of the system and now we see the increasing slumping of riverbanks. In fact, I was visiting Long Island Marina, and we have on film a portion of the bank falling in when we were there talking to the owners of the marina and other stakeholders.

Mr Bignell interjecting:

Mr PEDERICK: No, it was a little bit in the distance.

Mr Bignell: Are you sure it wasn't your fault?

Mr PEDERICK: I will leave that, but I note the comments. It is an extremely serious issue. The river is down about 1.75 metres from where it has been held since the barrages went in. Yes, there has been a lot of man-made intervention. The slumping seems to have been predominantly in deeper areas of the river where it can be up to 25 metres deep. It does have some fairly catastrophic impacts on people and infrastructure around the river. People are concerned about who is responsible for the portion of riverbank that falls in. Some people are not reporting some of these incidents, because they are not sure whether they are responsible for what has happened.

At Wood Lane at Mypolonga, thankfully they pulled the transformer off the Stobie pole, but I think there were at least three separate slumpings and, over time, at the Wood Lane pump station, different piping infrastructure fell in. Then, finally, a Stobie pole that held the power transformer went into the river. We have 60 foot (20 metre) trees that are sticking out of the top of the river. So, it is a massive issue, and I do not think that the state or federal government have taken it to heart. I think it has come to the stage where Kevin Rudd needs to step up and take emergency action.

Communities from the Riverland through to Mid Murray, around Murray Bridge, right down through around the lakes, Meningie, Langhorne Creek, Milang, Clayton and Goolwa, have suffered heavily. You only have to go into a local irrigator's house—as I did the other day—and talk about how they are battling to access water for their dairy herd. I know that water is not guaranteed on their licences, but they never thought that they would be in this position, and they do not know a way out. Yes, there are options going in, but we have seen irrigation essentially disappear from the Narrung Peninsula, and it will only come into place in Currency Creek and Langhorne Creek with a major irrigation pipe that needs a $12.5 million investment from the locals. Quite frankly, some locals just cannot afford the access. They just cannot afford access to the water.

I think it is interesting to note that the Premier reacted a few weeks ago and said that he would leave some water in for the Lower Lakes, but the Labor government is still keen to build a sinking structure at Wellington that I believe will cost around $200 million; whereas the 220 gigalitres that could offset acid sulphate soils in that region could be purchased for around $70 million. So, you only have to do the sums. There is also the preliminary work for the proposed weir that will cost at least $14 million. If the Wellington weir is constructed, it greatly worries me where that will leave our state as far as bargaining for water.

The interesting thing is that we are not guaranteed to get our dilution flows, our conveyance water. Part of the issue with keeping water fresh for the offtakes from Tailem Bend, Murray Bridge, Mannum and Swan Reach is that we will still need 350 gigalitres of dilution flow to keep that salinity down. If we cannot secure that water from states that have fought with us for over a century over who gets the water, we are in dire straits.

I know that the government has put it out there that it could cost $75 million to build a small-scale desalination plant for the Tailem Bend offtake. When it gets to the stage where we are talking about desalinating our main water source, we have to wonder what is going on. I think it just reflects the lack of commitment by the government in relation to water supplies for this state, not just for the city. The city and country towns make up 90 per cent of the state's population, and rely on that water. The fact is that a desalination plant—which was put up by Iain Evans—would have been in operation now if Labor had picked up our policy. The government has refused to get on board with stormwater catchment and recovery and tried to claim all the benefits done by Colin Pitman and the work he has done with the Salisbury council. It has left this state in dire straits.

I want to make a few comments on issues in some of my other portfolios and climate change. I note the government's purchase of what were, I guess, only demonstration windmills to be put on government buildings. What a significant waste of money they were when it was found out that they did not work. I believe that, with climate change, we do need to give the planet the benefit of the doubt, but we do not want to sell ourselves out if the rest of the world do not go with us. We will only export jobs and industries if we do not get an emissions trading system correct. There has to be far more flexibility than what the present federal Rudd government is planning.

The present plan by the Rudd government puts at risk trade exposed industries with a risk factor there of $2.5 billion. The Catholic hospital sector throughout the country, to offset its emissions, has put a cost there of about $100 million. When we get to farming, the average dairy farm might need to spend $6,000 to $10,000 to offset its emissions. I think far more work needs to be done so that people can have voluntary offsets. The Canadian scheme seems to have some merit, because it has a benchmark cap and trade system and works forward from there, but there needs to be much more flexibility.

I now turn to agriculture, food and fisheries. Coming from the land, agriculture is very dear to my heart. Its profile certainly is not high enough. We all need to eat, and we also need to promote our food as well. There is a lot more work that could be done in promoting food on a regional basis. We should also promote what I think is the very essence of Australia and certainly South Australia, and that is what our rural producers do and what they can achieve in times of extreme hardship (as it is now) in both dryland and irrigated agriculture.

Farmers in all sectors are doing it tough, but the hard years have certainly made people look at innovations. People who have come through these past five or six years will certainly be around for a long time to come. I know there will be some who will leave the industry, because sometimes it just gets too difficult.

The fisheries shadow portfolio has been very interesting, especially in noting the amount of issues involved. I am not sure whether it is a reflection on the former minister, but there are still issues bubbling along with Goolwa cockle quotas, mud cockle quotas, oyster leases and licences. I know that the new minister (minister Caica) said that he will have a good look at the oyster lease issue to see where improvements can be made. I made the observation to minister Caica that if he can fix all these issues he will not see me. That would be a good thing.

I do give bouquets where appropriate. Last week there was an issue where a boatload of fertiliser was held up and the people in minister Caica's and minister Weatherill's offices were exceptional and helped to achieve a great outcome. I certainly take my hat off to them for that cooperation, because it saved millions of dollars for a certain operation.

Finally, I want to say a few words about forestry, which has contributed many millions of dollars to this state's economy. However, we have a state government that is in the midst of an 18 month program to put together three life cycles of pine forests and sell them forward (probably to American investment groups that care only about cash) and, essentially, lock up any profits for 90 years. I just do not know how anyone could sign a contract for 90 years, and I worry about the input, especially in the Green Triangle, in the Mount Gambier area, where forestry accounts for about 30 per cent of the regional economy.

It just shows how bereft of cash this government is after being in power for some of the best financial years this state has ever seen. It has employed an inordinate number of public servants—over 14,000 extra public servants. It is not managed so many issues at all well, and there has been a terrible lack of consultation. I think the government would do well to look at how businesses operate because I do not believe that there is much experience on the other side. If you do not have the engine room of the economy working, the business community of this state will not function. With those words, I commend the bill to the house.

Bill read a second time.

Ms CICCARELLO: Madam Deputy Speaker, I draw your attention to the state of the house.

A quorum having been formed:

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (16:59): I move:

That the house note grievances.

Mrs PENFOLD (Flinders) (16:59): The combination of using and building electric vehicles, along with the development of renewable energy, would position South Australia as a word leader in taking action on climate and pollution challenges that face our world today. South Australians working towards Adelaide's becoming an electric vehicle city by 2020 would be inspirational to people, both here in Australia and overseas, and would give the state an unprecedented stimulus that we would all enjoy.

We are constantly bombarded with talk about climate change and global warming and the absolute necessity to reduce carbon emissions if the planet and the life on it are to survive. Scarcely a day goes by without a comment from someone that vehicles running on fossil fuel are a major contributor to potential disaster and that electric vehicles are a most desirable alternative.

The technology exists to power cars and light vehicles by electricity, and we have a number of prototypes of electric vehicles both here in Australia and overseas. Two of these vehicles—the beautiful Tesla Roadster (belonging to the Internode broadband provider) and the much more affordable iMiEV (Mitsubishi innovative electric vehicle)—were on display at the recent Clipsal 500 race.

Adelaide could become a world leader in combatting carbon emissions by the state government and the Adelaide city and suburban councils working towards Adelaide's becoming an electric vehicle city by 2020; and I was delighted to see the Lord Mayor of Adelaide, Michael Harbison, so enthusiastic about electric cars, stating in *The Advertiser* that he 'will consider providing recharging stations for electric cars across the city'.

Our state could make it a priority to use and build electric vehicles of all kinds—cars, vans, bikes, trams and even trains. This would position South Australia as a world leader in the reduction of CO_2 and the repair of the environment. About three tonnes of CO_2 is produced for each tonne of petrol or diesel consumed. In South Australia passenger cars travel an average of 12,400 kilometres per year, with a fuel economy of 14 litres per 100 kilometres or 1,736 litres per vehicle.

There are about 800,000 passenger vehicles, resulting in the consumption of more than 1.1 million tonnes of fuels and producing about 3.3 million tonnes of CO_2. Electric vehicles produce almost no CO_2 emissions and the iMiEV costs less than 50¢ for a seven hour charge.

