LEGISLATIVE COUNCIL

Tuesday 17 June 2008

The PRESIDENT (Hon. R.K. Sneath) took the chair at 14:15 and read prayers.

ENVIRONMENT PROTECTION (BOARD OF AUTHORITY) AMENDMENT BILL

His Excellency the Governor, by message, assented to the bill.

FIREARMS (FIREARMS PROHIBITION ORDERS) AMENDMENT BILL

His Excellency the Governor, by message, assented to the bill.

LEGAL PROFESSION BILL

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (14:20): I seek leave to move a motion without notice concerning the conference on the bill.

Leave granted.

The Hon. P. HOLLOWAY: I move:

That the sitting of the council be not suspended during the continuation of the conference on the bill.

Motion carried.

ANSWERS TO QUESTIONS

The PRESIDENT: I direct that the written answers to the following questions on notice be distributed and printed in *Hansard*: Nos 118 and 126.

STOCK STARVATION

118 The Hon. SANDRA KANCK (24 October 2007).

1. Is the minister aware of claims that South-East landholder, Mr Tom Brinkworth, has had thousands of his stock die of starvation over the past two years?

2. How many reports have been lodged about Mr Brinkworth with the agencies under the minister's auspices and also with the RSPCA in the past two years?

3. What action has been taken on those reports?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health):

1. I am aware that serious allegations have been made about the welfare of cattle owned by Mr Brinkworth.

2. No reports were received by agencies in my portfolio. The RSPCA has advised that this issue arose in March 2007. Since that date the Society has received 12 reports from members of the public regarding dead and dying cattle on Mr Brinkworth's property.

3. I am advised that the RSPCA has conducted several inspections of the properties owned by Mr Brinkworth and its investigations are on-going. Officers of the RSPCA and Primary Industries and Resources SA have met with Mr Brinkworth. Given that the investigations are on-going it would be inappropriate to provide further details at this time.

MINISTERIAL STAFF

126 The Hon. R.I. LUCAS (12 February 2008).

1. Can the minister advise the names of all officers working in the minister's office as at 1 December 2006?

2. What positions were vacant as at 1 December 2006?

3. For each position, was the person employed under ministerial contract, or appointed under the Public Sector Management Act?

4. What was the salary for each position and any other financial benefit included in the remuneration package?

5. (a) What was the total approved budget for the minister's office in 2006-07; and

(b) Can the minister detail any of the salaries paid by a department or agency rather than the minister's office budget?

6. Can the minister detail any expenditure incurred since 2 December 2005 and up to 1 December 2006 on renovations to the minister's office and the purchase of any new items of furniture with a value greater than $500?

The Hon. CARMEL ZOLLO (Minister for Emergency Services, Minister for Correctional Services, Minister for Road Safety, Minister Assisting the Minister for Multicultural Affairs):

Parts 1, 3 and 4.

Details of Ministerial Contract staff were printed in the *Government Gazette* dated 6 July 2007.

Details of Public Servant staff located in the Minister's office as at 1 December 2006 were as follows:

1. Position Title	3. Ministerial Contract/PSM Act	4. Salary & Other Benefits
Office Manager	PSM Act	$66,302
Ministerial Liaison Officer	PSM Act	$68,335
Parliamentary Liaison Officer	PSM Act	$53,690
PA To Minister	PSM Act	$38,557
Personal Assistant To COS	PSM Act	$52,505
Correspondence Officer	PSM Act	$44,903
Trainee	PSM Act	$29,479
Receptionist *	PSM Act	$41,732
Ministerial Liaison Officer	PSM Act	$64,060
Ministerial Liaison Officer	PSM Act	$55,298
Policy Officer	PSM Act	$70,714

* The Receptionist is a shared receptionist and is funded 0.5 by Minister Zollo's office and 0.5 by the Justice Business Services area of the Attorney-General's Department.

Part 2.

There were no vacant positions as at 1 December 2006.

Part 5.

(a) The total approved budget for 2006-2007 was $1.133 million.

(b) Salaries paid by a department or agency are as follows.

Position Title	Department Agency	Salary
Ministerial Liaison Officer	SAFECOM	$68,335
Ministerial Liaison Officer	Correctional Services	$64,060
Ministerial Liaison Officer	Department for Transport, Energy and Infrastructure	$55,298
Policy Officer	Department for Transport, Energy and Infrastructure	$70,714

Part 6.

No Expenditure was incurred between 2 December 2005 and 1 December 2006 on renovations to my office.

Items of furniture purchased between 2 December 2005 and 1 December 2006 with a value greater than $500 are listed below:

Description	Quantity	Unit Cost (ex GST)	Total Cost (ex GST)
Retractable door cabinet	2	$1,433.00	$2,866.00

PAPERS

The following papers were laid on the table:

By the Minister for Police (Hon. P. Holloway)—

Regulations under the following Acts—
- Associations Incorporation Act 1985—Fees
- Bills of Sale Act 1886—Fees
- Births, Deaths and Marriages Registration Act 1996—Fees
- Business Names Act 1996—Fees
- Community Titles Act 1996—Fees
- Co-operatives Act 1997—Fees
- Coroners Act 2003—Fees
- Cremation Act 2000—Fees
- Criminal Law (Sentencing) Act 1988—Fees
- Dangerous Substances Act 1991—Fees
- District Court Act 1991—Fees
- Employment Agents Registration Act 1993—Fees
- Environment, Resources and Development Court Act 1993—Fees
- Explosives Act 1936—
  - Fees
  - Fireworks Fees
  - Security Sensitive Substances Fees
- Fair Work Act 1994—Representation—Fees
- Firearms Act 1977—Fees
- Fees Regulation Act 1927—Public Trustee Administration Fees
- Freedom of Information Act 1991—Fees and Charges
- Harbors and Navigation Act 1993
  - General and Fees
    - Variation
- Land Tax Act 1936—Fees
- Magistrates Court Act 1991—Fees
- Motor Vehicles Act 1959—
  - Accident Towing Roster Scheme Fees
  - National Heavy Vehicles Registration Fees
  - Offences—Fees
  - Registration—Fees
- Mutual Recognition (South Australia) Act 1993—Fees
- Occupational Health, Safety and Welfare Act 12986—Fees
- Partnership Act 1891—Fees
- Passenger Transport Act 1994—
  - General—Fees
  - General—Taxi Fares
- Petroleum Products Regulation Act 1995—Fees
- Public Trustees Act 1995—Fees
- Real Property Act 1886—
  - Fees
  - Land Division—Fees
- Registration of Deeds Act 1935—Fees
- Roads (Opening and Closing) Act 1991—Fees
- Road Traffic Act 1961—
  - Inspection—Fees
  - Miscellaneous—Fees
- Security and Investigation Agents Act 1995—Fees
- Sexual Reassignment Act 1988—Fees
- Sheriff's Act 1978—Fees
- State Records Act 1997—Fees
- Strata Titles Act 1988—Fees
- Summary Offences Act 1953—Dangerous Articles and Prohibited Weapons Fees
- Supreme Court Act 1935—Fees
- Trans-Tasman Mutual Recognition (South Australia) Act 1999—Temporary Exemptions—Drug Paraphernalia
- Valuation of Land Act 1971—Fees

WorkCover Corporation Act 1994—Claims Management Contractual Arrangements—Variation
Worker's Liens Act 1893—Fees
Youth Court Act 1993—Fees

By the Minister for Mineral Resources Development (Hon. P. Holloway)—

Regulations under the following Acts—
Mines and Works Inspection Act 1920—Fees
Mining Act 1971—General and Fees
Opal Mining—Fees
Petroleum Act 2000—Fees

By the Minister for Urban Development and Planning (Hon. P. Holloway)—

Regulations under the following Act—
Development Act 1993—Fees

By the Minister for Emergency Services (Hon. C. Zollo)—

Regulations under the following Acts—
Adoption Act 1988—Fees
Authorised Betting Operations Act 2000—Fees
Branding of Pigs Act 1964—Fees
Brands Act 1933—Fees
Chicken Meat Industry Act 2003—Fees
Construction Industry Training Fund Act 1993—Construction Industry Training Fund
Fire and Emergency Services Act 2005—Fees
Fisheries Management Act 2007—Fees
Gaming Machines Act 1992—Fees
Housing Improvement Act 1940—Section 60 Statements—Fees
Livestock Act 1997—Fees
Lottery and Gaming Act 1936—
Fees—Schedule 3
Fees—Schedule 10
Primary Produce (Food Safety Schemes) Act 2004—
Citrus Industry Fees
Meat Industry Fees

By the Minister for Environment and Conservation (Hon. G. E. Gago)—

Reports, 2006-07
Southern Adelaide Health Service
Southern Adelaide Health Service Financial, Workforce and Environmental
Upper South East Dryland Salinity and Flood Management Act 2002 Quarterly Report, 1 January 2008-31 March 2008
Regulations under the following Acts—
Ambulance Services Act 1992—Fees
Botanic Gardens and State Herbarium Act 1978—Fees
Building Work Contractors Act 1995—Fees
Conveyancers Act 1994—Fees
Crown Lands Act 1929—Fees
Environment Protection Act 1993—
Beverage Container Fees
Fees and Levy—Fees
Fees Regulation Act 1927—Assessment of Requirements—Water and Sewerage Fees
Heritage Places Act 1993—Fees
Historic Shipwrecks Act 1981—Fees
Land Agents Act 1994—Fees
Liquor Licensing Act 1997—
Dry Zones—
Goolwa

Hallett Cove
Millicent
General Fees
Local Government Act 199—General Fees
National Parks and Wildlife Act 1972—
Hunting—Fees
Wildlife—Fees
Natural Resources Management Act 2004—
Financial Provisions Fees
General Fees
Native Vegetation Act 1991—Fees
Pastoral land Management and Conservation Act 1989—Fees
Plumbers, Gas Fitters and Electricians Act 1995—Fees
Private Parking Areas Act 1986—Fees
Public and Environment Health Act 1987—
Notifiable Diseases—Chikungunya Virus
Waste Control Fees
Radiation Protection and Control Act 1982—Ionising Radiation Fees
Second-hand Vehicle Dealers Act 1995—Fees
Sewerage Act 1929—Fees
South Australian Health Commission Act 1976—
Compensable and Non-Medicare Patients Fees—New Fees
Private Hospitals Fees
Trade Measurement Administration Act 1993—Fees
Travel Agents Act 1986—Fees
Waterworks Act 1932—Fees

By the Minister for Mental Health and Substance Abuse (Hon. G.E. Gago)—

Regulations under the following Acts—
Controlled Substances Act 1984—
Pesticides Fees
Poisons Fees
Tobacco Products Regulation Act 1997—Fees

PLANNING REFORM

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (14:27): I seek leave to make a ministerial statement.

Leave granted.

The Hon. P. HOLLOWAY: The Rann government has decided to embark on the broadest range of planning reforms seen in South Australia in decades. These reforms will build on the current strengths of the South Australian planning system to deliver the most efficient and effective assessment and approval process in the nation.

Members interjecting:

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: The reforms will deliver major economic benefits for the state, slash delays and costs for home and renovation approvals, and provide strong, sustainable directions for the growth and development of Adelaide and the regions.

This government's aim is to create a planning system that equips South Australia to better meet the challenges of climate change and improve management of our water resources to help us make the most of existing and new investments in infrastructure, including the transport revolution that will electrify rail services and extend the tram service from Glenelg to Semaphore.

The Hon. D.W. Ridgway interjecting:

The Hon. P. HOLLOWAY: You promised that one, too, did you? This government aims to create a planning system that will help improve home affordability, improve the amenity of our suburbs, help guarantee future economic prosperity and ensure that all South Australian's have the opportunity to benefit from the future economic growth.

The key elements of the government's planning and development reform strategy comprise:

- a 30-year plan to properly manage Adelaide's growth and development;
- a huge investment in building efficient transport corridors to encourage the creation of new commuter-friendly neighbourhoods within existing suburbs;
- a 25-year rolling supply of broadacre land to meet the residential, commercial and industrial needs of the growing population and expanding economy;
- simplified and faster assessment of new housing and home renovations; and
- five regional plans to help guide the development of the state outside of Adelaide.

KPMG suggests that these sweeping reforms to the planning system could add about $5 billion to gross state product within five years by attracting people and jobs to South Australia. The reforms will encourage transit-oriented development and high-density and well-designed neighbourhoods to be located along Adelaide's enhanced train, tram and bus corridors. Walkable neighbourhoods will help reduce Adelaide's reliance on cars at a time of rising fuel prices, foster greater public use of the government's expanded public transport network, and create energy and water-efficient communities within existing suburbs.

None of this would have been possible without the revolutionary changes to South Australia's train, tram and bus networks announced two weeks ago in the government's state budget. The development assessment process will be streamlined by broadening the range of developments that will no longer require planning approval and by the introduction next year of a residential development code.

By removing minor matters from the planning system and reducing the number of referrals between agencies, assessment times for family homes and renovations could be slashed by nearly 70 per cent. That will take the lead out of the saddlebags of our current planning system and reduce the mortgage costs and additional rent that homeowners are forced to pay as they wait—often for far too long—to move into their new homes. The decision to streamline assessments is alone estimated to yield a total interest saving on mortgages of up to $5,500 for each application.