We are at or nearing peak oil, with most oil reserves in the volatile Middle East or problematic regions such as Russia and its adjoining countries or Venezuela, and the cost of fuel already is significant for most households and business budgets.

The price of our fossil fuels could easily increase from the current $1.20 approximately to $2 or $3 per litre in the future, if it is not offset by an increasing Australian dollar. We do not yet have an available alternative to fossil fuels in sufficient quantities to provide for vehicles, and planes and shipping should be given priority.

Many biofuels impact adversely on food production. It is pointless to push biofuels and create an even bigger problem in a world food shortage. Car companies around the world are developing rechargeable electric cars using mains power, and much of our mains power in South Australia is now coming from renewable wind energy. As technology improves, solar power, hot rocks and wave power will become more important. Graphite blocks can hold energy as heat to remove the fluctuations that might be experienced with wind and solar power.

One of the few bright spots of this year's Detroit motor show was the almost universal enthusiasm for hybrid and electric vehicles. Just about every car maker had a hybrid or an electric car on display. The federal government has announced that it will double its green power innovation fund to $1.3 billion over 10 years. The government has pledged that it will give car

makers a dollar for every $3 that they spend on developing vehicles with a reduced environmental impact.

John Dee, founder and chairman of Planet Ark, said that if the Australian car industry handles the opportunity correctly, they will be better placed to participate in the transition to a low carbon pollution economy that has more need for fuel efficient cars.

It is only a few months since the government's decision to pump prime the greening of the Australian car sector got underway, with its $35 million investment in Toyota's new hybrid Camry sedan. The federal government's investment was matched dollar for dollar by the Victorian government to support the building of the new Camry in that state.

A report in *The Cairns Post* in January this year described how Armidale in New South Wales is developing its own electric car industry. A company called Energetique is building a hi-tech electric car based on a Mazda 2 five-door hatch called the evMe. This car will sell for around $70,000 in comparison with Victorian-based company Electric Blade Vehicles (BEV). BEV is building an electric version of the Hyundai Getz, called the Electron, and it sells for $39,000. The evMe has a range of 250 kilometres on one charge, with a top speed restricted to 130 km/h. A liquid-cooled hybrid synchronised motor developed in Switzerland replaces the Mazda 2's 1.5 litre engine.

The evMe takes only two hours to recharge and can be recharged overnight. Energetique's Chief Executive Officer, Phil Coop, said that the cars are expensive because they have the latest generation electric technology from Europe and Asia. However, like computers and televisions, this price will come down as the industry matures. BYD, a Chinese battery maker, has branched out into electric cars in recent years. BYD claims that its lithium ferrous phosphate battery technology can provide a range of more than 400 kilometres with as little as three hours of charging. America's famous Warren Buffett invested in this technology.

BYD says that its batteries cost roughly half as much as its rival lithium-based designs. This would be a big breakthrough as the high cost of batteries is a large component in the overall price of all electric vehicles. For a state which has so much invested in the car industry and which depends for its economic stability, employment and revenue on the car industry, South Australia is sadly lacking in innovation in electric cars. While electric car prototypes and initial vehicles now being produced are expensive, prices will drop when manufacturers can move into economies of scale.

Also, it must be remembered that the fuel bill for an 'all electric' is non-existent (or almost non-existent), and the cost of power for recharge would be nominal. Electric vehicles would also help to make the users and our state largely self-sufficient and therefore more immune from the loss of fossil fuel supplies coming from overseas and interstate. Currently, no refineries are located in South Australia. Other side benefits to making Adelaide an electric car city would be a reduction in noise pollution and a reduction in cancer-causing fumes, particularly on the health of those living close to arterial roads.

There are numerous electric cars beyond the testing phase and either in production or planning production for an innovative state to choose one that suits our circumstances and conditions and for an enterprising manufacturer to come on board. Electric cars have the advantage of being able to recharge at home. Public recharging points would be necessary to cater for high-rise tenants, travellers, and so on. Current service and parking stations could be approved for the installation of power points, and shopping centres could install plug-in power points similar to those in caravan parks.

These installations would be at the expense of the providers and would not entail a cost to the government. An alternative system of replacing flat batteries with those already fully charged has also been suggested but could be more expensive to set up. Software whiz and electric-car visionary Shai Agassi of Israel has suggested such a project, which is planned to be in place in Israel by 2011. An expansion of renewable energy production in South Australia would cover the increased power usage. More wind on the West Coast of Eyre Peninsula (one of the four best wind farm sites in the world), with a DC undersea cable linking existing and new wind energy supplies directly into Adelaide from the Port Lincoln substation, could supply the state's green power needs, including the green energy needed to power the Port Stanvac desalination plant.

I urge the government to put taxpayers' funds into real, large scale energy infrastructure instead of the current wind and solar gimmicks sitting mostly on the top of government buildings,

and to support the use and construction of electric vehicles with the goal of making Adelaide an electric vehicle city of world renown by 2020.

Ms BEDFORD (Florey) (17:15): In speaking to the Supply Bill, I would like to highlight a few of the issues raised with me as I move around the electorate that are or will be addressed by the government. There are several traffic management issues in Florey, and I am glad to say that I have had a good hearing both from the minister and Mr Rod Hook. The latter has personally visited the electorate and noted the nature of the works that need to be done, particularly to Montague Road between Kelly Road and just past Deborah Grove, where the road narrows from four lanes to two. This has been a difficult roadway in peak times for some years, and despite the problems presented when dealing with two tiers of government and private owners on both sides of the road, I am confident it has been brought to the attention of those in authority so many times now that it will be made a priority in staged work plans shortly.

There are also pedestrian issues for the residents of the Masonic Village in the section of Ridgehaven soon to be returned to the Florey electorate. Many older people do not move as fast as cars, and, on the busy section of Golden Grove Road in question, I hope to soon see results. The issue of hoon driving is also of concern in this locality and I thank the Holden Hill SAPOL LSA for their attention in this area and throughout the electorate.

The great sadness is that this sort of behaviour—that is, poor decisions when driving—leads to an increase in road accidents and trauma. Many parents speak to me about raising the driving age, reducing the capacity of engines available to new young drivers and even more stringent curfew and passenger restrictions. Many young drivers are responsible, but the increasing toll means even more drastic measures may soon need to be taken. The cure for many poor decisions is maturity and experience behind the wheel and it is a problem that continues to be a great worry and, no doubt, will continue while young people consider themselves bulletproof.

While mentioning young people, I refer to a recent article provided through the very efficient Parliamentary Library research service on the demands senior secondary students face juggling study and part-time work. Work is the reason many young people cite for needing a driver's licence. One example given was a young man working graveyard shifts (themselves an additional serious health problem) for $9 an hour, then getting four hours sleep before rushing off to school. On weekends, if not working, he was too tired to see his friends and relax or even to do homework. By midyear, he was tired and depressed and, after seeing a doctor, was diagnosed with glandular fever, requiring weeks of rest. Luckily, his car loan was with his parents, but his credit card and mobile phone still needed paying.

As one of 1.4 million youths aged between 15 and 19, he is among the 66.5 per cent of that group who work part time. He is also one of 1.1 million who combine full-time study with work. The article from *About the House* (March 2009 edition) by Geoffrey Maslen goes on to say that two in every five students who work part time suffer some sort of work injury and a disturbing 20 per cent require intensive medical treatment. While a New South Wales example, things are similarly worrying nationally, and Deputy Prime Minister Julia Gillard has asked the House of Representatives Education and Training Committee to inquire into and report on the way young people combine school and work, hoping to examine and identify possible flexible approaches to completing year 12, with a healthy balance between these work/life demands which are faced by those lucky enough to have jobs in these tough times.

Sleep or lack of sleep is becoming a major health issue and it is good to see work being done in this area all over the country. I look forward to learning of the outcomes these lifestyle choices lead to in another issue often raised—that of daylight saving and the extension of it this year. There were some very interesting letters to the editor in *The Advertiser* of 3 April this year: one from Roger Shinkfield and another from S.C. Webster. I hope the points they raised about the true time in South Australia (which is governed by our geographic position) are considered in the broader debate before decisions are made. As I said earlier, sleep deprivation is a big issue. It is not about curtains fading, rather in this day and age, and with IT available to us, commerce should not grind to a halt. The health of the community is as important as the health of the economy.

Having spoken about students earlier, I would like to focus on the very welcome spending about to take place in schools all over the country. In Florey, we are well prepared and focused, and every school community is looking forward to improving their surroundings, following large projects already completed in the past four years and including the use of School Pride money that contributed greatly to the amenity of surroundings. Education is highly valued by all schools in my electorate and it has been a great joy over my time as a local MP to see so many students

complete their education and take their place in the workforce as wonderful young adults and now, in some cases, even parents themselves.

One particular school I would like to mention is The Heights School, a reception to year 13 campus that is the home of the Heights Observatory. This is the school my own children attended, and I have had a lot to do with the school over the past 22 years.