The South Australian community will be consulted during the next three months to determine the content of this residential development code, which will come into force from next March. The government will also adopt a strategy for the timely release of adequate land for residential, commercial and industrial use to better meet an expected rise in demand from an expanding economy and a growing population. This sequencing will involve the introduction of a 25-year rolling supply of broadacre land, with 15 years of zone supply at all times for residential, commercial and industrial land. Other measures to improve land supply and land use include careful expansion of Adelaide's urban growth boundary and fast-tracking of rezoning.

I take this opportunity to thank the planning and development steering committee for its work on the review I commissioned a year ago, which has provided the guiding framework for the reforms I have outlined today.

CHILDREN IN STATE CARE INQUIRY

The Hon. CARMEL ZOLLO (Minister for Emergency Services, Minister for Correctional Services, Minister for Road Safety, Minister Assisting the Minister for Multicultural Affairs) (14:32): I lay on the table a copy of a ministerial statement relating to the Children in State Care Commission of Inquiry Report regarding allegations of sexual abuse and death from criminal conduct made earlier today in another place by my colleague the Minister for Families and Communities.

WANGARY CORONIAL INQUEST WORKING PARTY

The Hon. CARMEL ZOLLO (Minister for Emergency Services, Minister for Correctional Services, Minister for Road Safety, Minister Assisting the Minister for Multicultural Affairs) (14:33): I seek leave to make a ministerial statement.

Leave granted.

Members interjecting:

The Hon. CARMEL ZOLLO: In your dreams.

The PRESIDENT: Order!

Members interjecting:

The PRESIDENT: Order! We all know the view from my left, who have just shored up their preselection; there is no need to be so jolly about it.

The Hon. CARMEL ZOLLO: Thank you, Mr President; they are very excited over their recent preselections.

An honourable member: You're not!

The Hon. CARMEL ZOLLO: I have been preselected for a long time; I am on this side and you are not.

On 18 December 2007 the Deputy Coroner, Anthony Schapel, handed down his findings into the bushfires on the Lower Eyre Peninsula, known as the Wangary bushfires. I advised the chamber on 12 February that a working party, headed by Mr David Place, Commissioner of Fire and Emergencies, had been established to examine and consider the Deputy Coroner's recommendations. Membership of the working party consisted of representatives from: the SA Fire and Emergency Services Commission (SAFECOM); the SA Country Fire Service (CFS); the SA Metropolitan Fire Service (MFS); the SA State Emergency Service (SES); South Australia Police; the Department for Environment and Heritage; ForestrySA; the Department of Primary Industries and Resources; the Local Government Association; the Office of Local Government; the SA Farmers Federation; the Department of Treasury and Finance; the Attorney General's Department; the Department for Transport, Energy and Infrastructure; the SA Country Fire Service Volunteers Association; and the Department of Water, Land and Biodiversity Conservation.

I thank members of the Wangary coronial inquest working party for their work and advice. This working party provided advice to government, and the government is now in a position to outline its response to each of the 34 recommendations. This government response will be publicly available from this afternoon.

As previously advised, any legislative changes required will be incorporated into the current work being progressed as part of the review of the Fire and Emergency Services Act 2005. Implementation of non-legislative recommendations will continue to be coordinated by the Commissioner of Fire and Emergencies in conjunction with Wangary coronial inquest working party representatives over the coming months.

The majority of the outstanding recommendations are anticipated to be completed before the next fire danger season. As announced, the 2008-09 budget will include new funding of an additional $15.930 million over four years to: increase aerial firefighting capacity in South Australia, which will include a large capacity firefighting helicopter, such as an air crane, to be based in South Australia during the bushfire season; an upgrade of fire retardant mixing infrastructure for aerial firefighting; additional staffing for the safe and effective management of air operations; and, the establishment of bulk water supplies at strategic airstrips.

The large capacity helicopter will be in addition to the existing aerial firefighting fleet. Already over the past few years when the need has arisen the Rann Labor government has made funds available to use the nationally shared type 1 large capacity helicopters. During the December Kangaroo Island bushfires South Australia utilised the services of two of these type of aircraft. The bushfire risk to South Australia, due to the continuing dry conditions, is very real and was demonstrated during the 2007-08 season, with significant fires on Kangaroo Island and at Belair, Williamstown and Willunga.

South Australia's expenditure on firefighting aircraft has increased significantly since the election of the first Rann Labor government. Under the previous Liberal government a dismal $831,000 was allocated to our state's aerial capacity, while in 2008-09, $6.795 million has been budgeted, representing an almost $6 million increase since the former Liberal government. Further funding of $2.85 million has also been announced to meet additional recommendations, including funding for additional training for incident management team personnel, as well as funding for an operations planning officer (CFS based) to coordinate incident management training and ensure all personnel are appropriately skilled. Funding will also provide an emergency management officer (SES based) to liaise between agencies and local councils, to provide a more coordinated approach to prevention, all hazards planning activities and community warning systems and to meet key recommendations arising from the inquest.

The government's response to the report identifies that, of the 34 recommendations, 14 have already been implemented and are deemed complete and 20 are in the process of being implemented. The Commissioner of Fire and Emergencies has established a small task group and

project team to ensure that the rest of the recommendations are implemented to completion. In addition to the work to implement the recommendations of the Deputy Coroner, work is underway to prepare for the implementation of recommendations of the bushfire management review.

This review focused on approaching bushfire management through prevention, preparedness, response and recovery to ensure reduced bushfire risk, community sustainability and resilience. Aspects of the Deputy Coroner's recommendations touch on work already in train to implement the bushfire management review. As previously advised, legislative changes arising from the Deputy Coroner's recommendations, the bushfire management review and the review of the operation of the Fire and Emergency Services Act by Mr John Murray will be dealt with together.

As we move forward with the implementation of changes to our bushfire management practices, the Country Fire Service will take steps to ensure structures are in place for the coming fire danger season that protect the community and allow for flexibility once the required legislative changes are enacted. With respect to the development of a code of practice for the management of native vegetation, a separate task group comprising representatives from the Department of Water, Land and Biodiversity Conservation, South Australian Farmers' Federation, South Australian Country Fire Service, Department for Environment and Heritage, Native Vegetation Council, Local Government Association and Conservation Council of South Australia are currently working under the Wangary coronial inquest working party on this recommendation.

The task group has commenced working on a draft code titled 'Code of practice for the management of native vegetation to reduce the impact of bushfire'. Consultation by the task group is ongoing, with a view to providing a draft code of practice to myself and the Minister for Environment and Conservation in July 2008. As was mentioned by the Deputy Coroner, since the Wangary fire the Country Fire Service has engaged in a period of constant improvement with the Bob Smith independent review, Project Phoenix and the bushfire management review. A great number of changes have been implemented and have been in operation over the past two fire danger seasons. In addition, our firefighters are well trained and better resourced than ever before, with improvements in training, increases in funding and the provision of protective clothing and new equipment that is the envy of other states across the country.

In closing, it is also important to acknowledge the efforts of the thousands of dedicated volunteers of the Country Fire Service who give of their time freely to protect and serve the community. Copies of the government response will be available on the SAFECOM website from this afternoon. Once again, I thank the Commissioner of Fire and Emergencies and the members of the Wangary working party for their efforts and advice.

MEMBER'S ATTIRE

The PRESIDENT: I notice an inappropriate T-shirt being worn by the Hon. Ms Kanck. It has been ruled previously by a president that inappropriate signage on T-shirts should not be worn in the council.

An honourable member interjecting:

The PRESIDENT: The next thing will be people walking around in anti-Democrat T-shirts, and you will want it stopped. We have to keep the standards of the Legislative Council well above the standards elsewhere.

QUESTION TIME

URBAN LAND SUPPLY

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:48): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about urban land supply.

Leave granted.

The Hon. D.W. RIDGWAY: This afternoon we heard the minister talk about the government's intention to have a 25-year rolling land supply—which I guess is five years longer than the opposition's announcement on rolling land supply some six weeks ago. So, the government is five years ahead of us, in one sense.

Given that the population growth of this state initially was expected to reach 2 million by 2050, but now all experts are saying that it will be 2030, it has been predicted that we will need somewhere between 200,000 and 300,000 new dwellings in the next 30 years to cope with that

increase in population. There is the recently announced 25-year rolling land supply, but there has been no commitment other than to look at an extension of the southern railway line. Given that we have about 30 years, and 200,000 to 300,000 new dwellings is roughly 10,000 a year, where will next year's 10,000 new homes be built?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (14:50): The current urban growth boundary of this state has approximately 15 years land supply in it and the government, having accepted the recommendations of the planning review, will be seeking to extend that land out to 25 years. The other recommendation was that 15 years of that supply should be rezoned for ready use. Obviously, that will be the priority of the land which was recently put within the urban growth boundary. It will be a priority to ensure that that land is rezoned as quickly as possible to make it available for urban use.

Of course, following the recommendation, we will be seeking to implement the other recommendation of increasing the boundary for that 25-year supply. Another recommendation made by the planning review, in particular recommendation 12, states:

a) The organising principle for distributing population, housing and employment growth for new and existing areas should be focused on the Adelaide region's network of transport corridors.

b) A large proportion of infill growth of about 70 per cent should be concentrated in the major transport corridors, particularly in the centres and potential Transit Oriented Developments that are located or situated within those corridors. This method of distributing growth (around corridors and Transit Oriented Developments) is essential to accommodate growth and change and to provide the economic basis for improving existing transport infrastructure.

In relation to the growth, there is this aspirational target, if you like, that up to 70 per cent of infill growth should be concentrated around our transport corridors, which has great benefits for the state. Obviously, it will reduce the pressure on our roads and the dependence on fossil fuels.

Of course, none of this would have been possible if our railway system was still using diesel rail cars because of the problems with noise and pollution with that particular form of traffic. Hence, as part of the planning review to achieve these objectives of our growth, the transport policies announced by the Treasurer and the Minister for Transport in the budget 1½ weeks ago were absolutely essential for this to happen. You have to have an electrified railway system to get the best benefit out of growth along the corridor.

There will be growth in those areas within the urban growth boundary, but there will also be the infill growth. It is worth pointing out that, over the past five to 10 years, I am told that, of the growth of the new dwellings built within Adelaide, between 50 and 60 per cent of that growth would be regarded as infill, which is either apartments within the CBD or other high-rise areas around the city or other brownfield development around the city. Only about 40 to 50 per cent of growth is in greenfields development.

The planning review suggests that our aspirational target should be approximately 70 per cent infill development to 30 per cent greenfield. However, that will still require some greenfield development. Under the planning policies, we will aim to have 25 years within the urban growth boundary, with 15 years zoned ready, and we will be beginning work on that straightaway. Essentially, the growth will be up to the market, but we will need to ensure that land within the urban growth boundary is rezoned for that growth purpose as quickly as possible, and that we further extend those boundaries while, at the same time, ensuring that we do promote this infill growth and transit oriented development growth which will give us the best maximum use of our transport corridors.

URBAN LAND SUPPLY

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:53): I have a supplementary question. Is the minister indicating that the government intends to manipulate the market, shall we say, to force more people into transit-oriented developments rather than at the urban fridge?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (14:55): As I said, it was an aspirational target that we should have the ratio. In fact, we are now achieving something close to 60 per cent of dwellings from infill. That is what we have in 2008, so we are already nearly up to the 60 per cent mark. I think something like 7,500 to 8,000 new dwellings are built in this state every year. One only has to look at the number of new apartments that have been built in the CBD (each building can have up to 300 or 400 apartments) to see that the number of new dwellings that come out of infill development is significant.

So that we can preserve our character suburbs and get the best value from railway lines, we intend to make it more attractive to live along those lines, and that is where electrification comes in. At the moment, people do not want to live too close to a railway station when there is a diesel rail system, which is noisy and polluting. With the electrification of our system we will be able to provide a much better and more attractive service.

One only has to look at other parts of the country, such as Subiaco in Perth, Chatswood in Sydney, and other places, where there is transit-oriented development. Believe me, people want to live in these places where, previously, in some cases, such as Subiaco, half of the suburb was old industry. Blocks there are now selling for $2 billion or $3 billion each. Perhaps the question for government is: how do you make them equitable? How do you make enough dwellings available for lower income earners to live in these suburbs? They are very attractive.

It is obviously up to the planners and the government to ensure that our new transit-oriented developments are attractive to customers. Given the proximity and the 'walkability' of these suburbs, if we get this right, people will want to live in these corridors, and they will at the same time take pressure off the roads system, our water, our liquid fuels, and so forth.

URBAN LAND SUPPLY

The Hon. SANDRA KANCK (14:57): I have a supplementary question. Can the minister explain how he will make attractive to residents the prospect of having up to 18 freight trains a day going past, some of which are up to two kilometres in length?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (14:58): We will choose to build most of our transit-oriented developments on passenger railway line corridors. The fact is that Adelaide has a very good spine or a radial system of rail. Most of that rail system goes past industrial areas. Because it is a diesel system, people have tended to live away from those particular areas. If one looks at the Noarlunga and Port Adelaide lines and the tram line, those major corridors do not have heavy freight trains; so they obviously make ideal places for people to live. Once the trains are electrified they will be much more attractive.