In this Year of Astronomy, the Heights School observatory has become a focus, and it is great to see the facility attracting interest and visitors. It is a fine example of what a school community can achieve. We funded and built the observatory by selling many things, including lamingtons, and it is vital we pay as much attention to the sciences as sport in our curriculum.

As to sport, many opportunities are offered, including calisthenics, netball, Australian Rules, soccer, gridiron and the two rugby codes, which are available to help keep children and adults fit in my electorate. Government grants are a welcome addition to club budgets, and I commend all clubs and their committees for the efforts they make on behalf of their members.

I also want to mention the Tea Tree Gully University of the Third Age, which continues to provide an extensive range of activities for its ever-growing, lifelong learning student body. Keeping active is important for everyone and, with one of the largest mall walking groups in the state utilising Tea Tree Plaza and offering great social interactions as well, things are very busy for seniors in our area, who now also enjoy the extended free public transport granted recently by the state government, which has been received enthusiastically by everyone I have spoken to.

Keeping busy with work and recreational activities can be a crime aversion and reduction strategy as well. The old saying 'an idle mind is the Devil's tool' is all too true, and I look forward to working with the new Minister for Correctional Services to harness the potential and capacity we can encourage and support in an effort to reduce crime and, therefore, custodial sentences.

Many exciting projects are underway in South Australia, with many due to begin. The government is delivering results and working hard to deliver in many more areas. In closing, I acknowledge the efforts of South Australians in reducing their use of water. From changing showerheads to water-wise garden plantings, we can learn a lot more about waterproofing our homes and, in doing so, contribute to reducing and ensuring critical human needs and returning life to the Murray.

We can and must do everything we can. Unfortunately, waiting for a return to better weather patterns is not an option. Critical times are ahead and we, in the city, must do our part to share the burden that those in the country know only too well. Wetlands in the Florey area were the setting for a recent federal government announcement attended by ministers Maywald and Wong.

Following the example of the City of Salisbury, councils all over the state are learning about, and doing a lot in regard to, stormwater capture, recycling and reuse, and I look forward to hosting a forum in the near future to inform householders about what extra they can do.

Earlier today, I attended an investiture ceremony at Government House at which two local residents from Florey received awards in the Public Service Medal. They were Mrs Julie Noreen Cann, who received her medal for outstanding public service in the area of water licensing reform, and Dr David Anthony Cunliffe, who received his for outstanding public service to the community of South Australia by ensuring the quality and safety of drinking water.

We thank both of these outstanding public servants for their contributions and their continuing dedication and commitment. The water issue is vital to the state's future and, as I said, we will be having the water forum shortly, and I know that everyone in Florey will be doing their best to make sure that South Australia continues to do its part in maintaining a healthy supply of water for the city of Adelaide.

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (17:18): In continuing my remarks, I indicate my concern that the uncompetitive nature of stamp duty and land tax, in South Australia particularly, makes it more difficult for the 70-odd per cent of the population who would otherwise have access to the private markets to purchase or rent.

I highlight that the government's decision here in South Australia to sell off some 800 Housing Trust houses a year is hardly matched by what I call a token response in providing affordable social housing with 25 or 50 house or dwelling blocks. They are welcome, of course, and they add to the refreshment, but they do not in any way address the massive increase in the

number of people who currently need (and will continue to need) these services due to the economic situation that we will inevitably have to deal with over the next two years.

The federal government initiatives will temporarily get us through but leave us with a huge bill to pay. Let me highlight a combination of decisions in both health and housing and how badly the government gets these wrong. We learn from a recent announcement about the Highbury development of houses in the foothills that some 800 dwellings are proposed. Obviously, young people and newly partnered people are those likely to take up this accommodation, and we hope they do. What is the possible justification for the government then making a decision to close down obstetric and paediatric services at the Modbury Hospital? It just does not make any sense at all not to have these services when the neighbouring hospital is about to have hundreds of couples and partnerships come in to the area as new residents. The decisions the government makes are just mindblowingly numbing, I have to say.

As to the question of water, I thank South Australians for doing what they can individually during this difficult time. The truth is that, as the tough economic environment develops, people will still need water. We can talk about how scandalous the government is in failing to deal with the infrastructure spending necessary to deal with this—its belated infrastructure, for example, in desalination plants. It is completely up in the air about what it is going to do with weirs and regulators and the Mount Bold reservoir, and any other of the 30-odd different options that it says it is still looking at. We are still without water, and we face a very difficult period.

What is just absolutely personally offensive to me and to the many South Australians to whom I have talked about this is the government's decision to consent to SA Water refitting its brand new headquarters in Victoria Square—a $45 million exercise to refit cabling, carpeting and furniture—when crops are failing around the state, orchards are perishing, water cartage costs to feed stock and keep them alive have skyrocketed, gardens have shrivelled and dreams have all but evaporated. It is just a complete no-brainer to appreciate just how important water is to this state, yet the government is prepared to waste in that manner.

Finally, shared services is a government initiative that one thinks it would have abandoned by now, its having been exposed, even by the Public Service Association, as something which is quite negative, not a cost saving exercise, and which will ultimately be very expensive. However, the government seems to have no comprehension of the significance of this.

About 700 employees are to be ripped out of the country in health alone and brought to Adelaide. The proposal has been delayed by a negotiated agreement with the PSA, but the position is this. The government has a failed country health plan out there and, typically, having been embarrassed enough to withdraw it, it is proceeding with a sneaky, underhand, backdoor way of destroying our towns and regional communities by ripping out employees at the next level. I think that the government is completely ignorant of the fact that that will have a negative impact on the local towns and communities.

The new procurement policy is again another classic example of where the government or at least the Treasurer thinks he is going to save a lot of money, but with no understanding of the regional impact. It is hardly surprising. Few sitting around the cabinet table have any real understanding of the needs of the regional community. As usual, cabinet has not had before it the regional impact statements, and that is quite unacceptable. This is a guideline that previous governments used and one which we are using. I do not want to make excuses for the government, but it has rules which it is supposed to impose. Those ministers—the Minister for Health, or any other minister—who want to impose a new regime in a regional community are supposed to have a regional impact statement.

We have heard the excuse made before by the Minister for Water Security. She said, 'We don't need to do that until we make the final decision. We can throw out these ideas and then we'll do it later.' How can a cabinet possibly make a decision on behalf of South Australian country people if they do not have that regional impact statement before it now? It is absolutely unacceptable.

Then, of course, we have the debt situation. I am worried because, as they often say of Labor policy, Labor members of parliament and candidates seem to have debt in their DNA. It is really something that they always fall back on—spend all the money, use all the surplus and sell off all the assets that can possibly be found to sell. In this case, the Treasurer wants to sell a few that he does not even own.

The next level is to go out and run up debt. Whilst there have been various schools of thought about whether debt might be a useful tool for the purposes of funding capital infrastructure and the like, this government, like all other Labor governments, uses it as an instrument for the massive deficit in its budgets—let alone for the provision for other ongoing services—rather than appreciating its own mismanagement.

Let me just give you one real example of what happens at the moment. This situation was brought to my attention specifically: a nurse in a major metropolitan hospital came to me and said, 'Look, I have put in a request to be able to work four days a week. My husband's employment has changed. We have commitments with children so I have asked to be able to work four days a week instead of five.' That was rejected on the basis that it was not convenient to the hospital management and so she had to resign. She is now employed by an agency and that same hospital has taken her back for four days a week—a major metropolitan hospital—at nearly double the cost to the hospital. It is just absurd.

There are plenty of ways that the government can redirect its attention to priority projects: understand that it will only run up even more significant damage to the state if it does not do things properly; and find a Treasurer who understands that it is his potential revenue loss that he should be confining his concern to and that he has a major problem on the other side of the ledger.

The other matters I wish to raise (as a matter of supply) are priorities for my own electorate. Every year I raise the Britannia roundabout, and I do again, because not only is this a dangerous intersection it is not even a roundabout, it is an 'eggabout'. I have previously commended a former minister for transport who had funded this and put it in her budget, only to find that the current minister for transport and infrastructure cancelled it, and it is still unresolved. Yet, we have an opportunity, with the redevelopment of Victoria Park, to do this and do it properly—and I urge the government to deal with it.

Waterfall Gully Road was significantly damaged as a result of floods several years ago. There have been deaths and serious accidents, particularly of cyclists on that road. These people are not from my electorate; these people who died or were injured did not even live in my electorate. However, this area is a state icon for visitors and tens of thousands of people visit every year. We welcome them but we do not want them to be injured or killed. I again remind the minister of the importance of sorting that out. After all, it was the floodwaters from the national parks that damned up the bottom of Waterfall Gully and caused the massive one in 1,000 year level floods several years ago. It is time that the government addressed this issue and stopped having such a dangerous situation.

Thirdly, I raise the question of the Glenside Hospital. Again, I urge the government to reverse its decision to proceed with the sell-off of 42 per cent of the hospital. Yesterday I was absolutely astounded to hear the Premier suggest that he is proceeding with his movie hub and he has delayed the hospital for two years. I ask for a commitment from this government that he will not sign any contracts until we have the freedom of information documents (ordered by the ombudsman to be released to us), subject to any appeal that the government might engineer or proceed with and that, until this issue has been fully investigated and we have these documents (so that South Australia can really scrutinise what is happening), he will not sign any contracts. I call upon the government for that.

Time expired.

Mr WILLIAMS (MacKillop) (17:28): I rise to my feet today to join this grievance debate and to raise a couple of issues. One in particular is an issue that I don't think I have ever spoken on before in this place. Somebody once said that patriotism is the last refuge of the scoundrel. I make that comment because some weeks ago the Premier of this state made a statement that he was going to go to the High Court over an agreement that he signed only six or seven months ago with the other states.

It is my grave suspicion that the Premier never had any intention of going to the High Court to fight this matter but wanted to stir up the emotions of South Australians knowing full well that South Australians would rally to support any battle against our cousins across the borders, particularly in Victoria. The Premier knows full well that there is a very strong rivalry between South Australia and Victoria, generally forged on the football field.

However, the Premier, because of his want always to have the media running a story featuring him, decided that he would appeal to that basic human response of parochialism and make an announcement. When you read the fine print of that announcement, it is interesting that

he did not say that he was mounting a High Court challenge: he announced that some people in crown law would look at the feasibility of doing so.

I suspect that that will be the last we ever hear of that matter because the reality is that the Premier issued a press release on 3 July last year, after the COAG meeting, where, in his words, the historic agreement was signed, in which he used terms such as 'a fantastic result' for South Australia. He went on not only to say that the agreement was signed but also to state in his press release that part of the agreement was that the 4 per cent cap in Victoria would be put out to 6 per cent by the end of 2009 and removed altogether by the end of 2014. That was part of the agreement signed by this Premier on 3 July last year.

If there is to be a serious challenge in the High Court, the question arises as to whether the South Australian government negotiated in good faith the agreement at COAG last year, following the signing of the MOU on 29 March here in Adelaide. Did the government of South Australia negotiate the MOU and the intergovernment agreement in good faith? That is a serious question: was it negotiated in good faith?

If the government signed off and said that it had a fantastic result but now turns around and says, 'We only did that to get the Victorians to put the legislation through their parliament, and it was always our intention then to go to the High Court to try to undermine the agreement we had signed,' all of a sudden it is saying to the rest of the governments across this nation that we do not negotiate in good faith. I am not too sure that that is a very good position for this state to find itself in—to have a reputation that we do not negotiate with other states in good faith.

There are only two alternatives in this discussion: one is that we negotiated in good faith and there was no intention of mounting a High Court challenge, and the other is that we did not negotiate in good faith and always intended to make a High Court challenge. I think that the Premier has to come out and be clear on that. I now turn my attention to the other matter which, as I suggested in my opening, I do not think I have ever addressed before in the parliament—that is, the current paranoia in regard to bikies.

Let me state very clearly that I am no apologist for bikies. I do not like them, and I do not like what they do, apart from the fact that they ride motorbikes. I have been an avid motorbike rider for most of my life, and I thoroughly enjoy riding motorbikes. The fact is that I think all of us in this place believe that the bikies, as depicted by what are known as 'outlaw motorcycle gangs', are indeed involved in organised crime. I think that is the case.

The point I want to make, however, is that if all governments across Australia remove every bikie from the streets, lock them up, deport them or whatever, there is no doubt in my mind that, within a very short space of time, another group of people will step in and take over their territory. Another group of people would very quickly take over the crime industry that has been run by these bikies.

However, we are attacking the symptom when we attack bikies as we do: we are not attacking the problem. Obviously, the most significant problems are illicit drug abuse and the illicit drug trade. There are a number of other problems, such as racketeering and prostitution, I am sure these organised crime syndicates operate in other areas, as well. Let us identify what is causing them to do what they do. It is the huge economic gain they make from their crimes that causes these people to behave in the way they do. Let us not fool ourselves: the industry in which the bikie gangs are involved is incredibly lucrative. It is also incredibly disruptive to our society, particularly in relation to the illicit drug trade.

I am sick and tired of hearing our Premier, and now premiers in other states, talking about the symptom. We can treat the symptom for the rest of eternity and we will never stop it. We have to actually identify the disease and treat the disease. In case some clown like the Attorney-General wants to misquote me or quote me out of context I will repeat that I am not supportive of outlaw motorcycle gangs or their activities in any way, but I do think that we are being just plain stupid if we think that by attacking the symptom we will make any headway.

We have to identify the disease and attack the disease. If that means that we actually have to put some of our police resources into fighting real crime, rather than using our police as tax collectors on our roads, I fully support it. The fact that we have police officers who are glorified tax collectors is a pity in my opinion. We have a rising serious crime rate in this state, and I think one of causes of that is that our police are being deployed in the wrong manner.

Certainly, with regard to organised crime, whatever resources we can put into fighting it, I would applaud, but I do not applaud simply going out there and saying that the problem is bikies. It is not bikies. The problem is the people who indulge in organised crime, whether they be bikies or anyone else. I repeat that we could get rid of every bikie, every Hells Angel and every Fink—the whole lot of them—and we would not solve the problem. I guarantee that some other group—they might name themselves or badge themselves or even ride motor bikes—would step into the territory and continue to sell drugs, be involved in prostitution and may be even in racketeering and some of the other activities of the bikies. Their territory is lucrative and therein lies the problem. I conclude my remarks.

Dr McFETRIDGE (Morphett) (17:38): I bring some very serious matters to the attention of the house, all of which revolve around the workers compensation and rehabilitation scheme in South Australia, which is known as WorkCover. WorkCover has a chequered history in this state. I remind the house that when this Labor government came to power in 2002 the unfunded liability of WorkCover was a significant amount of $62 million.

However, last week we found out that the unfunded liability is now $1.3 billion—$1,300 million—not the $62 million we had in 2002. The Clayton Walsh report said that WorkCover in the early 2000s was in a relatively healthy state. Under the mismanagement of this government it has gone down the tube rapidly.

What has the government done? It changed the legislation, it changed the board, it changed the CEO and it changed the minister—and it still has this awful mess, and it is getting worse. Of course, as we see a lot nowadays, these organisations are trying to blame everything on the GFC, the global financial crisis. Sure, there have been times when returns on investment have been far less than expected, which have then impinged on the unfunded liability, but there have been swings and roundabouts; and, certainly, for the last number of years, there has been a very healthy stock market, a very healthy investment market, and the returns to WorkCover have been very good, indeed.

Just in the last few months things have turned around and, certainly, it does not look like changing for the better in the short term, but you cannot blame all the ills on the global financial crisis. If you look at the most recent report comparing WorkCover schemes across Australia, you will see that the commonwealth scheme—and 2006 is the latest we can get—was 110 per cent funded; Victoria, 134 per cent funded; New South Wales, 107 per cent funded; the Western Australian scheme, 109 per cent funded; Queensland, 183 per cent funded; Tasmania, 168 per cent funded; and South Australia in 2006 was 64 per cent funded.

But what did we hear the other day? It is 51.7 per cent funded with a $1.3 billion unfunded liability. You work that back and the total liability for WorkCover is $2.7 billion. Sure, there is money there to cover those liabilities, but it is a disgraceful position for this state to be in. I remind the house that legislation was passed which cut workers' entitlements and changed a number of obligations on workers and employers, and what are we seeing? The situation has just got worse.

The issue I particularly want to look at today relates to one of the changes introduced to WorkCover, namely, provisional liability. When the legislation was passed, it was decided that the South Australian WorkCover scheme would adopt provisional liability provisions very similar to those in New South Wales. This was to assist in the early payment of WorkCover claims so that the injured worker, the sick worker, would then be able to have some money to get about their rehabilitation and get back to work.

What has happened is that, under this scheme, there is no real claim. If you look at the claim form, as it is described, which has been published under the new legislation, you will see that it is headed 'claim form', but there is no place to notify of a claim. You tick the relevant box, which states:

> I want to give notice of an injury only...no request for weekly payments or medical and other expense at this time.

The other box you can tick states:

> I want to give notice of an injury and request provisional weekly payments and/or medical expenses.

Under a little asterisk here, it states:

> This request will start provisional payments within seven days in most cases. A formal claim for compensation under section 52 can be made by contacting the claims agent or self-insured employer.

This is the 'Clayton's' claim form. What is happening now, I am reliably informed by a number of people who are working in the investigation side of WorkCover, is that people are now catching on to this. They are starting to lodge these forms for provisional payments and they are starting to get their provisional payments. These provisional payments are in place for up to 13 weeks, and what do you see? These people are getting better before the end of the 13 weeks. They are having what one investigator described to me as 'WorkCover holidays'.