URBAN LAND SUPPLY

The Hon. M. PARNELL (14:58): I have a supplementary question. Can the minister advise whether any new residential development on the urban fringe within an extended urban growth boundary will also be transit-oriented development?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (14:59): There is obviously a capacity for that. As I indicated last year when asked questions about the extension of the urban growth boundary in the vicinity of Gawler, one of the reasons I gave was that, in relation to Gawler East, for example, in the Concordia area, there is an existing rail line. Obviously, there is the potential at some stage in the future for transit-oriented development in those places as they are ideal. Of course, what we have to do—and this will require multi-million or several billion dollars worth of investment over the next few years—is to electrify the system, so that it will be quick and clean enough to make it attractive.

Once the system has been electrified there is then the capacity, of course, for further extension. But, before we can do the electrification we have to replace the sleepers in the system, which, in some cases, go back to the 1950s. That involves several hundred million dollars of investment. All that is happening under the Rann government. This is the transport revolution which will in turn, through planning, lead to a much better, more liveable city.

HALLETT COVE CONSERVATION PARK

The Hon. J.M.A. LENSINK (15:00): I seek leave to make an explanation before asking the Minister for Environment and Conservation a question about the Hallett Cove Conservation Park.

Leave granted.

The Hon. J.M.A. LENSINK: I have received correspondence from a member of the Friends of Hallett Cove Conservation Park, and indeed I visited and had a walk through the park quite recently. The Friends of Hallett Cove Conservation Park were invited to a meeting on 5 February in relation to what is described as a single management plan for Hallett Cove and Marino Conservation Parks. It has been outlined to me that Hallett Cove is quite a unique park that

is well fenced and where extensive revegetation has been carried out largely by volunteers in the several decades that it has been in operation.

The concerns that were raised with me when I attended was that the management plan had not been reviewed since 1986 when it was signed by then minister for environment and planning, Don Hopgood. My questions are:

1. Will the minister advise the status of the new plan and what time frame might be involved?

2. Can she allay concerns that the department is going to have a 'one size fits all' or template approach to all parks, including conservation parks?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (15:01): I thank the honourable member for her question. Indeed, we have a vast number of very important conservation parks and national reserves throughout the state of South Australia of which we can be very proud. The parks allow for a wide range of uses. As well as assisting with the protection and conservation of our very valuable environment, we are also mindful of people's recreational interests, and we attempt to accommodate and balance those within our reserve systems.

The Hallett Cove Conservation Park is one of many park networks. I would certainly like to acknowledge the really important contribution that the friends of parks—including the Friends of Hallett Cove Conservation Park—make to our parks and, generally, to the preservation and care of our environment. They do a great deal of voluntary work that is very important to the maintenance and preservation of these parks, such as weeding, fencing and suchlike. Again, I would like to put on record our acknowledgement of them and their important and valuable contribution.

The Department for Environment and Heritage has a goal of achieving individualised management plans for each and every one of our parks, and we have a program whereby we are attempting to achieve that. Some of our parks have these contemporary plans in place. As the honourable member mentioned, some have plans that need to be reviewed, and I do believe there are still some parks, albeit not many, that do not have management plans. We are certainly working towards achieving the goal of ensuring that every park has a management plan.

The department is working to design management plans for each park. Certainly, each park is unique, and each management plan will aim to reflect the uniqueness of each park. There might be some broad parameters—a checklist, if you like—that each of the management plans should consider, but each plan will be designed to meet the individual and special needs of each unique park and reserve system within South Australia.

The development of the management plans involves public consultation, and I have been advised that it also includes involvement with local Friends groups and other interested stakeholders. I am happy to take on notice the question concerning the specific status of Hallett Cove, where it is up to and when we plan to have that management plan reviewed and completed, and bring that back.

POLICE CORRECTIONS SECTION

The Hon. S.G. WADE (15:05): I seek leave to make a brief explanation before asking the Minister for Police a question about the Police Corrections Section.

Leave granted.

The Hon. S.G. WADE: In December 2006, the minister announced the creation of the Police Corrections Section within the SAPOL Investigations Support Branch. The section was tasked with investigating crimes that occur in prisons and coordinating relevant intelligence material common to both SAPOL and the Department of Correctional Services. In July 2007, the government highlighted that the PCS had 'hit the ground running by foiling an attempted drug drop at Mobilong prison'. The officer in charge of the PCS (SAPOL Detective Sergeant Wright) said at the time that the PCS also has a role in managing prisoners to ensure that they are not housed with known associates such as gang members, and that the PCS would 'disrupt their activity while they are inside the prison system'. Yet, two days ago, the *Sunday Mail* reported that two violent clashes had occurred between bikies in prisons in recent weeks, leading to an emergency meeting between police and Correctional Services.

The CEO of Correctional Services was quoted as saying that he is 'seeking information from police on gang members and associates to enable prison managers to prevent clashes

between rival gang members by housing them in different areas'. Mr Severin said that his officers were examining ways to improve information exchange with police.

My question to the minister is: given that the PCS was reportedly already performing the tasks referred to by the Correctional Services CEO, does the minister consider that the Police Corrections Service is failing to achieve its goals, as implied by the Correctional Services CEO?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:07): No.

LASER POINTERS

The Hon. R.P. WORTLEY (15:07): I seek leave to make a brief explanation before asking the Minister for Police a question about high-powered laser pointers.

Leave granted.

The Hon. R.P. WORTLEY: In recent times there have been a number of incidents across Australia where high-powered laser pointers have been misused. These pointers can be incredibly harmful, particularly if shone into the cockpit of an aeroplane or helicopter. Will the minister inform the council what actions the state government is taking to stop this type of senseless behaviour?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:08): I thank the honourable member for his question. At last week's Ministerial Council for police and emergency management, state, territory and federal police ministers agreed to a national approach to tackle the misuse of high-powered laser pointers.

The state government and South Australia Police considered the misuse of high-powered laser pointers to be an issue of potential danger to the public. The high-powered versions of these laser pointers are capable of causing damage to the skin and eyes, and are openly available for purchase on the Internet. In recent times, Australia has experienced a spate of incidents involving the shining of high-powered laser pointers into aeroplanes, helicopters and vehicles causing temporary blindness and discomfort to pilots and others.

In April this year, an Adelaide man became one of the first people in Australia to be successfully prosecuted for shining a laser at an aircraft. This person was sentenced in the District Court to two years and three months' gaol after pleading guilty to prejudicing the safe operation of an aircraft. Other recent incidents in Australia include: on 7 June, a teenager was questioned in relation to the use of a high-powered laser beam being pointed at planes in Sydney; on 21 April, a police helicopter pilot, circling Guildford in New South Wales, was hit by a strong laser beam; on 28 March, six aircraft flying into Sydney airport were hit in a coordinated attack by blinding green lights in what safety officials said was the city's worst laser attack; on 20 March, a pilot was forced to take evasive action after being hit several times by a green laser beam while flying over Joondanna in Western Australia; and, in late 2007, a helicopter was targeted with a green laser pointer resulting in the main runway of the Gold Coast airport closing for an hour.

These types of gutless and cowardly attacks have to be stopped, and that is why the state government will act immediately to place high-powered laser pointers with a greater output of one milliwatt (in other words, if their output is greater than one milliwatt) on the South Australian schedule of prohibited weapons. This will coincide with the federal government's announcement last month to ban the importation of high-intensity laser pointers. These new laws will make it an offence to import high-powered lasers without a permit. Anyone seeking to import a laser pointer stronger than 1 milliwatt will have to have an appropriate exemption, which will work in the same way as for other restricted goods. This federal government ban will take effect on 1 July 2008.

These high-powered lasers can be incredibly harmful, particularly if shone into the cockpits of aeroplanes or cabins of other high-powered vehicles, potentially leading to widespread damage or even death. One laser pointer on the market claims to have a range of 22 kilometres and is able to melt plastic and light cigars. Laser damage to the eye can be permanent and can be caused instantaneously. Green laser pointers are being used in most of these incidents, and they differ from their red counterparts in that the green beam is visible to the operator. This makes them far easier to aim at a fast-moving aircraft and keep on the target. The danger to pilots is greatly enhanced if the beam is kept focused for a long length of time. Generally, green lasers also have a longer range.

There are no readily apparent reasons for the general public to possess or use these types of high-powered laser pointers; however, the state government is well aware that there are

legitimate bodies and organisations—such as surveyors, scientists, engineers and astronomers—that require them, and for that reason the proposed amendments will allow these types of groups to seek exemption. Once these high-powered lasers are banned in South Australia anyone caught in possession of, or using, the prohibited item will face a maximum penalty of $10,000 or imprisonment for two years.

Hundreds of aircraft across Australia are targeted every year, and we must act to stop this type of idiotic behaviour. I am confident that prohibiting these types of laser pointers and working together with our federal, state and territory counterparts will enable us to reduce these types of incidents.

RAIL REVITALISATION

The Hon. D.G.E. HOOD (15:13): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning, representing the Minister for Transport, a question regarding proposals for rail revitalisation in South Australia.

Leave granted.

The Hon. D.G.E. HOOD: Two weeks ago the government announced a budget focused on public transport. Family First has acknowledged that public transport is a correct priority and has commended the government for this. Nevertheless, only one or two of the new residential areas outlined would be provided with rail coverage additional to that which already exists, that is, the suburb of Semaphore and the areas immediately surrounding AAMI stadium and the entertainment centre. The AAMI stadium and entertainment centre stops seem primarily designed to bring people to entertainment areas rather than for everyday commuting. Electrification of the line, while needed and not criticised, does nothing to actually increase rail coverage, as it only provides a marginally faster service.

Alternatively, $648.4 million could have been spent on restoring passenger rail services to the Barossa on the already existing limestone freight line, vastly increasing the number of people with access to the city by rail; converting the Belair to Mount Barker line to dual gauge; and reopening the Adelaide Hills and Mount Barker line. There would also have been money left over in this proposal to rebuild the southern suburbs rail line through Sheidow Park, Reynella, Morphett Vale and Hackham, crossing over the old Onkaparinga River bridge to Seaford. I note that, although that line was ripped up in 1972, the old corridor and bridges remain in place.

For the same amount of money as spent on this project for a complicated dual rail/tram service to some entertainment venues, rail coverage could have been provided to vast numbers of South Australians. My questions are:

1. As a result of these announcements, what percentage of South Australians will now have access to rail for everyday commuting who did not previously have such access?

2. Will the minister confirm whether the Belair line will be converted to standard gauge and, as such, will it link up with the ARTC line from Belair to Mount Barker?

3. Will Mount Barker and Adelaide Hills residents therefore see rail returned and themselves have access to rail facilities?

4. When will the Barossa line be returned?

5. When will the Seaford rail line be returned?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:14): I do not think the honourable member took the point I made earlier that one of the reasons for electrification of our rail system (and it is extremely expensive, as we have to first resleeper and then electrify the line) and one of the reasons we need to put this $2 billion into first getting the current system up to the standard that exists in probably every other capital city in the country is to make it attractive for people to live in those areas. In fact we are trying, as I indicated in the earlier question, for about 70 per cent of our new infill development in those regions to be along the transport corridors, which will use them much more effectively. Rather than—

The Hon. D.W. Ridgway: Why did you wait six years?

The Hon. P. HOLLOWAY: The only transport policy I remember happening under the Liberal government between 1993 and 2002 was the building of a one-way road down to Noarlunga and the privatisation of the buses. During those six years there was virtually no

expenditure on any of the infrastructure in this state. The rail system was totally run down under the previous government.

This government is putting hundreds of millions of dollars into revitalising our public transport network. This is what we have to do. Members opposite opposed the extension of the tramway and still do. Members should understand what would have happened. If we still had trams built in 1929, without any investment made on the tramline, that tramline would have had to close. The inevitable outcome of their policy would have been the closure of the Glenelg tramline, because it just would not have been sensible to upgrade that line. Why would you upgrade the rolling stock on that line when it ended halfway through the city? The record of members opposite on public transport is appalling.

The honourable member asks why we do not extend it. If we had extended the system before we upgraded it, that would have been a far worse outcome for the people of this state. The honourable member talks about the rail line to the hills. I can remember how long the old rail service used to take to get to Bridgewater: an hour and 10 minutes. How many people would take the train to Bridgewater? The number of people who would be served by the line the honourable member is suggesting is relatively small.

We need to make our city more efficient and concentrate future development around our transport corridors and make them more attractive. The number of people we will accommodate will be far greater than just extending the rail service indefinitely to the outer fringes with a much inferior service. Electrification will enable more trains to run: they will be quicker, smoother and quieter, and it will greatly improve the system.

I can understand the honourable member's aspiration that we should extend services and I am sure that will come, but we have to get our transport system up to the level that every other major capital city has. I notice that the electrification of the rail lines in Brisbane was funded by the Whitlam government, and much of the development in Perth was funded under the Better Cities Program. They were lucky to get that money just before the change of federal government back in the 1990s.

It is important that we make sure that we get the best value with our base system and we can then look to extending that system. I am sure that will come once the current round of investment is completed, but it will take a long time to make up for the lack of investment in our public transport system over many decades.

LIQUOR LICENSING HOURS

The Hon. R.I. LUCAS (15:20): I seek leave to make a brief explanation prior to asking the Minister for Police a question on the subject of 'Don't let Mike Rann lock you out of Adelaide's pubs and clubs after 2 am'.

Leave granted.

The Hon. R.I. LUCAS: Members would be aware that there has been considerable concern in recent weeks about Mr Rann's plans to implement a lock-out in Adelaide's clubs and pubs. In recent weeks Mr Rann's plan has been to avoid the introduction of legislation into the parliament on this issue by having all licensees in the CBD sign up to a supposedly voluntary lock-out at 3am, with some exemptions, under an administrative order under the Liquor Licensing Act. A number of licensees have contacted me expressing concern or anger at what they believe was unfair pressure to sign up to what was supposedly a voluntary lock-out.