It is a disgraceful position for this scheme to be in. It is a disgraceful thing for those sorts of people to be doing—rorting the system like that—but the problem is that because you have not lodged a claim this cannot be investigated. Nothing under the act allows the claim to be investigated. The whole provisional liability issue is an absolute mess. I will refer to some of the issues that have been put forward by one of the larger self-insurer groups, the questions they have been asking and what they think needs to be done.

For instance, how are workers supposed to even understand what their obligations are when they are lodging the Clayton's claim (the provisional liability)? They do not understand the regulations and the legislation. In the absence of an oral election by the worker to make a claim, how can a claim be determined; how can that claim be dismissed? Can a worker on provisional payments be referred to a medical panel? I do not believe so. Can an employer terminate a worker on provisional payments without reference to sections 58B and 58C? I do not know. I do not think the government knows the answer to this at the moment. I do not think the government knows what its liability is with provisional liability under the new WorkCover legislation.

If a compensating authority is paying provisional weekly payments, does the WorkCover tribunal have the jurisdiction to deal with a section 97 expedited decision application from the worker or the employer? I do not know. I need to get that answered. Can a section 110 authority be issued where only provisional payments are being made? I do not know. I do not think the government knows. Is negligent third party recovery available under section 54 where no admission of liability exists? I do not know, because a claim has not been lodged—we have provisional liability. Can a rehabilitation and return-to-work plan developed under section 28A be binding where only provisional payments are being made? I do not know. The government does not know either.

Can the content of a rehabilitation return-to-work plan under section 28A be reviewed under section 28B where only provisional payments are being made? I do not know. The government does not know. Is a determination of average weekly earnings appealable where only provisional payments are being made? I do not know. The government does not know. This is an absolute mess. The government will have to open up the legislation again to amend some sections of the act—and I will not tell them what to do; I will leave that up to them. We have our own ideas about what needs to be done on this side. Certainly, people to whom I have been talking have given me some information and advice on what should be done to try to fix this situation where we have the Clayton's claims. We had the Clayton Report and now we have the Clayton's claims with provisional liability.

When you ask the government what is its exposure, what is its cost for provisional liability, it does not know. There is question after question about provisional liability, and this government has not come out and said, 'There is an issue here; we need to sort it out.' It may be working on it behind the scenes, I do not know. I have asked questions in this place, and so far the sounds of silence are deafening. I have been given another 17 questions by another group of employers. They do not want to be named at this particular time, but they are seriously concerned about the provisional liability provisions in this WorkCover legislation.

WorkCover in South Australia was in good shape in the early 2000s. We made some changes in the mid-1990s. I have the YouTube video of the Premier out the front of Parliament House haranguing the then Liberal government for what it was doing to workers' rights, but what did we hear him say today in parliament? He was defending the changes made to WorkCover. He was defending these changes that have made such a mess. They have their legislation, their minister, their board and their CEO. What they really have is an absolute mess. WorkCover needs to be sorted out today, because I do not want South Australian workers to suffer any more.

Mr GRIFFITHS (Goyder) (17:48): As part of my 10 minute contribution to the Supply Bill, I want to focus on roads. There are many people in this chamber who I know would receive continual deputations from community groups concerned about the condition of the roads within their area. To really demonstrate the pressure that the Goyder electorate—Yorke Peninsula and the Adelaide Plains—is under you only need to consider what the road network will be like this

weekend as we approach Easter. It is an amazing sight to see the stream of traffic that heads to that wonderful get-away place. Not only do they have challenges going there, but it is on their return home that the real crisis unfolds.

Some amazing photos have been captured by the local newspaper which, from an elevated position, show kilometres and kilometres of cars stuck in a gridlock on country roads trying to get home on the Monday of a long weekend. I know that Transport SA staff try to manage the key intersections on the northern side of Port Wakefield as much as possible, but I do understand that, from the way the intersections are designed, when there is an amazing amount of traffic in peak times, they do not allow for the efficient movement of vehicles to occur. This is one of the key issues that I identified in my campaign prior to being elected in 2006, and it was the first question that I raised in this place with the Minister for Transport about what the intentions of the government were.

A story was related to me—and I have not lived through this myself, because normally we stay at home over Easter and we do not do a lot of travelling—about some people who were coming from the bottom of the peninsula, heading past Ardrossan, going to the Federation Park intersection and intending to turn onto the main Copper Coast Highway to go through to Port Wakefield and on to Adelaide. They were banked up some seven kilometres back from the intersection, slowly moving forward as the zipper movement of traffic allowed them to jump in, and these cars had to turn around and go back to Ardrossan to fuel up and then come back and get in the line again, because they were running out of petrol. There has to be a more efficient way for vehicles to get through on that route so that people do not have to do those sorts of things.

The councils within my area take a proactive stance in trying to understand and appreciate the need for road improvements within the resources available to them for the networks that they control. They do all they can. You are never going to please everybody; I understand that. I also understand that state governments have a similar dilemma, but some road networks within Yorke Peninsula and the Adelaide Plains that are state government controlled roads need more investment.

Dr McFetridge: Rodeo Highway.

Mr GRIFFITHS: Rodeo Highway. I know that the Liberal government committed to funding from Port Wakefield through to Kulpara, and that road has been completed under the watch of the Labor government. However, now the roads servicing Kulpara through to the Copper Coast communities of Kadina, Wallaroo and Moonta need to be improved. Paskeville especially, which is home to the Yorke Peninsula field days every second year in September, has an amazing amount of traffic passing through.

Instances have been reported to me where vehicles coming towards each other—and these are heavily laden trucks—are going across the road, which is bouncy and uneven, and they are shimmying across the road. Instead of passing clearly with space in between, the trailers in some cases are kissing against each other. The risk of a serious accident there and lives being lost is immense.

I know of similar instances involving vehicles that are towing boats. Yorke Peninsula offers great fishing opportunities, and a lot of people bring over their boats for recreational fishing. They are driving on these roads, bouncing up and down, and it is not only causing problems with their boats but they even run the risk of their boat jumping off a trailer. If that were to occur—

Dr McFetridge interjecting:

Mr GRIFFITHS: Or for the motor to come off, as the member for Morphett says. All these things need to be improved. The challenges are immense, but there needs to be a coordinated approach by the government through some form of transport plan that makes the dollars available, not just for Yorke Peninsula, the Goyder electorate and the Adelaide Plains, but also for all of the state to receive the investment in road infrastructure it needs.

I turn briefly now to water. Questions were raised in the house today about the ability of South Australia to provide itself with its critical human needs over the next 12 months. The minister has provided information that, through negotiations that are occurring to provide water from New South Wales tributaries, the water that we currently have in storage will be there to transport, but there really is fear out there in the community. People are sick of the restrictions. They understand the drought; they know that some controls need to be in place, but they are very fearful and

concerned that the water that we need to ensure the growth of opportunities in the state is not going to be there.

It makes it hard for me to come into this place—and I have previously had a notice of motion before the house—to push for every effort being made to augment the water supply to the communities that I serve, of which some 16 do not have a reticulated water supply. Every drop of water that goes into those communities has to come from the same source—the River Murray. So, we have to try to get the balance right.

The Minister for Water Security—and I am grateful for this—has instigated the commencement of a Yorke Peninsula long-term plan committee on which I am able to sit as an observer. I attended the first meeting. Yes; they are a nice collection of people who between them have a very good understanding of the issue, but the great frustration for me is that, at the moment, all they can talk about is the good things and their vision. I ask: where are the dollars going to come from to translate those visions into reality?

It is a balancing act. My frustration is also that, about two months ago, a report came into my electorate office about a broken pipe on the western side of Maitland that ran in a north-south direction. This pipe has previously been repaired. Apparently, it bursts quite regularly. It has been repaired in shorter sections but not the full length of it. Millions of litres of water were wasted before action was taken to turn off the water. The property owners who are on this line have stock, so it makes it very difficult for them to ensure that they have water available for their stock needs. That is where government priorities have to ensure that dollars are being allocated to the maintenance of the SA Water infrastructure network.

I have previously written to the Minister for Water Security about the rusting above-ground pipes and stated that, when the SA Water depots were in place in a lot of country towns, when there was some spare time, these maintenance crews would go out and paint them to prevent rusting. We are now finding that that work is not being done, and it is just really a case of management by crisis: when a break occurs, the repair work is undertaken, but it does not fix the long-term problem.

In the few minutes remaining, I want to talk about hospitals and the need for the Country Health Care Plan. The announcement in June last year of the Country Health Care Plan alarmed all of regional South Australia. It was really heartening for me to see the attitude of every person concerned. Public meetings were held around the state. Three were convened in my electorate: I had 700 people at Yorketown, 500 at Balaklava and 400 at Maitland, all of whom were concerned about the provision of health services in their community. Now the challenge before the country health advisory councils that have been appointed for each of the health areas is to actually develop a country health plan to service their needs.

I recognise the fact that the minister has allowed for each member of parliament to appoint a delegate direct to that HAC, and I am pleased that I have the delegates appointed to mine. I have told them, 'Your requirement is to actually develop a vision for the range of services required for hospitals and for keeping people out of hospital in that area. It is not your job to determine the financial restrictions that might be in place upon you and how that might prevent you from providing all the services you need. That is the role of others, and that is what the parliament is for—for others to determine that the dollars necessary for all these services are available.'

The role of these volunteers—who in many cases have been doing it for a number of years—and also those new people who have come on to take up this challenge to develop a plan for their communities really is a hard one. Over the next 12 months or so, these people will be starting from scratch. They will have support from the country health network, and I understand that, but they have to try to consult with the community to determine the range of services they need and then implement a plan that has to go through the bureaucracy of country health and get support. Then we will have to fight the battles in here to ensure that the dollars are available. So, it is a great challenge for those people, too.

My closing remarks relate to shared services. Again, this is an issue that has been out in the public arena for probably nearly two years now. Within regional South Australia, some 500 people are affected by it, equating to a bit over 200 full-time equivalent positions. Suburban South Australians who work within human resources, payroll and accounts payable and receivable sections within government departments are also being affected by it. The total number of people involved is slightly over 2,000.

These people's livelihoods are being moved, to all intents and purposes, and they are being told that they now have to work out of the CBD. The workplaces and the relationships they had in those areas have been lost to them, and it is having a serious effect. The effect upon these people on an individual basis is magnified even more when we look at the fact that implementation costs for shared services are far more than was envisaged. The Auditor-General, in his last report, notes that there is a hole—and that is my word, a black hole—of $103 million in savings that has been projected which he cannot yet quantify.

Time expired.

[Sitting extended beyond 18:00 on motion of Hon. J.D. Hill]

Mr PENGILLY (Finniss) (17:58): Many of the issues of concern to me have already been covered by other members. I will also make a few comments, in particular on the health issue. As the member for Goyder said, what is happening in rural and regional health is a most critical issue for rural people. I have many constituents who raise issues with me regularly on that matter. More pertinent are the issues relating to the Royal Adelaide Hospital and the government's lack of effort in maintaining that hospital in an appropriate manner while it supposedly builds a new railway hospital.

The other issue is that of Glenside, and what is going on there. The fact that regional country people are going to be discriminated against in the mental health area is a great worry to us. The member for Goyder talked about the HACs. Let me tell you that I have grave misgivings about where this is going. I have a representative on the South Coast District Hospital HAC committee and I am looking for one on the Kangaroo Island Health Service HAC committee but I am having trouble finding someone because, quite frankly, they say to me, 'We really have no control over what is going on like we did on the old board and the bureaucrats are running it. Why go on it'? The health aspects are extremely important, and I talked about them yesterday.

I would also like to raise the issue and talk about the natural resource management boards around the state. I am regularly getting comments that there is a lot of outcomes from these boards. Indeed, I think I have spoken in this house before on the lack of outcomes from the boards in my area. The money that is going to these boards and the outcomes are disproportionate. The number of outcomes we are getting, particularly on Kangaroo Island, are almost zero. I know that the Natural Resources Committee of parliament is very interested in the activities of the Kangaroo Island board and, indeed, it has proposed to do some questioning and visit there to look into exactly what is going on over there.

We have just gone through the draft natural resource management plan over there (which has been an interesting exercise to say the least) and I am given to understand that, fortunately, the board has withdrawn the water policy on Kangaroo Island and that a committee of some people who know what they are talking about is going to look into it and come back at a later stage with a suggested water policy so we can go out again. These boards are sucking up a vast amount of resources. They have created a bureaucracy of their own, doing report after report with, I suggest, very few outcomes.

It does not matter whether I talk to the member for Flinders, the member for Stuart, the member for MacKillop or the member for Hammond, I get the same answer: they are all concerned about the activities of the natural resource management boards. The boards are doing piles of reports and consuming hundreds of thousands of dollars but not much is coming out of them. I think that is something this parliament is going to have to have a look at. I know that the member for Enfield (Mr Rau), who is the presiding member of the parliament's Natural Resource Committee, will turn his attention to it, along with his colleagues. They will use their undisputed knowledge of what goes on in this area and will have a good look at things, and that is a jolly good thing as far as I am concerned.

I want to make a few comments about shared services: shared services are fine. The way I see it shared services means that we all share in paying for them and then they are returned to the city and the metropolitan area. That is how shared services works. It is an unmitigated disaster for rural South Australia. It is not working and it will not work. It has to be thought through and we have to go back to basics on that issue.

I would also like to talk about the issue of water. I received a briefing this morning, along with the member for Hammond, about the state of the River Murray and our water supplies, the

Lower Lakes and a host of other issues. I spent an hour there which was most beneficial. However, we do have some issues in my own electorate. The Myponga reservoir services the South Coast: Yankalilla, Normanville, Victor Harbor, Port Elliot, Middleton, Goolwa, and a few other areas in between.

I am quite alarmed at what is happening with the levels of the Myponga dam. This morning at the meeting (which was all open so I am not telling anything out of school) I asked the minister what was going on with the Myponga reservoir. She indicated that they were transferring serious amounts of water from there down to Happy Valley to bolster the metropolitan system.

I am concerned that if they go too far we will have a lack of water resources for my electorate. I think we need to have a serious look at this if we are talking about 100,000 people on the Fleurieu and the South Coast by 2050. They are not going to be supplied by Myponga Dam if it is going to continue to be drawn on. So, this is an issue for me to keep my finger on, and I know that areas such as Cape Jervis, Rapid Bay and Second Valley, for example, all need a reticulated water system quite urgently as they grow. Of course, that sits in tandem with effluent waste disposal and various schemes that can be put into place. You do not necessarily have to have a reticulated water supply, but it is a great help.

In regard to Kangaroo Island, in the same vein, I know that SA Water is looking at supply to the main towns and extending it. I wish that they would come up with a program to put in place more water provision near the Middle River dam. My view is that a turkey's nest dam to double the size of the Middle River storage would be ideal. We do not even have to consider desalination or anything else, because there is ample water on the western end of the island; we only need to capture it and use it. I will be pursuing that over the rest of this term and into the next term, assuming I am re-elected, which I sincerely hope I am.

Finally, I turn to the issue of roads, which the member for Goyder spoke about at length. The issue of roads in my electorate is very serious. There are large numbers of roads both on the mainland and also on Kangaroo Island that are in terminal decay. The road from Yankalilla through to Victor Harbor has had some work done on it, but it is getting increasing numbers of vehicles on it and, quite frankly, in the foreseeable future it will not be able to handle all the traffic going through there. Also, the road between Goolwa and Mount Compass needs serious work done on it. Once again, that road has large amounts of traffic on it and it is beyond the Alexandrina, Yankalilla and Victor Harbor councils to provide the funding to do all the roadworks that are required.

I turn my attention to the island roads. They are in freefall in their general state of usefulness. I took the member for Goyder on a trip over the weekend while he was on the island, and we travelled some of the dirt roads. The North Coast Road, in particular, is absolutely hideous. It is totally, absolutely and completely beyond the Kangaroo Island council to do anything about the roads. There are 1,300 kilometres of roads, of which 1,100 kilometres are dirt and only 200 kilometres are sealed (and only a proportion of that is council road). Of that 200 kilometres, some is run by the department of transport. However, the rest of the roads, the 1,100 kilometres of roads that the council owns, are totally beyond it with a small ratepayer population of 4,500.

If the government wants to push tourism and industry on the island, it has to find money and do something about funding this situation. You cannot keep sucking it out of the locals. They are battling to do two or three kilometres a year of bitumen. My children, their children and their children's children will all be dead before we get much bitumen on Kangaroo Island. It is a disgrace.

Mr PISONI (Unley) (18:08): I take this opportunity to speak about some issues that concern my constituents in the seat of Unley, and there are several big issues. Of course, Unley is suffering like the rest of the state because of the issue of water. It is no secret that there are some very grand gardens in my electorate of Unley. They have been tended for many years, and they have large grounds and exotic trees. It is a real struggle for many of my constituents to continue with them, and we are seeing a number of trees dying, including street trees, which is a real shame because we have some beautiful street trees as part of our urban heritage in Unley, and it is very important that we preserve that.

One thing we do not have a lot of in Unley is open space, so you can imagine how concerned people are about the sale of 42 per cent of the land at the Glenside site, and it has been a very sad and sorry tale for my constituents in and around that site. The government's justification for the land sell-off was to fund a hospital extension or a new mental health facility on the site. However, I note with some interest that, when the government announced that it would build a new

emergency ward at the Flinders Medical Centre, selling off part of the land there was not required to fund the extension.