In one case a licensee outlined his discussions with the South Australia Police. He was visited late last Friday and given a copy of this administrative order under the Liquor Licensing Act and asked to read the explanation and sign it. He asked for time to read the documentation and consider it. SAPOL told him that this lock-out was going to happen and that, 'You are one of the last to sign,' and then SAPOL told him, 'If all sign, it just means parliament doesn't have to pass legislation in relation to this issue.' That was on Friday afternoon. On Monday morning SAPOL officers again visited this licensee to see whether or not he had signed the voluntary lock-out order. When he said he still had not considered it and again asked for more time, SAPOL said they would return in a few hours (that was Monday afternoon, the third time in two business days) to see whether or not he had signed the voluntary lock-out order.

From the discussions that I have had with a number of people complaining about this, it is clear that what South Australia Police are telling licensees is untrue; that is, it was not true to say that this particular licensee and other licensees were some of the last to sign. A significant number

of licensees have contacted me to indicate their strong opposition and, so far, their unpreparedness to sign this voluntary lock-out order. My questions are as follows:

1. Why is SAPOL telling licensees that they are—

The Hon. B.V. Finnigan: You have had too many late nights, Rob. That is the problem.

The Hon. R.I. LUCAS: I am trying to read my own writing. That is the problem. Why is SAPOL telling licensees that they are 'one of the last to sign', when it is clear that these statements are not true?

2. Will the minister get urgent advice from SAPOL as to how many of the more than 100 licensees of pubs and clubs in the CBD have not signed the voluntary lock-out orders?

3. Will the minister ask the Police Commissioner whether he will ensure that the facts about the number of licensees within the CBD who have and have not signed these voluntary lock-out orders are given to the more than 100 licensees within the CBD?

4. Why does Mr Rann want to require licensees in the CBD to sign up to this voluntary lock-out order when the casino, under its own act, will not be subject to a similar lock-out?

5. Why does Mr Rann want to impose lock-outs on the CBD businesses and clubs when licensees of bars and clubs just outside the CBD (such as the Arkaba, the Royal and, indeed, a number of others) will also not be subject to such lock-outs?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:24): Mr President, you would not think, would you, that in fact there has been a lock-out trial successfully working at Glenelg for some time now? There has been one in Naracoorte in the South-East for some time. Nor would you believe that, in fact—

Members interjecting:

The Hon. P. HOLLOWAY: Mr President, the Hon. Rob Lucas was effectively accusing—

Members interjecting:

The PRESIDENT: Order! Question time will not proceed until members are silent.

The Hon. P. HOLLOWAY: The Hon. Rob Lucas was effectively accusing the South Australian police of lying. That was his accusation. I do not accept that. That is his version.

The Hon. R.I. Lucas interjecting:

The Hon. P. HOLLOWAY: And he is repeating that accusation. I do not accept that. Let me talk a little about these lockouts because, as I indicated in answer to a question last week, at the meeting of state and federal ministers in Melbourne several weeks ago (which my colleague the Minister for Mental Health and Substance Abuse also attended) there was agreement among the states that we should trial lockouts. Queensland, in fact, has a mandatory lockout system. The Queensland minister told the police minister's conference last week that, since that lockout had been introduced (I think it was something like 12 months ago), there had been a significant reduction in street violence. Incidentally, she made the point that she had just returned from Los Angeles—the entertainment capital of the world—where they do not serve alcohol after 2am.

The Hon. A. Bressington interjecting:

The Hon. P. HOLLOWAY: Yes. That is what happens there. The government has simply agreed to have a look at the trial. As I said, we have conducted trials in some country areas in this state, and the Police Commissioner—

The Hon. R.I. Lucas interjecting:

The Hon. P. HOLLOWAY: We know the tactics of the Hon. Rob Lucas: he throws in the Premier's name. However, in relation to this issue, the Police Commissioner has been dealing with the Capital City Committee, of which I am a member. The city council some time ago raised concerns—

The Hon. R.I. Lucas interjecting:

The Hon. P. HOLLOWAY: In fact, it was the Hon. Rob Lucas who came into this parliament two years ago and said that we should have a lot more police in Hindley Street. Why?

Because there is violence. And why do we have violence? Because it is fuelled by alcohol. That is the question that the Hon. Rob Lucas was asking two years ago.

The solution of certain proprietors in that area is, 'Let's serve alcohol. Let's fill people with alcohol, but just get more police to come and pick up the pieces at the end of the day.' There has to be some responsibility by publicans as well as the police. We will provide and we have provided more police to trouble spots. However, the publicans also have a responsibility not to serve people with alcohol when they are intoxicated. The city council has raised all these issues, and we set up a committee some time back with the police—

The Hon. D.W. Ridgway interjecting:

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: The honourable member can make light of it, but it is a serious problem. Many young people are now drawn into the city and are consuming far too much alcohol for their own good and for the good of society. If opposition members are not concerned about that, they ought to be: they certainly do not deserve to be in government and they do not really deserve to be in this parliament. There is a serious problem out there, which the police are trying to address.

The city council, through the Capital City Committee, has been trying to work with police to ensure that there is a more responsible attitude towards drinking in the city. The police, working with the city council, have been endeavouring to get a voluntary lockout through the system, which would mean that, while people can still drink after 2 o'clock or 3 o'clock in the morning (or whatever it is), once they leave those establishments they cannot go back in.

That policy, which has been mandatory in Queensland for some years, has significantly reduced the violence associated with alcohol in that state—and it has many more young people than South Australia. As police minister, I fully support the Commissioner's endeavours to try to do something to address the problems that we are experiencing in Hindley Street. The answer is not to keep employing at great cost to taxpayers many more police to deal with the social problem that is created by excessive amounts of alcohol. Publicans also have a responsibility. This government will ensure that those publicans meet their responsibility, as well as our making the state safe.

COMMUNITY ROAD SAFETY GROUPS

The Hon. B.V. FINNIGAN (15:30): I seek leave to make a brief explanation before asking the Minister for Road Safety a question about the formation of two community road safety groups in the state's South-East.

Leave granted.

The Hon. B.V. FINNIGAN: Community road safety groups are made up of dedicated and enthusiastic members of the community who work together to improve road safety. Will the minister describe to the council the type of issues that will be tackled by the Robe community road safety group and what steps are being taken to create a road safety group in Kingston? These are areas in the country where none of them will live.

The Hon. CARMEL ZOLLO (Minister for Emergency Services, Minister for Correctional Services, Minister for Road Safety, Minister Assisting the Minister for Multicultural Affairs) (15:31): In total, there are now 35 community road safety groups in South Australia. The volunteers are committed and determined to see results. I never fail to be impressed by the commitment these people make to the safety of their communities. In the South-East there are now six active community road safety groups. A seventh group is likely to be formed in Kingston, and a meeting to decide its members will be held on 7 July. There has been strong police and council support for the creation of the Kingston community road safety group. At a public meeting on 1 April, the issues discussed included:

- the increasing number of animals on the road;
- the South-East road safety strategy;
- heavy transport on Princes Highway; and
- older drivers in the district.

After a public meeting on 2 April to gauge interest in establishing a community road safety group at Robe in the state's South-East, the first meeting of the newly formed 'Road Safety Group Robe' was held on 28 April.

The Robe group has 13 members, with David Loxton of the Robe council elected as chairperson; Jason Doig of SAPOL taking on the treasurer's role; and community member, Marci Dening Wasson, the group's secretary. Rod McMartin from the Country Fire Service is deputy chairperson. The group has already identified its key objectives to be:

- education of children and road users about road safety;
- promotion and awareness of road safety issues; and
- lobbying of appropriate bodies about road safety issues of concern.

The group, which will meet monthly, is already working on a strategic plan for its operations, developing a calendar of activities and considering projects that it will run (and applying for funding from MAC (Motor Accident Commission)). At future meetings, the group members will form a series of subcommittees to address particular issues of concern to the region.

Since 2005, the South-East community, local government and the state government have worked together to improve road safety and reduce the road toll. The South-East community, through the South-East road safety strategy, has set a regional target of no more than 76 serious casualties by the end of 2010. The strategy also sets a challenging goal—and we have mentioned this in the chamber before—of achieving a fatality-free year on the region's roads.

I take this opportunity to thank all the members of the community and road safety groups in the South-East for stepping forward and demonstrating leadership in road safety for their region. I would also like to emphasise the importance that I attach to the efforts of all community road safety groups. It is essential, if we are to keep building a safety culture and keep reducing road trauma, that we engage with the community on the road safety issues that need to be addressed.

TEACHERS, INDUSTRIAL ACTION

The Hon. SANDRA KANCK (15:35): I seek leave to make an explanation before asking the Minister for Police questions about the government's refusal to allow teachers to march down King William Street today.

Leave granted.

The Hon. SANDRA KANCK: I read in last Thursday's *Advertiser* that some marchers between Victoria Square and Parliament House would be banned on the grounds of safety. *The Advertiser* reported that the ban relates to the tram line extension and safety issues but that major events such as the Christmas Pageant or celebration parades would be exempt from the ban. My office contacted SAPOL for clarification and was told that each request to march was subject to a risk assessment and that they would obviously not close off King William Street for 'three men and a dog'. I understand that, today, something like 8,000 teachers marched—

Members interjecting:

The Hon. SANDRA KANCK: Was it 10,000? I understand that 8,000 was the police estimate, which is usually an underestimate. A large number of teachers marched today but were refused permission to march down King William Street. Those many thousands of teachers could hardly be placed in the category of 'three men and a dog'. I know that, over the 30 years or so that I have been in rallies from Victoria Square to Parliament House, on a number of occasions when it has been small numbers, we have still marched down, and the police have blocked off just one lane and allowed the other two lanes to continue to travel at a reduced speed. My questions to the minister are:

1. Why were the teachers not allowed to march down King William Street today?

2. Will other political rallies and marches be permitted?

3. Will other large events that require the closure of King William Street, such as tickertape parades for returning Olympians, a premiership winning Port or Crows team, or soldiers returning from Iraq or some other tour of duty, be permitted?

4. If these other events are to be allowed, can the minister outline the criteria that will be used to make an assessment about which rallies are to be permitted?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:38): It is not a question for the state government to determine. It is up to the city council to determine what marches happen; it is the council's prerogative. Apparently, as I understand it, the city council seeks the advice of the

police. It seeks SAPOL advice on safety and risk, but it is a matter entirely for the city council. If, in fact, the existence of trams has changed the police assessment, I am sure that there are other routes through the city. The May Day procession found an alternative route; so there are alternatives. It is really a matter that the honourable member should take up with the Adelaide City Council because it is its decision.

TEACHERS, INDUSTRIAL ACTION

The Hon. SANDRA KANCK (15:39): I have a supplementary question. Will the minister seek further advice on his answer, as Adelaide City Council says that it takes its advice from the police?

Members interjecting:

The PRESIDENT: Order! The Hon. Ms Kanck, I will ask the minister to repeat his answer, because when he mentioned it in his answer you happened to be on the phone. The minister might want to explain again.

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:39): The Adelaide City Council is responsible for issuing permits. It seeks the advice of the police. The police act entirely independently on these matters. They do not ask the government's permission; they simply give advice as to the risk to the city council. The city council can make a decision. It is up to the council whether or not it takes police advice.

ALCOPOPS TAX

The Hon. T.J. STEPHENS (15:40): I seek leave to make a brief explanation before asking the Minister for Police representing—

Members interjecting:

The PRESIDENT: Order! If you haven't any respect for others answering questions, you might have respect for those on your own side.

The Hon. T.J. STEPHENS: I seek leave to make a brief explanation before asking the Minister for Police, representing the Premier, a question about the alcopops tax.

Leave granted.

The Hon. T.J. STEPHENS: It has been widely reported that federal Labor's new tax on alcopops is leading cash-strapped adolescents towards dangerous drugs and binge drinking. My sources are telling me that young people are now guzzling hard liquor in hotel car parks before they enter in order to save money, and I firmly believe that our young people are safer in a licensed venue with security and controlled servings of alcohol instead of out in the car park.

I am also advised that young drinkers are flirting with dangerous illegal party drugs as a cheaper alternative. I am told that a round of alcopops can now cost between $50 and $60, but I am also told that a bag of marijuana or an ecstasy tablet, which are highly dangerous drugs, cost about half this amount. Sadly for our youth, though, it is often a case of simple economics, and this should concern us all greatly. As national President of the ALP, does the Premier concede that it has become apparent that the Rudd Labor alcopops tax is wrong, is dangerous, does nothing to reduce underage drinking or binge drinking and should be abandoned?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:41): If you take the honourable member's logic to its final conclusion, you would say that you should have no-cost alcohol and then there would be less drinking. That is how logical it is: if you put a tax on these alcopop drinks, then somehow or other people will drink more. The tax on alcopops is a matter for the federal government.

In relation to alcohol, the attitude of the opposition towards young people's drinking is frankly appalling. We saw the issues previously: that, as far as the Hon. Rob Lucas is concerned and to the extent that he represents Liberal Party views on this matter, we should just have total open slather. The fact is that there is in this country a serious problem of alcohol abuse. It is becoming worse amongst young people. If the opposition refuses to recognise that, it can seek to win cheap votes, and I am sure that it will. That is what the opposition is all about: it is about winning cheap votes; it is about buying votes; it is about whatever it can do. The fact is that Labor governments will act responsibly in the best interests of the community.