However, for some reason we can fund the upgrade of Glenside Hospital only by selling 42 per cent of the open land. To add insult to injury, as this process has developed, because of the global financial crisis (GFC) the Treasurer announced that there would be a delay of about two years in building the new hospital, but it has not meant a delay in selling off the land nor has it meant a delay in moving the film corporation into that facility.

We have seen the brakes put on a $100 million hospital but an acceleration of a $45 million expenditure on a film hub for Glenside, which is moving out of the Tapleys Hill facility at Hendon, where its home has been for many years, and into Glenside post haste. I must say that it is getting prime real estate and the most beautiful buildings. The minister issued a press release yesterday boasting that work on the new hospital had begun. However, what it did not say was that it was not actually the new hospital that it was starting work on: it was the removal of patients and amenities from the old block of historic buildings, which will be the new home for the film corporation. That is where the work has begun.

So, we are seeing the existing areas that used as a hospital now being squeezed out, and people are being moved out and into other parts of the hospital. It is interesting that the Public Works Committee received a submission about a $5.5 million upgrade of the existing tired old facilities that are due to be knocked down, once the new facilities are built, for temporary housing of mental health patients, doctors and nurses, while the film hub gets the prime bit of real estate on that site. What was intended originally to be only a two year use of that temporary work will now be closer to 5 years.

We have seen the urgency to spend $45 million on the film hub but, because of the GFC, a delay of the new facility, which is much needed for mental health patients. However, at the same time, we are seeing the sale of the land and a government-sponsored development plan for housing and retail and office space in that facility.

There will be no delays there, of course, because that is obviously income for the government. It is very disappointing for those of us who are concerned about the lack of open space in the electorate of Unley. It is interesting that the seat of Unley is, in fact, geographically the smallest of all the House of Assembly districts and not because it has the least number of people living there. It has the same number of people living in it (within 10 per cent) as the number living in any other electorate in the state, but it has very little open space and quite high density housing in comparison to other electorates.

Even the seat of Morphett, which has a lot of high density housing that is offset by having more open space, is geographically a larger seat than the seat of Unley. Now we have imposed on us a loss of more public open space and, at the same time, we are also losing private open space with subdivisions, or houses being knocked down and subdivided. I know that on the government side there are strong supporters of urban consolidation, and that that is a concern for Steve Marshall, our candidate in Norwood.

The member for Norwood has, in this very chamber, defended the government's urban consolidation program, and that is a great concern for people living in Norwood, particularly those in beautiful historic homes in the character areas of Norwood. I share the concerns of Steve Marshall, the Liberal candidate in the seat of Norwood, about the threat to heritage in that area and the current member's lack of interest in preserving that heritage.

It is a matter of concern, of course, for many of the Greeks and Italians living in that area who I describe as the pioneers of our multicultural society here in South Australia and who saw bricks and mortar as an investment for their families and for their superannuation. When they came to Australia, they were overcome by the opportunities that many of us who grew up in South Australia missed. Sometimes you need to have a look at the state from the outside to realise the opportunities that are here for us. Many of us who have grown up with those opportunities tend to let them slide by at times, but our new immigrants did not. Back in the '50s, of course, we had a great influx of immigrants from Italy and Greece, in particular, and many of them saw real estate as their way of securing their future. Of course, many of them now are paying a high price through extremely high increases in land tax.

What is funny about this whole scenario is that one Greek couple who came to see me had a young working family in their rental property for 10 or 15 years. They were paying below market rent, but they were looking after the house and painting it when it needed painting. They were

treating it as their own. The couple were very happy to have good tenants there. They were not a wealthy couple, with only one of them working, and their way to deal with their situation was to put the rent up, which forced the tenant to go and get rent relief.

It was an extraordinary situation whereby the government's land tax imposition caused the rent to go up, and then the government had to fork out rent relief for the family in question so that they could stay in that house. I think that shows how unworkable the government's current land tax regime is and how it has just got out of hand as the government has got fat, let out its belt and enjoyed the good years when they were here without taking any appropriate action to make adjustments to the way we collect taxes in that time.

Time expired.

Mr GOLDSWORTHY (Kavel) (18:19): I would like to raise a number of issues specific to my electorate, in particular the issue of development and the proposal the government is currently discussing for further expansion of the town boundaries of Mount Barker, Littlehampton and Nairne. I note with interest that the Minister for Urban Development and Planning was asked a Dorothy Dixer question about the specific issue of further residential development in the township of Mount Barker. I was interviewed by a journalist from the local newspaper in the Hills, and the minister quoted from the article in *The Courier*. The minister quoted me correctly, and I do not refute the quote that he put on the record. In his response to the question that was asked, he accused the Liberal Party of running up the white flag on development. He said:

> There we have it. The Liberal Party has run up the white flag on development.

As is a common habit of this government, the minister selectively quoted from the article. I am quoted in the article as saying:

> I am part of the Liberal Party that does support growth and development, but that has to be carried out in the right locations in the right areas. We don't believe the Hills district is such an area for such a significant increase in housing.

There has not been any definite proposal from the government, apart from identifying that region in the Hills to be part of its greater plan for Adelaide, but I am advised that it is proposed to double the size of Mount Barker, Littlehampton and Nairne. As the local member I do not support that proposal. I do not support that part of the Hills district—any part of the Hills district that I represent; other members can speak for themselves but I think the member for Heysen certainly would support me—being filled up with houses and morphed into a suburb of Adelaide.

The Adelaide Hills is a unique region within this country. There is no other region close to a capital city in this country that is similar to the Adelaide Hills district. As long as I am the member I will fight for the enhancement of the identity of that district; and I do not support the proposal to double the size of those towns. In the interview I did with the local journalist, there is another part to that sentence. I said:

> Our position is that we don't allow any further rezoning of residential land or any new land to be opened up for residential purposes until services are provided to meet the current demand within the community.

The district is under extreme pressure as a result of the lack of services being provided by this government. The Minister for Urban Development and Planning in the other place also said:

> This government is also working closely with local government on a draft plan for Mount Barker and will make any proposals available for public consultation later this year. One of the central reasons for identifying growth areas and planning for growth during the next 30 years is to allow the government to plan well in advance for infrastructure investment, transport needs, schools and public works.

A member then interjects and the minister continues:

> You do not put infrastructure there until you actually start building. It is actually a greenfields site.

Well, the minister wants to get in his car and drive up there and have a look at the area. Mount Barker, Littlehampton and Nairne are not greenfields sites. He said that we need to plan in advance for infrastructure investment, transport needs, schools and public works. The minister needs to look at how poorly the government is currently performing in providing those exact things to those communities.

The district, as I said, is struggling to function given the significant lack of services this government is providing. Sure, we have had a park and ride facility built for public transport, but pretty well from day one that was at capacity, and it took years of lobbying and pressure for the government even to commit to that piece of infrastructure. We have campaigned and lobbied

significantly for, probably, 10 years for a second freeway interchange to be built, but the Minister for Transport says, 'No, it's not on our priority list; too bad.' How can the Minister for Urban Development and Planning, the minister who has that specific responsibility, say that the government is planning for future infrastructure needs when it is not meeting the infrastructure needs right now, today?

The minister needs to get in his car, have a drive around and talk to the community and to the council properly; and I understand that a meeting has been arranged with him and the local council to discuss these issues. However, when he talks about working closely with local government, it is my understanding that the local council is only aware of this discussion around doubling the size of those towns—nothing else. From my understanding, the government has not provided any further information. It is still out there, engaging the services of some consultants, scoping the possibilities for further expansion.

I want to put on the record in this place that my position as the local member, which is supported by the shadow minister for planning and urban development, is based on service provision. We do not support the expansion of the town boundaries until this government—and, obviously, a future Liberal government—provides those services to meet the community demands. I have undertaken a community consultation process myself, and approximately 9,000 survey/ consultation forms have been sent out to the communities in those three towns—to every residence and every business. I can tell members that I have had an overwhelming response.

Ms Portolesi: How many?

Mr GOLDSWORTHY: To date, the number is 1,500, and the timeline for the residents to get them back is the end of the month. We get quite a number continuing to come through the post every day. It has been three weeks and we have had 1,500 responses to 9,000 forms sent out. I can tell members—

The Hon. J.D. Lomax-Smith interjecting:

Mr GOLDSWORTHY: The Minister for Education can be flippant about this, but it would not hurt her to come up and have a bit of a chat with some of the people working in the local primary schools and the local high school in Mount Barker to understand first-hand the issues in terms of providing educational services in those towns. We have had to fight—

The Hon. J.D. Lomax-Smith interjecting:

Mr GOLDSWORTHY: If the Minister for Education wants to enter the debate, that is good, because we have had to fight tooth and nail to get the school crossing at Nairne Primary School addressed—and in a pretty half-hearted manner, I might say—by the previous minister for education, but that is another issue. I have raised that issue in the house on many occasions.