If there is a problem with alcohol, then I am sure all levels of Labor government, state and federal, will seek to take a range of measures to address that problem. To take one decision in isolation really proves no point at all. The fact is that a range of policies is needed to deal with the problem that we face at the moment, and anyone who thinks that it does not exist need only go for a walk through the city in the early hours of the morning and see some of the totally inebriated young people. It is not a pretty sight.

MENTAL HEALTH

The Hon. I.K. HUNTER (15:43): I seek leave to make a brief explanation before asking the Minister for Mental Health and Substance Abuse a question about mental health.

Leave granted.

The Hon. I.K. HUNTER: South Australia is in the midst of an unprecedented restructuring of its mental health services after the dark decade of Liberal Party rule. As a result of reforms proposed by the Social Inclusion Board, there will be more beds, better facilities and better community care. While this investment in infrastructure is vital to a better mental health system, attracting key leaders to help deliver the best mental health care is just as important. Will the minister inform the council of the latest addition to the team driving South Australia's mental health reforms?

The PRESIDENT: The honourable minister will disregard the opinion in the question.

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (15:44): Well-informed opinion, Mr President. I thank the honourable member for his question and his well-informed opinion. I am pleased to inform the council that South Australia's mental health reforms have taken a further step forward with the appointment of a psychiatrist as our state's new director of policy.

Dr Margaret Honeyman, who has extensive and prestigious international experience, joins Derek Wright, Director of Mental Health Operations, in a newly-created role in South Australia's health system as Director of Mental Health Policy. This is a role which will see her provide sound, high-level policy advice on mental health, as well as developing SA Mental Health policy.

Dr Honeyman will lead South Australia's involvement in national mental health activities, including the development of the next National Mental Health Plan, as well as fostering partnerships with consumer groups, clinicians, professional bodies and the private and NGO sectors. She has also been appointed to the role of chief advisor in psychiatry to the state government, and I look forward to working closely with her in future.

As I stated earlier, Dr Honeyman comes to us with considerable credentials. She was awarded the Companion of the Queen's Service Order for Public Service in New Zealand in 2007 and brings considerable experience to the new role. Prior to her appointment with SA Health, Dr Honeyman held the position of clinical director and director of Waitemata Area Mental Health Service in New Zealand. A fellow of the Royal Australian and New Zealand College of Psychiatrists, Dr Honeyman has held several positions at the college in New Zealand, including chair of the New Zealand National Committee. Dr Honeyman was also a member of the Medical Practitioners Disciplinary Tribunal for the Medical Council of New Zealand. Dr Honeyman has also held a number of other senior clinical positions in the New Zealand public health system, both in acute and community services, and was the director of training for the Auckland Regional Psychiatric Scheme.

Dr Honeyman has also practised as a specialist psychiatrist in private practice in New Zealand and I am sure her knowledge and expertise will be invaluable to South Australia's ongoing reform of mental health services. Dr Honeyman has also served as clinical lecturer in psychiatry at the University of Auckland, as well as undertaking a role as visiting lecturer and examiner at the University of Singapore. She has also worked in Scotland, where she was trained, as well as in the United Arab Emirates.

I am pleased to report to the council that Dr Honeyman was keen to join the team at SA Health because she recognises the great work that is being done to reform South Australia's mental health system. It is vital to this process that we have the right calibre of staff, and Dr Honeyman will structure and lead the development of mental health policy across the state, in conjunction with our valuable clinical staff and key stakeholders, such as carers and consumers. I take this opportunity to warmly welcome Dr Honeyman to this state as her new home and her new and very important role as the chief policy person in South Australia.

ANSWERS TO QUESTIONS

SCHOOLIES WEEK

In reply to the **Hon. S.G. WADE** (19 November 2007).

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health): I have been advised that:

Encounter Youth is a non-profit community service organisation and event manager for the annual Schoolies Festival in South Australia. Encounter Youth have directly requested financial assistance for the management of Schoolies SA from the Government.

In 2007, Encounter Youth has received a total of $65,435 State Government assistance for elements of the 2007 Schoolies Festival. This funding supports venue set up, security, bus services, chill out café, waste resources and performers at the Schoolies Festival.

FINANCIAL REPORTING

In reply to the **Hon. C.V. SCHAEFER** (23 October 2007).

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health): The number of prescribed bodies that previously dealt with NRM issues, which have now been consolidated into eight NRM Boards, and the consequent reporting and audit requirements flowing from this, represented the core difficulties encountered by the Audit.

The Government did provide appropriate assistance in important areas of financial reporting, by assisting the boards to understand and plan for the transitional reporting requirements, so as to satisfy public sector reporting standards. This included dialogue and correspondence with the Auditor-General, on behalf of the Boards, on complex accounting issues affecting the Boards, such as the basis for consolidation and format of financial reports.

The Department of Water, Land and Biodiversity Conservation continues to assist the Boards and acts as a *conduit* between the Boards and the Department of Treasury and Finance for the provision and maintenance of certain key financial information. Options for additional support in financial reporting and budgeting are being considered.

AIDS COUNCIL OF SOUTH AUSTRALIA

In reply to the **Hon. D.W. RIDGWAY (Leader of the Opposition)** (18 October 2007).

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health): I have been advised that:

No Drug and Alcohol Service funds were used to fund the International Whores' Day event.

WATER ALLOCATIONS

In reply to the **Hon. SANDRA KANCK** (11 September 2007).

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health): The Minister for the River Murray has provided the following information:

1. This Government is fully aware of the establishment of new plantings of almonds, apples and other crops in the Riverland and Victoria. These plantings are being established using existing ongoing licensed water entitlements and annual water allocations transferred from existing licence holders in South Australia, New South Wales or Victoria. These developments do not involve the allocation of new water.

This Government actively supports the trade of water licences and water allocations within this State and across the southern Murray-Darling Basin. This position is consistent with the Council of Australian Government (COAG) 1994 water reform framework and the 2004 National Water Initiative, which all jurisdictions in Australia have agreed to implement.

Providing effective and efficient water markets and opportunities for trading, within and between States and Territories, ensures that water is moved to its highest and best value use.

2. In South Australia, River Murray water can only be allocated or transferred in accordance with the *Natural Resources Management Act 2004* and the adopted Water Allocation Plan for the River Murray Prescribed Watercourse. Under the Water Allocation Plan, no new water can be allocated for irrigation purposes. However, water can be transferred from existing licence holders within South Australia or from New South Wales or Victoria for use on new plantings, subject to salinity accountability, water use efficiency and environmental requirements being met. The use of ongoing water entitlements for new developments in South Australia is subject to the Notice of Restriction on the taking of water from the River Murray, which will increase to 32 per cent of entitlement from 14 December 2007

The restriction on the taking of water from the River Murray also applies to SA Water. To achieve the required water savings, SA Water has had to impose water restrictions on its customers (households). SA Water is also working with industries to facilitate the preparation of individual water efficiency plans to achieve a total net decrease in water consumption.

COAG has not temporarily forced South Australians to water their gardens using buckets. During this unprecedented drought, tough decisions have had to be made by this Government to ensure that South Australia continues to receive sufficient water from the River Murray to meet critical human and irrigation needs.

The 2007-2008 water sharing arrangements in the Murray-Darling Basin negotiated by Senior Officials from each State are based on, among other requirements, all basin States implementing specific conservation measures, including tougher restrictions on outside watering. The decision to provide water for critical human needs, on this restricted basis, was a collective decision of all basin States and was endorsed by the Prime Minister. Failure to meet the restriction on outside watering requirements could jeopardise South Australia's strong position in the current and future water negotiations.

The level of restriction imposed on outside watering in South Australia is kept under constant review and may be adjusted based on water use and availability, as occurred with the relaxation on the use of buckets from 1 October 2007.

I reiterate that any new or additional irrigation development using River Murray water has been undertaken within the constraints of the highly restricted water available for consumptive use in the Murray-Darling system, which has only been provided to irrigators after water was provided for critical human needs.

3. South Australia does not oppose the establishment of new plantings using water that has been purchased or leased on the water market, as has occurred in Victoria and in the Riverland in South Australia.

This Government like those of New South Wales, Queensland and Victoria strongly opposes the allocation of any new water and continues to actively support the Federal Government's plans to address the over-allocation of water resources, particularly in the Eastern States.

4. The allocation of water from the River Murray in South Australia has been capped since the late 1960s. Water for new plantings can only be obtained by purchasing existing licensed water entitlements or annual allocations on the transfer market within South Australia or from New South Wales or Victoria.

The local and interstate markets have resulted in significant additional volumes of water being available to irrigators within South Australia on a permanent or temporary basis, for use on new and existing developments.

The interstate market in particular has been instrumental in making additional water available to irrigators during the recent prolonged drought, with approximately 35 gigalitres being transferred into South Australia from July to early November 2007, primarily for use on permanent plantings located predominantly in the Riverland. A further 20 gigalitres is flagged for transfer into South Australia. This water has moved from lower value or annual crops in NSW and Victoria and is a continuation of the market trend, which developed during 2006-2007.

A further 24 gigalitres of water has been transferred between licence holders within South Australia, with the majority of this water being transferred from annual croppers and dairy farmers along the lower reaches of the River Murray to permanent plantings above Murray Bridge. It is anticipated that this movement of water away from annual croppers and dairy farmers will continue as access to water and water quality issues become more problematic.

No applications for water transfer for use on new plantings within South Australia have been refused, because all applications received to date have satisfied the requirements of the Natural Resources Management Act 2004 and the Water Allocation Plan for the River Murray Prescribed Watercourse.

5. The Government regularly consults with growers on a variety of River Murray issues, including the transfer of water allocations for new and existing developments. Given that no new allocations of water have been granted, there has not been a need for any specific consultation on this issue.

ZERO WASTE SA

In reply to the **Hon. J.M.A. LENSINK** (18 October 2007).

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health): I have been advised that:

The Zero Waste SA website lists companies that are established for the purpose of re-use and recycling otherwise waste materials.

Companies listed on the Zero Waste website as places for recycling electronic waste that ship electronic waste overseas are legally obliged to comply with the requirements of the Commonwealth *Hazardous Waste (Regulation of Exports and Imports) Act 1989*. The Act implements Australia's obligations under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

The object of the Act is to regulate the export, import and transit of hazardous waste to ensure that exported, imported or transited waste is managed in an environmentally sound manner so that human beings and the environment, both within and outside Australia, are protected from the harmful effects of the waste.

This Act has provisions and requirements in relation to the export of hazardous waste to OECD and non-OECD countries. Companies are expected to comply with this law. If the Hon Michelle Lensink is aware of any breech of the law, she should report it to the Commonwealth authorities immediately.

AIDS COUNCIL OF SOUTH AUSTRALIA

In reply to the **Hon. A. BRESSINGTON** (18 October 2007).

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health): I have been advised that:

Workers employed by the AIDS Council of South Australia in a peer outreach capacity are not required to hold any specific tertiary qualifications, however tertiary qualifications in social work, counselling and other appropriate disciplines are well regarded.

Training is provided to SAVIVE Peer Educators in a number of core areas, focusing on improving understanding of injecting related issues, engaging in service users, referral of clients to appropriate services and administration procedures. Ongoing workforce development, including tailored in-service training on a range of topics related to the Clean Needle Program and injecting drug issue, is available for peer educators.

The AIDS Council of South Australia provides a range of ongoing training for all employees and is currently negotiating with TAFE SA for relevant AIDS Council staff, including peer outreach workers, to undertake the Certificate IV in Alcohol and Other Drugs.

DRUGS, SUPPLY

In reply to the **Hon. R.I. LUCAS** (4 June 2008).

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning): Molly, Jay and Hooch were purchased with the intention of deploying them in accordance with SAPOL's existing practices and policies. The dogs are fully utilised assisting with drug searches under the authority of Drug Warrants and General Search Warrants.

This financial year the Dog Operations Unit has conducted 1,074 general dog deployments, 1,274 drug detection deployments, 166 firearm detection deployments and 9 explosive detection deployments.

In relation to concerns raised about heroin laced ecstasy, South Australia Police (SAPOL) advises that neither SAPOL's Drug Investigation Branch nor Operation Mantle teams have received intelligence regarding the tablets.

Forensic Science SA on request from SAPOL have retested recent seizures of Ecstasy tablets and found none to be containing any trace of heroin.

Historically, heroin pressed together with a binding agent into a tablet form has been sold in Adelaide. This is not a new phenomenon and is not believed to be common.

Previous to the article appearing in the Adelaide Advertiser and the question being raised by the Hon Rob Lucas MLC, the Adelaide Local Service Area Mantle Team had in place appropriate arrangements in relation to the party reported to be occurring in Hindley Street. However, all indications were that the event was low scale.

DRUGS, PENALTIES

In reply to the **Hon. D.G.E. HOOD** (15 March 2007).

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning): The Attorney-General has provided the following information:

The Hon. D.G.E. Hood queried the $500 penalty imposed on Denese Campbell in the District Court on 2 March, 2007. I can advise that the sentences imposed on Denese Campbell and her two co-defendants were appealed by the Director of Public Prosecutions. The appeal was heard on 22 May, 2007.

In a decision handed down by the Court of Criminal Appeal on 8 June, 2007, the Court of Criminal Appeal set aside the penalties imposed by the sentencing judge and re-sentenced Denese Campbell to a sentence of imprisonment for nine months. The sentence of imprisonment was suspended upon Ms Campbell's entering a recognizance to be of good behaviour for three years. The Court also ordered forfeiture of the cannabis and hydroponic equipment seized.

MEMBER FOR MACKILLOP

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (15:48): I table a ministerial statement from the Hon. John Hill, in another place, entitled Response to the Member for MacKillop.

PAY-ROLL TAX (HARMONISATION PROJECT) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 6 May 2008. Page 2708.)

The Hon. R.I. LUCAS (15:49): I rise to support the second reading of the Pay-Roll Tax (Harmonisation Project) Amendment bill. I have some brief introductory comments to indicate that it has been a long-held policy position of the business community and business groups across Australia in relation to state taxes (payroll tax and stamp duty in particular) to see consistency as the ideal situation. They argue that many of them now are operating in all or most states and territories and it is inconvenient for them to have to administratively work with different jurisdictions for different state tax requirements. Certainly, from companies' administrative viewpoints one can see that but, in the end, it is a natural end product of having a federation of eight states and territories with their own powers in relation to state taxation.

What we are seeing here is the end result of the half-way house, that is, a degree of harmonisation of payroll tax regimes between, I think, some of the states and territories, and that is one of the questions I have for the government. Certainly, harmonisation is being undertaken between New South Wales and Victoria and, I believe, possibly Queensland and Tasmania. However, as I said, it is the half-way house. Businesses and business groups are pleased to see progress in terms of harmonisation, and I am sure they will welcome some of these changes, but in their ideal world there would be one consistent piece of legislation that applied to all jurisdictions.

With those introductory comments, I will address some specific issues and raise questions to which I seek a formal response from the government before we conclude the committee stage of the debate. First, I seek confirmation about exactly how many of the states and territories are being harmonised as part of the bill before us and, I assume, similar legislation in other states and territories.

I do not intend to go through the second reading explanation in detail, but it lists eight broad areas of proposed harmonisation, including things like introducing standardised exemption thresholds for motor vehicle and accommodation allowances, issues relating to fringe benefits, calculations being grossed up for payroll tax purposes, superannuation provisions, etc. For each of those eight broad areas listed, I seek an indication from the government regarding whether or not any businesses within South Australia will be disadvantaged—that is, pay higher payroll tax—under the changes proposed in the payroll tax harmonisation bill, or whether certain businesses will pay a lower taxation level. In addition, if there are to be changes, has the tax office estimated the number of businesses that might pay higher or lower tax? If there are such estimates, what is RevenueSA's estimate of revenue gained or lost to the state resulting from these changes? Some of these are, I think, clear cut; there is just one set of questions.

In the fifth category, the grouping provisions of the act, there are four separate subcategories: 'Where the government argues for interjurisdictional consistency the grouping provisions will be amended in the following areas'. I seek from the government an explanation for each of those four subcategories. The first is the definition of businesses changed. In each of those subcategories will there be businesses that have to pay more as a result of this change or will there be businesses that pay less? Again, if there are such businesses, what is the estimated impact on revenue from each of those changes?

It is clear, for example, that some businesses will have to pay increased levels of payroll tax. To take the clearest example, as I understand the second reading the fourth example is that the act is to be amended to include superannuation contributions for non-employee directors in the payroll tax base. Currently South Australia and Queensland are the only jurisdictions not to include contributions to non-working directors in their tax base. My understanding is that at the moment the payroll tax provisions in South Australia are such that, if you are paying as part of your remuneration package for a non-employee director of a company (I am delighted to see the Hon. Mr Darley following the debate with interest), evidently that is not included in the tax base for the calculation of payroll tax.

As a result of this harmonisation, we are now for the first time going to incorporate those estimates for those businesses into the payroll tax calculation for those companies; therefore, on my understanding, those companies will be paying more payroll tax. I am happy if the government's advisers come back to me with a formal response saying that my understanding is wrong. However, I am seeking, if it is correct (and this is an example of a number of the others), how many businesses it is estimated will be impacted in this way. I accept that in some cases RevenueSA might not be in a position to give an estimate. It might say that it does not have the information to be able to provide those answers.

Having been a treasurer, I accept that in some of these changes it might not be. able to provide those answers. Nevertheless, the commissioner will be able to say that the belief is that there will be only a very small number and that the revenue impact will be less than $50,000, less than $1 million, less than $100,000 or whatever it might happen to be. However, that will not be the case in relation to a number of the other changes.

Having been a treasurer and having had the commissioner report to me on these issues before, I am aware of what information the commissioner has available, and clearly RevenueSA has considerable information available to it, and I would be surprised if it has not done it already. As part of a brief to the current Treasurer, I am sure the Treasurer should have been asking these questions as well. For each of these changes what is the impact, who is disadvantaged and how many, who is advantaged and how many and what is the cost? I hope the Treasurer is asking these questions: what is the impact for each of these changes on the revenue base; and what will it cost us, or will we ratchet back a bit of extra money as in change four? In some other cases less money will be collected because some businesses in South Australia will be advantaged by the harmonisation. As I read potentially the first one, I suspect that that might be one where some businesses in South Australia will be advantaged. I am unsure of that, and that is the reason for putting the question to the government.

I do not believe the parliament ought to sign off on laudable legislation. The Liberal Party supports the legislation. Having read the second reading debate from the House of Assembly, it is

an understatement to say that it was not an extensive or detailed debate in committee, but we in this place have a role to play in relation to these things and the parliament ought to know what the impact will be of these changes on businesses in South Australia. If the government comes back and says that only 50 businesses will pay more pay roll tax and 5,000 as a result of this bill will pay less, and the net cost to revenue of all these things is $500,000, at least that information is on the public record and the parliament, before signing off on the legislation, is armed with that information. Obviously, and with the greatest respect to RevenueSA and Treasury, ultimately we can be judged further down the path whether or not the estimates and the implications of the legislation have resulted in what was originally intended by the drafters of the legislation at this stage.

It is an appropriate time to raise that issue, because we will debate later this evening the Stamp Duties (Trusts) Amendment Bill. When I was treasurer, based on the best advice we had at the time in relation to land-rich entities and such things, we undertook various changes, and it would appear that we are now having to go back in again, as a result of further court decisions and other advice, to try to achieve the same ends. That is the reality of things. Sometimes, with the best advice in the world, we do not achieve the ends that we desire; or the lawyers on the other side of the fence become cleverer and think of new ways to get around, in that case, the stamp duties legislation.

Trust me, Mr Acting President, when I say that the lawyers are just as active in relation to payroll tax, particularly on issues such as grouping provisions. There are many examples—I will not say whether there are hundreds or dozens—where lawyers and accountants advising businesses have ongoing debates, discussions and arguments with RevenueSA on issues such as grouping provisions of companies and the appropriate level of payroll tax that needs to be paid by an entity or a group of associated entities that might have been grouped by the commissioner.

I ask the minister specifically what is intended by the comment in the second reading about grouping provision which said:

> South Australia is to retain the Commissioner of Taxation's discretion to disallow grouping except for related corporations pursuant to the Corporations Act 2001 of the commonwealth.

I want specifically to know what is meant by that statement in the second reading, and are we the only state to retain the commissioner's discretion in relation to these issues? Are all other state commissioners, or their equivalents, in other jurisdictions forgoing their discretion in relation to the disallowance of grouping? As I said, I seek from the government a formal response in relation to that.

I flag these questions and, for the speedy passage of the bill, if I could receive from the government a formal response which I was able to read before we enter the committee stage of the debate, that would, from my view, potentially shorten the committee stage of the legislation. It may well be, knowing the competent officers of RevenueSA, that they can respond in detail to many of these questions beforehand, which will mean that in the committee stage I will not need to go through each of these sections seeking that sort of information from the minister and the government. It may well then be there is less than a handful of areas that I would need to pursue in the committee stage.

I am really in the government's hands in relation to this. I was quite happy to speak first today, although I thought we were doing the Supply Bill. At least this gives the minister and the government the opportunity to take advice and, as I said, if they can provide me with the written advice the minister will read into the end of the reply to the second reading and, hence, I have a chance to look at it and take my own advice on the issue, I am sure that will short-circuit any extended committee stage of the legislation.

The Hon. J.A. DARLEY (16:04): I rise to indicate my support for the second reading of this bill, but I wish to reserve my position in relation to the third reading. I do so on the basis that I believe that all taxes should be relative across Australian jurisdictions, and this bill is really the starting point for that, in terms of payroll tax.

I understand that, in 2007, the first major national overhaul of payroll tax arrangements was agreed to by state and territory treasurers in Canberra and that these reforms are the result of that collaborative effort between the respective treasurers and revenue officers of each state and territory and the outcome of a separate review of payroll tax provisions undertaken by New South Wales and Victoria, with all jurisdictions agreeing to move towards the adoption of a series of arrangements as agreed to between New South Wales, Victoria and Tasmania.

The new arrangements will see the states and territories adopting common provisions and definitions for a number of matters. However, the states and territories will retain control over individual rates and thresholds. I understand that the amendments also address some of the concerns previously raised by the Australian Institute of Chartered Accountants and that it will continue to monitor developments in this area.

I, for one, would welcome any reforms aimed at improving interjurisdictional consistency, simplifying and harmonising provisions across the country, cutting red tape for thousands of Australian businesses and introducing even greater benefits to taxpayers, as these reforms are intended to do. I am pleased to hear that the government is committed to achieving these measures, in line with other states and territories.

Whilst I am pleased to hear that South Australia's payroll tax rate will be equal second lowest in Australia, I raise one other matter that concerns me. I believe that all states and territories should adopt the same rates and thresholds. Perhaps this is something that ought to be considered further down the track, and I will be interested to hear more on this issue during the committee stage.

Debate adjourned on motion of Hon. B.V. Finnigan.

NATIONAL GAS (SOUTH AUSTRALIA) BILL

Adjourned debate on second reading.

(Continued from 30 April 2008. Page 2574.)

The Hon. D.G.E. HOOD (16:07): I rise to support the second reading of this bill on behalf of Family First. It is interesting that we have come to consider this bill now due to other bills having priority in the past few sitting weeks, which has meant that in the intervening period since this bill was introduced in this place on 30 April there have been some interesting developments.

Indeed, after an explosion earlier this month, Western Australia is facing a two-month shortage in gas supply, with one-third of that state's gas production off line, a situation which the Carpenter government has described as his government's 'biggest test'. The Western Australian Premier has gone to finance companies and they have agreed to go easy on people struggling to meet repayments due to the crisis, for which they are to be commended.

This is reminiscent of the Moomba gas crisis of early 2004 in this state, and I think it serves as a reminder that, whilst we debate bills that seem at times to be somewhat less important than others, if we do not get our infrastructure right it could have major consequences for the state. On that note, I think it is worth noting that we are not as exposed as Western Australia because we are not under the tyranny of isolation that it suffers, since we have a cross-border gas network that enables us to mitigate the damage if we have a gas crisis here. It is the regulation of that network, and not so much how Western Australia fits into that framework, that we are here to debate today.

On a legislative front, we are (as was the case with the electricity market reforms) the lead legislator here, which is indeed a privileged position. We should bear in mind that privilege by ensuring a rigorous but also timely debate so that we do not lose it in future; hence my interest in speaking to this bill today.

I will now provide some background details. The Victorian parliament introduced its bill on 8 May 2008. Also on 8 May the Northern Territory parliament introduced its companion bill, and I believe that the New South Wales parliament has also introduced its bill. I refer to some statistics I came across in the research of this bill. For the SA gas market, according to the 2005-06 annual performance report for the SA energy retail market, some 367,990 small customers as at 30 June 2006, together accounted for 9,250 terajoules (TJs) of consumption, or an average of 25,140 megajoules (MJs) per small customer (per annum). Of course, small customers are our main concern, as these represent largely families and family businesses.

Average residential gas consumption from 1997 to 2006 was fairly stable at around 8,000 TJs, and that averages to approximately 22,000 MJs per residential user. There were 850 large customers (so-called) who, in total, consumed 29,120 TJs, which, one can quickly see, is over three times what the small customers consume altogether. There were a further 2,460 unmetered customers (such as large dwelling complexes where a flat rate is charged to the customer) for whom, obviously, no figures on total or average consumption can be provided.

The minister's second reading explanation stated that the bill was in the interests of all Australians and all South Australians. That statement may seem generally true, but let us look at whether this system is presently working fairly in the interests of all Australians, in particular the

primary interest here is in the interest of all South Australians. In doing that, I want to compare prices at some border points in this state to demonstrate, I believe, the national inequity that presently exists in the marketplace.

For example, for a user at the low end of the market, say, 1,500 MJs usage per quarter or 6,000 MJs per annum, the price roughly across the board within South Australia is $98.89 whether you are in the CBD of Adelaide, or one of our regional centres such as Port Augusta, Port Lincoln, or anywhere else where there is a gas line, or the energy retailer will deliver gas bottles to the residence. I would appreciate knowing what areas of the state cannot get natural gas, as I have a question mark over Ceduna and the APY lands, for example, as well as some other areas.