What must take place in that district is that the provision of services must occur before consideration is made on expanding the town boundaries. Once that takes place, then, sure, we will have a look at it and we will reassess the situation. I have also said that, certainly, I do not support one new house and one new piece of land.

Mr VENNING (Schubert) (18:29): Figures from the Australian Bureau of Statistics for January show that all states except Tasmania recorded an increase in unemployment, with South Australia up 0.2 per cent since September, meaning that South Australia has the highest unemployment rate in Australia at 5.6 per cent. With the 10 minutes I now have, I want to talk specifically about unemployment in South Australia. Labour force statistics illustrate an even gloomier picture, showing that South Australia's unemployment rate has risen from 5.8 to 7.2 per cent. Unemployment in South Australia has hit a five year high, with more than 46,000 people out of work, and it could increase by a staggering 25,000 more in the short term.

Another disturbing aspect of the figures is that South Australia's youth unemployment rate is 25.1 per cent compared to the national average of 23.3 per cent. That is one in four of our young school leavers who cannot find a job under the state Rann Labor government. A study compiled by the Australian Bureau of Statistics called 'A Picture of a Nation' raised concerns about our state's high level of youth unemployment, specifically noting the high rates of unemployment in Port Pirie (which is near where I come from) of 16.6 per cent and Whyalla, 16.5 per cent. It is a failure of this government to do the hard yards and job proof the state during the good times for when the inevitable downturn happens—because we all know that these thing are very cyclic.

Over the past couple of months, many job losses have been announced. The Premier announced in February that 1,600 Public Service jobs will go, with more than 60 positions to be axed from within the Premier's department. I note that none of them was out of the spin team. BHP Billiton is cutting jobs around the world, including 200 in South Australia from the team working on the expansion of the Olympic Dam mine. Since November last year, the state has lost 2,400 jobs in the mining industry, despite the Premier's promising at the last election that Olympic Dam would deliver 23,000 new mining jobs—and he continues to assert that we are in the midst of a mining boom. So much for the mirage in the desert and the Labor Party's support for Roxby Downs—it is all a bit hypocritical, isn't it?

Since September, 5,300 manufacturing jobs have been lost. I find it very interesting that the minister for employment can say, 'It is worth noting that we have had 17 months of what has been unprecedented growth.' When the mining and manufacturing sectors have lost so many jobs in the past four months, I just cannot understand how the minister can possibly call it 'unprecedented growth'. All this with the Rudd federal government with its new—what do they call it? WorkChoices, what is the new name? Fair Choice, something like that. It has a new name, anyway. I think it is a crazy time—

The Hon. I.F. Evans: Choose Work Fairly.

Mr VENNING: Choose Work Fairly; okay. It is a crazy time to be introducing a thing like this when you should be trying to encourage people to employ people, yet you turn around and make it harder to sack people. To me it is totally the wrong message to send to business when we want them to employ people. You do not know when you employ someone whether you have a good or bad employee until such time as you see what happens. You will not employ people if you do not have the right to be choosy. I think that it is very unfair, and I have always thought so.

As an employer, over the years, you get some brilliant people working for you—very loyal, very supportive. You spend a lot of money training them up in your trade and, suddenly, they give you two weeks' notice and they are gone, and you have lost all that investment in that person. You have no choice. However, the worker has a choice. If you try to get rid of them, they can really make it difficult for you. I think it is very bad timing for the Rudd government to be doing this right now because it is sending the wrong message.

Another interesting point to note is that the construction workers union says that it expects up to 250 South Australian workers will soon lose their jobs because of financial difficulties at several building firms. Yet, on 19 March, in an interview with the ABC, the employment minister said that the lost jobs in the mining and manufacturing industries will be offset by the growth in construction. It seems that the minister is not aware of the construction industry's concerns.

The recent announcement that Pacific Brands (the manufacturer of Bonds and others) is moving its operations to Asia resulted in 1,850 job losses—not specifically from South Australia, but it is certain that the flow-on effects will impact upon us. Again this is no surprise when companies can operate overseas so cheaply. Here they have all these imposts with all the taxes about which I spoke this afternoon in a previous speech, particularly payroll tax and land tax. Those two aspects alone are enough to send companies overseas. They go for survival; they do not do it for convenience but so that they can survive.

I have a friend who manufactures light fittings. In fact, he is the only manufacturer of light fittings in South Australia; all the rest are now made overseas. He is the only manufacturer left, but once upon a time we would have had a dozen. It costs him a lot of money to operate here but he chooses to do that. However, I do know that he now imports some components—he has to remain viable and competitive.

We know that Holden will experience job losses. We have heard all about this last week and we know the rationalisation there. Holden boss Mark Reuss has said that he wishes Holden could carry the entire workforce through the rough economic period, and we note the way they have done it by splitting shifts and weeks, and employees taking a half pay cut in the off weeks. It is very tough, but he said that these decisions were necessary for the industry to overcome difficult times and be successful into the future. It will have a flow-on effect to car component companies, and we know there are similar rationalisations going on there.

This is affecting a lot of people. We know that people are hurting and are worried that they will be next. I know of several large wineries in the Barossa, as well as other companies associated with the wine industry, who have laid off nearly all their casual staff. The South Australian-based timber company Auspine has confirmed that it is reviewing its operations after failing to secure log

supplies for its Tasmanian mills, and has said that it cannot rule out cuts to its South Australian workforce.

David Jones announced its worst decline in 20 years in January and is shedding jobs across the nation, with nine being lost in South Australia. PMP Limited, a printing and media services company, is closing its Salisbury operations with the loss of 44 jobs. Ottaway System Integration and Ausmech, both engineering companies, have between them laid off 40 workers. Restaurants and retailers will be further hit as the economic slowdown continues, and I think it is reasonable to assume that more jobs will be lost in those areas. I am told that service industries—including legal, accounting, marketing and design—are also laying people off.

We have had seven years of boom economic times but they have been wasted by this government and we are now paying the price. The grim reaper has arrived. I know it is easy to be negative, but we have to be realistic as well. South Australian jobless numbers are the worst since October 2002, just months after Premier Rann took office. We are losing jobs in so many industries, yet the state Rann Labor government remains silent about what steps it will take to slow down the loss of jobs.

As I said last night, country people are really feeling it—particularly the grape growers. I rang some grape growers at midnight last night because I knew they were out working; they were on the job and I could hear the machines working and the men talking. They are picking grapes for which they received $700 or $800 a tonne last year, but this year they will be able to sell only about one quarter of them for roughly $250 a tonne or thereabouts. The rest are going on the ground. That beggars belief; this is quality product going on the ground. It would be the same for the member for Mawson, who has excellent grapes in his area—second only, of course, to the Barossa Valley.

The big problem is overproduction, and what are we doing about that? They are out there right now still planting vines. It beggars belief. These managed investment funds should have been shut off years ago. Let the people who make the decisions come and see this; let them come and have a look. This afternoon I invited the minister to come up to have a look and he has agreed to come, without the politics, to see what is happening, to see the unemployment. I wish it was a better story but that is the realistic side of it, sad as it is.

Motion carried.

Bill taken through its remaining stages.

STATUTES AMENDMENT (ENERGY EFFICIENCY SHORTFALLS) 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. Clause 4, page 4, after line 3—Insert:

(11a) The Commission must establish a scheme for the use of any amount recovered as a shortfall penalty under this section for 1 or more of the following purposes:

(a) to assist persons who may have failed to benefit from activities relating to energy efficiency on account of any electricity retailer's energy efficiency shortfall;

(b) to support other programs or activities to promote or support energy efficiency or renewable energy initiatives within South Australian households.

No. 2. Clause 5, page 5, after line 36—Insert:

(11a) The Commission must establish a scheme for the use of any amount recovered as a shortfall penalty under this section for 1 or more of the following purposes:

(a) to assist persons who may have failed to benefit from activities relating to energy efficiency on account of any gas retailer's energy efficiency shortfall;

(b) to support other programs or activities to promote or support energy efficiency or renewable energy initiatives within South Australian households.

CROWN LAND MANAGEMENT BILL

The Legislative Council agreed to the bill with the amendment indicated by the following schedule, to which amendment the Legislative Council desires the concurrence of the House of Assembly:

No. 1. Clause 72, page 33, after line 25—After subclause (4) insert:

(4a) If a certificate certifying the grant of the fee simple of land is required by the Registrar-General under subsection (4), the Minister may not delegate the issuing of such certificate.

EQUAL OPPORTUNITY (MISCELLANEOUS) AMENDMENT BILL

Received from the Legislative Council and read a first time.

At 18:43 the house adjourned until Tuesday 28 April 2009 at 11:00.