The price equalisation statewide is a fair outcome compared to, say, motor vehicle fuels, which sees country users paying more for the transportation cost. This is one benefit that has resulted from market regulation within South Australia—a good initiative. However, using that $98.89 as a baseline, let us look at the borders. In Renmark in the Riverland near our eastern border, through their reticulated system, you will be charged $98.89. However, just 85 kilometres across the border into Victoria, for the same amount of gas Victoria Electricity will charge just $66.41. This is astonishing when you consider that, just over the border, they are taking gas from the same pipeline that runs via the Riverland to Mildura.

It gets worse. Driving further east to Mildura (a total of 143 kilometres from Renmark), which has the benefit of connecting with the New South Wales market, the ActerAGL company will charge just $45.37 for the same amount of gas again! We have a situation where we are paying over double in South Australia what Victorian users pay for gas out of the same pipeline, which is really a crazy situation. I will give some more detail on that in a moment.

In Bordertown, you will pay $98.89, yet just 43 kilometres over the border at Kaniva you will pay $66.41. That $66.41 price demonstrates that users from the city to the furthest corners of each state pay a flat rate, but in New South Wales (and in Mildura's case, stretching slightly into Victoria) the gas is substantially cheaper—almost 45 per cent of our gas price! To quote the late Professor Julius Sumner Miller on the 1980s Cadbury chocolate ads with his egg and milk bottle, 'Why is it so?' I thought I would just slip that in. I have been waiting to put that in at some stage. I cannot keep a straight face: it was incredibly funny.

I have to put it down to spending on infrastructure. The Victorian government spent—and it sounds like it will soon begin spending again, given recent announcements—significant money expanding on infrastructure in that region. In June 2003, the then Bracks Labor government detailed a $70 million expenditure on gas networks to extend their natural gas network up to 100,000 households in country Victoria.

I have to ask the minister: what was different or special about the Victorian Labor government circumstances that saw its expand its gas network into its regional areas? A cost comparison between states also begs the bigger question: will this bill result in an across the network flat price? In other words, an eastern seaboard standard, which we are presently seeing for all consumers within each state, which I think we can readily infer from the figures I have given, would mean a substantially lower price for gas. Is this what the minister means in his second reading explanation when he states that this bill is good for Australians and, indeed, South Australians?

Let me also put on the record that Port Augusta is not on the network and has to have gas trucked in. The gas pipeline from Moomba branches off under Spencer Gulf across to Whyalla. I can appreciate that there are commercial concerns that make it viable to be that way, and also the flat price I have described across most of the state nullifies this blow for the families Port Augusta; however, for South Australia overall we have to ask whether it is both economical and environmentally sensible to truck gas to Port Augusta when we could spend the money on a pipeline to Port Augusta to deliver gas.

Let me now come back from the country a bit closer to the city and state something that might not be widely known that is very concerning and quite surprising to some, that is, Mount Barker is not on the network at all. Not only is Mount Barker neglected by not being on the metropolitan rail network but it is also neglected by not being on the statewide natural gas distribution network. On a simplistic assessment, this is remarkable when you consider the SEAGas pipeline from the South-East comes in to Adelaide via the Adelaide Hills. Mount Barker is installing reticulated gas that has to be trucked in from elsewhere when, surely, a booming area such as Mount Barker would be a sound infrastructure investment for the government.

ESCOSA states that—and it is regrettable that this is the state of affairs—Renmark, Victor Harbor, Port Lincoln, Wallaroo, with between 50 and 350 customers, and also Roxby Downs, with some 1250 customers, have needed to invest in reticulation delivery because the pipelines do not go to those communities or sufficiently near to make the trucking of gas from the nearest pipeline outlet effective. I think that that state of affairs is significant when you contrast it with the regional infrastructure expenditure of the Bracks government to put an extra 100,000 regional homes on the network.

Looking at the large-scale now—and I say this for the benefit of honourable members—there are in effect four major gas fields in Australia. Our own Cooper Basin, which is, in fact, not just our own but stretches over much of inland Queensland (with the Adavale and Bowen-Surat basins), and less so in New South Wales and the Northern Territory; the Otway, Bass and Gippsland basins in Victoria and Tasmania, with the Otway Basin reaching into our state's South-East; the Perth and Carnarvon basins off the western shores of Western Australia; and, lastly, the Browse and Bonaparte basins in far north Western Australia and slightly into the Northern Territory.

Mike Roarty of the Science, Technology, Environment and Resources section of the Commonwealth Parliamentary Library, in his 1 April 2008 paper entitled Australia's Natural Gas: Resources and Trends, said the following about gas infrastructure in Australia:

> Over the period from the early 1990s to 2007, a number of new high-pressure gas pipe lines have been built. A significant element of this expansion has been associated with construction of interstate pipelines—the Eastern gas pipeline (from Longford to Horsley Park in 2000), the NSW-Victoria Interconnect (from Wagga Wagga to Wodonga in 1998), the Tasmanian gas pipeline (from Longford Victoria, to Bell Bay in Tasmania in 2004), and the SEAGas pipeline (from Port Campbell in Victoria to Adelaide in 2004). These developments in particular have greatly expanded gas availability, for example, Gippsland gas now being piped into New South Wales.

The Northern Territory and Western Australia are largely dependent upon their own reserves and, hence, the present gas crisis in WA is isolated to its own borders in so far as gas supply goes. However, with that state having to buy-in gas or other fuels such as diesel on the national market, there is an indirect effect upon the price of our fuels as a consequence. The lines servicing these basins are significant, and I will highlight a few significant areas:

- The Northern Territory, having the Amadeus to Darwin line down its spine from the basin to Darwin through Alice Springs and surrounds;
- Western Australia has the major goldfields pipeline from the Carnarvon Basin, making landfall near Broome and running in a south-easterly direction through the inland down to Kalgoorlie and, ultimately, Esperance on the south-east coast;
- Queensland has numerous pipelines, of course, but perhaps of most interest is the Carpentaria pipeline from south-west Queensland at Ballera to the Wallumbilla pipeline north to Mount Isa, and it is proposed that it will link up with the Amadeus to Darwin pipeline. Interestingly, Queensland is proposing to make the long journey from Mount Isa to Cape York.

I highlight these particular pipelines to demonstrate, as we were told in our briefing, the very interconnected nature of the gas network in this nation and also the bold plans for the future that will in effect see the Northern Territory link into the eastern seaboard network. However, I also note that our research does not reveal any bold plans for investment in South Australian pipelines.

I have to wonder whether we are to going to need, for the much anticipated mining boom, a major new pipeline from the Moomba line across to the expanding mines in our north. I am aware that companies can make a commercial case for expanding pipelines and can be given competition and regulation exemptions to be able to have economic certainty for getting these pipelines built. Nonetheless, I have to ask the minister what plans are in the pipeline (excuse the pun) for our mines—

Members interjecting:

The Hon. D.G.E. HOOD: I thought you would like that.

The Hon. Sandra Kanck interjecting:

The Hon. D.G.E. HOOD: Well, I have been trying; I keep you entertained.

The Hon. M. Parnell: The bottle and the egg.

The Hon. D.G.E. HOOD: You like that one? Why is it so? What plans are in the pipeline for our mines, especially given the significant plans that Queensland has for the extension of its gas pipelines?

Whilst accepting that this bill is part of a national model, as members of the Legislative Council representing the whole state of South Australia and not those beyond its borders, our comments and questions on this bill essentially come down to two points: first, when and where will the state government be acting in the interests of South Australian families to bring down the cost of gas and expand its network to reduce the ultimate financial and environmental cost of getting gas to regional areas; and, secondly, what provision is the state government making to ensure that we keep up with the bold expansion plans of Queensland for our mining industry in particular, which the Premier stated recently has the potential to be the state's leading industry?

Before concluding, I want to turn to some environmental considerations. In terms of geosequestration, I have heard talk of possibilities for Moomba, especially regarding as a first measure looking at its own emissions. In theory there is potential in the future for this process to occur. There are practical issues such as the lack of gravity feed, one would think, to enable larger scale operations. I raise the idea in the context of this debate, as we think about these issues as relevant to our gas network and infrastructure needs in the future.

I ask the minister: what has been done nationally or in this state about so-called fugitive emissions, that is, gas that seeps out of the pipelines, and, in a federal Labor carbon trading market, will that need to be taken into account?

I want to talk up the environmental benefits of gas as provided by the Australia Gas Association. Its table outlines that, per gigajoule of produced energy—and I have a table here—essentially, for brown coal the average carbon emission intensity of selected fossil fuels is some 93.3 kilograms; black coal, 90.7 kilograms; petroleum, 68.2 kilograms; and gas is just 50.9 kilograms.

With more people turning to split-system airconditioning and the like, it is imperative that we create a competitive price for domestic gas consumption to increase the attractiveness of gas heating in winter. Otherwise, that heating will need to occur using the existing electricity system. Surely then in winter we will be taking the load off the power grid by having a better gas distribution network, lower prices and, therefore, more people heating from gas instead of using electric heating which, of course, has the environmental implications that I have just outlined. In so doing, we reduce our greenhouse gas emissions and give families the capacity to do their bit to reduce greenhouse gas emissions in their own home.

Moving on from those important environmental concerns, I will return to a legislative issue that I think demonstrates the need to get on with this bill. South Australia enjoys the privilege of being lead legislator, which apparently is thanks to a stance that Trevor Griffin took in the past that we would not be usurped by other jurisdictions. As a result, we tend to be lead state with this form of legislation. It is a privileged position and one that we bear in mind when debating bills like this and the solar feed-in scheme bill that we looked at previously. We would not want to lose the privilege of having a national impact in this way.

Secondly, our place as lead legislator is also a credit to this parliament and, indeed, a nod to the bicameral system—as one would expect that if, for instance, speed was of concern, such issues would go to the unicameral Queensland parliament—and in particular the stamp of scrutiny and accountability that the South Australian bicameral parliament provides. Having recorded some questions for the minister, I look forward to his response. Family First supports the second reading.

The Hon. M. PARNELL (16:24): Because South Australia is the lead state in developing this national legislation, I think it is very important that we do whatever we can to make sure that we get it exactly right. The issues that are raised by this bill are in many ways identical to the issues that we discussed in this place in October last year in relation to the national electricity laws, and I have to say that I find it very frustrating that, in this day and age, we still have critical energy legislation like this bill setting up rules that govern an essential energy market presented to us in a way that fails to acknowledge the complexity of the issues and instead seeks to blinkeredly restrict consideration to just economic considerations. Just to reinforce that point, I refer to a couple of sentences in the second reading explanation which state:

> The national gas objective is to promote efficient investment in, and efficient use of, natural gas services for the long term interests of consumers of natural gas with respect to price, quality, reliability and security of supply of natural gas. The national gas objective is an economic concept and should be interpreted as such. The long term interest of consumers of gas requires the economic welfare of consumers, over the long term, to be maximised. If

gas markets and access to pipeline services are efficient in an economic sense, the long term economic interests of consumers in respect of price, quality, reliability, safety and security of natural gas services will be maximised. By the promotion of an economic efficiency objective in access to pipeline services, competition will be promoted in upstream and downstream markets.

With all respect, that is an absolute load of rubbish. Inherent in those statements is an assumption that markets have at their heart the best interests of society, whether it is the best interests of society in a social context or in an environmental context. It would seem to me that we are not doing the best we can if we have an efficient and competitive economic system which in fact pays no heed to the environmental consequences of what is, essentially, a fossil fuel and which pays no real regard to the social consequences of regulating an essential community fuel, because gas is not just about economics.

We rely on it for cooking and for heating, so there is a social dimension to gas. Gas also has both a positive and negative impact in relation to tackling climate change. The reason it can have both a positive and negative impact is that gas is a better fuel than oil or coal when it comes to its greenhouse gas emissions, but it is not as good a fuel as true renewable energy, whether it be solar or wind.

That means that it is very important that we take environmental considerations into account in relation to gas to ensure that it fulfils its role as an essential community service on the one hand and a transitional fuel on the other hand in relation to reducing our greenhouse gas emissions but that we not stop there and say, 'Well, let's move to gas instead of coal and the greenhouse problem will be solved,' because it will not.

The current experience in Western Australia that members would be aware of with gas shortages has highlighted a number of considerations that we should be taking into account in relation to this bill. In particular, when we get to a situation of having to ration gas supplies, the important questions are who makes those rationing decisions and also whose needs are most important. Is it a large factory with lots of jobs at stake? Is that more important than a hospital's need to sterilise their equipment or a pensioner's need to cook their evening meal?

The debate we had last year in relation to electricity and the national uniform legislation was quite extensive, and I am not proposing to go through all of the issues that we went through last time, other than to say that they all still apply. I have picked three issues to form the subject of a single amendment to this legislation, which I would urge all honourable members to consider.

My amendment is in relation to the national gas objective which is clause 23 of the bill and covers three main issues: first, the incorporation of ecologically sustainable development (ESD) as an objective; secondly, some consideration of the greenhouse implications of gas; and, thirdly, an acknowledgement of the community's right to have access to an essential fuel.

The amendment that I propose adds these principles to the objective. In relation to ESD, my amendment provides that decisions under this law should take into account principles of ecologically sustainable development. That is not a radical concept. Most pieces of natural resource management legislation or environmental or conservation legislation include the concept of ESD (ecologically sustainable development). Within that concept are issues such as an acknowledgement that many resources are finite—certainly, gas is. It also obliges us to take into account the needs of future generations, the concept of so-called intergenerational equity. It also requires us to take a precautionary approach to decisions affecting the environment. These are in just about every other piece of environmental legislation in this state. I say we should continue that precedent and incorporate ESD into this bill.

Secondly, my amendment seeks to incorporate into the objective the following: recognition should be given to the long-term environmental and economic impacts associated with greenhouse gas emissions arising from the use of natural gas. I have used the words 'environmental and economic impacts' rather than 'costs and benefits' because, as I said before, there are both costs and benefits. One of the things that we need to be very careful about is that we do not allow gas to become the endpoint in terms of energy policy. We do need to allow some technology to leapfrog from the dirtiest straight to the cleanest, without going through the transitional fuels such as gas. We do need people to be able to go straight from dirty, coal-burning power stations to clean, renewable energy.

The third amendment to the objective states that reasonable and reliable access to natural gas should be viewed as an essential service within the community. That is to make it very clear that gas is not just about economics but is also about the social fabric of society and the basic right

all of us have to access sufficient energy for our daily lives. I would urge all honourable members to support my amendment when we get to the committee stage.

As I said, the debate over this bill should really be very similar to the one we had on the electricity bill. The issues are very much the same. It has been conservation groups and peak welfare bodies in other states that have urged us to get it right here in South Australia. We have not had as much correspondence on this—they may have lost heart, having written to us all last year and found that most of the amendments fell into a black hole and were not supported. Nevertheless, those who have contacted me this time assure me that this bill is just as important as the national electricity laws and that amendments such as these are equally important to support. With that, I support the second reading.

The Hon. SANDRA KANCK (16:33): This is a very utilitarian bill. It concerns arrangements for the governance and operation of gas markets in Australia. It is designed to ensure that the gas markets operate more efficiently, and it includes incentives for exploration. We have to recognise that it is also occurring in the context where we, as a nation, are eagerly selling our gas to China and touting the benefits of gas as a clean fuel.

There are problems with this idea of gas being a clean fuel and also the fact that we are selling it to China: first, gas is not clean and, secondly, it is not an unlimited resource. This eagerness to exploit natural gas displays the same short-sighted greed and complacency that has characterised our reckless consumption of petroleum. Gas is not a clean, green source of energy; it is cleaner than some such as coal and oil, but it is not clean. It produces 50.9 kilograms of CO_2 per gigajoule of produced energy. It is better than brown coal, which has a figure of 93.3, and black coal which is 90, but it is not much better than petroleum, which sits at 68.2.

It also does not take into account the energy losses from the processing, compressing and/or liquefying and transporting of natural gas. Transporting natural gas costs six to 10 times the equivalent of transporting oil. Natural gas is purified before it is liquefied into LNG, a process that consumes around 15 per cent of the original gas volume and, of course, the energy. Natural gas can be used as an alternative fuel for transportation in the form of either compressed natural gas or liquefied natural gas, especially in heavy transport such as public buses or road freight carriers that can use centralised refuelling points.

Gas to liquids processes have been developed to produce liquid fuels, such as jet fuels, petrol and diesel from natural gas, but up to 50 per cent of the original gas is lost in this process. In other words, even in the best-case scenario (that is, substituting brown coal for gas) gas is only 65 to 70 per cent more efficient. If we phase out coal but double the consumption of gas, we will be back where we started in terms of greenhouse gases.

Using gas as a substitute for petroleum delivers only very minor gains, so gas is not in any sense a long-term substitute for petroleum, or even coal, in a pollution sense. It is a short-term transitional fuel and might buy us a decade or two at best. We are grasping at straws if we pin either our energy future or our prosperity on gas.

I said that there were two problems, and the second problem is that gas is not really a reliable substitute from an energy security perspective. According to BP's Statistical Review 2005, Australia has reserves of 2,460 billion cubic metres (BCMs) of natural gas from which it produces 35.2 BCMs annually. It consumes 24.5 BCMs and exports 30 per cent of the production. If all the gas in our reserves could be extracted at the current rate, it would last 70 years but, as the gas reserves of other countries decline, the demand for LNG will escalate.

Natural gas consumption in Australia has continually increased since the mid 1960s. Australian gas consumption was 1,184.6 petajoules in 2005-06. Growth in domestic use of natural gas is projected to remain strong, growing at 4 per cent per annum in the medium term to 2010-11 and thereafter at 2.5 per cent per annum to reach 1,740 petajoules in 2019-20. Exports of LNG are projected to increase nearly fourfold to almost 50 million tonnes—or 2,700 petajoules—in 2019-20, to account for around 60 per cent of Australia's total gas production in that year.

In 2004-05 the share of natural gas in Australia's primary energy consumption was 19.7 per cent, but it is forecast to increase to 24.1 per cent by 2019-20 and to 25.2 per cent by 2029-30. This trend of increasing demand is also occurring in the US and, according to the US Energy Information Administration, world market energy consumption is projected to increase by 57 per cent from 2004 to 2030, while gas consumption will increase by 38 per cent by 2025 in the US alone. Currently, coal accounts for 72 per cent of China's energy consumption while natural gas accounts for only 2.5 per cent—far lower than the world average of 25 per cent and the average

level of 8.8 per cent in Asia—but it is extremely likely that Chinese demand for gas will put the same pressure on gas prices that has occurred with petroleum.

One prominent peak oil theorist predicts that the world will experience the peak gas phenomenon by 2020. The demand for gas will be accelerated by its use as a substitute for oil for the production of jet and motor fuels and petrochemicals, and today's peak oil debate could well be a debate about peak gas in another decade. Natural gas production has begun its decline in Europe (starting with the UK) and in North America. Decline may begin in Russia next decade. Britain used to be an exporter of natural gas but now imports. In short, the whole world will want our gas, so we will have to give some thought about whether it will all be for sale or whether we want to hold on to a strategic reserve.

Some countries are thinking clearly about the limited future of fossil fuel. Most of Norway's revenue from North Sea oil goes straight into its petroleum fund, established in 1995. The figures I have (which are in UK currency) indicate that the fund is now worth a total of £82 billion, or £16,500 for every man, woman and child in Norway. The Norwegian government uses its oil revenues to cover its moderate budget deficits and transfers the balance to its petroleum fund. The fund amounts to a national portfolio that is invested in a mix of financial instruments in the form of bonds, equities and money. In addition (and Australia might like to consider this perspective), Norway recognises its good fortune in having this natural resource in its own territory, and uses some of that revenue to take a socially proactive position on issues involving developing countries and human rights. Sweden has set itself the target of being fossil fuel free by 2020. Australia and South Australia are lagging behind on such initiatives.

It is unfortunate that these issues are not the direct concern of this bill; however, they are of vital concern to this state and this country, and it appears that they are not being addressed anywhere else. The bill highlights the need for a state energy plan that actually takes a holistic look at our future energy needs from both an environmental and energy security point of view. The Western Australian Chamber of Commerce and Industry supports the development of a government energy strategy that embraces all energy sources. We in South Australia are failing in this regard. Such a strategy would make it clear that the role of remaining fossil fuels should be to facilitate the transition to a less fossil fuel dependent civilisation with reduced greenhouse gas emissions.

Gas is not a solution: it is just a slightly slower road to climate change and, at worst, civilisation collapse. We needed to be reminded of this, and this bill has been helpful in concentrating our thinking. My party, the Democrats, has been warning about climate change since the 1980s and, more recently, it has been warning about peak oil. However, the more we turn to gas as a transitional fuel the closer we come to reaching peak gas. This bill is about markets, the very short term future and profitability, and it is therefore very short-sighted.

We need to keep control of our gas markets, and for that reason I support the bill in the way it will regulate the markets. However, ultimately the bill is about orderly exploitation of a natural resource, and no-one appears to be thinking about the consequences of that exploitation. I look forward to the day when this government has an energy plan and is looking after our non-renewable natural resources—but I will not hold my breath.

Debate adjourned on motion of Hon. J.M. Gazzola.

ADELAIDE FESTIVAL CENTRE TRUST (FINANCIAL RESTRUCTURE) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 30 April 2008. Page 2537.)

The Hon. D.W. RIDGWAY (Leader of the Opposition) (16:44): I rise on behalf of the opposition to indicate our support for this bill. I believe Mr Barry Fitzpatrick, the chair of the Adelaide Festival Centre Trust, approached the government about 12 months ago when it became apparent that the ability to maintain the Festival Centre's assets was almost beyond the financial capacity of the trust and that something had to be done. The original building debt has remained on the trust's books since 1971, some 37 years now, and after that I believe a further $10 million was lent in the 1990s. That means the trust now owes approximately $28 million.

The state government has decided to forgive this debt and, although this bill does not actually transfer ownership, it allows for a proclamation to that effect. The ongoing impact of depreciation of the fixed assets on the trust balance sheet has prevented profits. This impacts on the appeal of court to corporations to sponsor the trust and in turn could be detrimental to the arts culture, for which our state is well known.

I remind members that it was a Liberal government led by Steele Hall that came up with the idea to build the Festival Centre in the first place, even though it was completed after he left office. It was our initiative and over the many decades since then the Liberal Party has been committed to supporting the arts in a range of areas, and I know that when last in government our minister (Hon. Diana Laidlaw) was extremely well respected within the arts community. Thankfully, when Mr Fitzpatrick put a proposal to the government it responded positively, and that will enable the transfer of the assets from the trust to the government, should this bill be successful. The actual assets to be transferred are not listed in the bill, but minister Hill, the minister responsible in another place, has detailed all the assets to be transferred in the second reading explanation. It is our understanding that those assets will now show up on the books of Arts SA.

It is my understanding that the assets that will remain with the trust are the assets required for the ongoing operation of the Festival Centre—the catering facilities, lighting, hardware and equipment used to stage performances. I am also advised that the current annual maintenance and operating expenses of assets to be held by the trust are around $3.62 million. As a result of this intended transfer, I understand that approximately $1.1 million of those expenses will become the responsibility of the government, and approximately $2.1 million will be provided by the government to the trust, with the remainder retained by Arts SA for such things as rent, landlord expenses, and so on. The Festival Centre Trust will retain the responsibility for the day-to-day maintenance of the Festival Centre under the memorandum of agreement with Arts SA.

The most important thing about this bill is that the government continues to recognise the financial commitment it is making and that this would be reflected in forward budgets. This is not simply a transfer of capital but a transfer of responsibility and management, which I hope the government will continue to recognise. The opposition through its arts spokesperson in the House of Assembly, Isobel Redmond, raised some questions on the government's policy on forgiving debts of other statutory authorities. In this place I put on the record that I share her interest as to why the Festival Centre has been singled out in this instance. I ask whether the government has any similar intentions for any other such organisations that may have debts, for example, the South Australian Ambulance Service, the CFS or any other bodies that operate in the same way as does the Festival Centre Trust. Does the government have any plans to forgo debts for any other organisations? With those few comments, the opposition supports the bill.

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (16:49): To sum up, I thank the honourable member for his support of this bill. The government is committed to the long-term sustainability of the Adelaide Festival Centre, and we know that the Adelaide Festival Centre Trust has been running at a loss for several years. We propose to have another government agency take responsibility for the financial and strategic management of the trust assets, such as land and buildings, and such an arrangement would see a transfer of assets within government, with the trust being able to retain the use of those assets for its purposes.

The government proposes to amend the Adelaide Festival Trust Act 1971 to enable a future transfer of trust assets and liabilities, which would nevertheless remain within government ownership. In relation to the question, I am not aware of any other policy or agency area where the government has any plans to forgo debts. I am happy to ask the question and bring back a response, but to the best of my knowledge I am not aware of any other areas. I look forward to this bill being dealt with expeditiously through committee.

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

SUPPLY BILL 2008

Adjourned debate on second reading.

(Continued from 6 May 2008. Page 2702.)

The Hon. D.W. RIDGWAY (Leader of the Opposition) (16:53): I rise to speak in relation to the Supply Bill this year (I am the first to do so) and, naturally, we support it, but I will make some comments in relation to the past 12 months and the public sector, etc. It will not be a particularly long contribution because, as members are aware, we spent all last sitting week on WorkCover, to which I think everyone was happy to commit that time, but now, of course, we have quite a large agenda of government business, so I will not speak for terribly long.

Of course, we have this bill every year. It funds the public sector prior to the budget bill being adopted and, obviously, we support it. This bill provides for about $2.3 billion to be available

before the budget is adopted. it is an incredible amount of money, and it is over a quarter and less than a third of the total budgeted income when this government took office.

Given that the bill supports public servants throughout this building, I think it is appropriate to comment on the ballooning number of ministerial staff employed by the current Labor government. The increase across the ministerial pool has been almost 100 extra staff since the government came to office. We have 15 ministers, so that is about six extra staff members in each minister's office. Given that they have been in office for six years, that is one a year and, if it continues at that rate, we will have another 30 or 40 ministerial staff by the next election and, God forbid, if we do not win the next election, there will be another 100 before the next election. So, it gives an indication that, even in their own offices, they cannot manage their staff.

It is interesting to look at it in terms of the total number of public servants. The Commissioner for Public Employment has recently looked at this and announced that the public sector has increased by 17,017 employees since this government came to office. I know that the government always talks about doctors, teachers and police, and the opposition has always supported that—in fact, we have called for more police, and I will touch on the police numbers in a little while—but it is hard to believe that we have 17,017 extra full-time equivalent positions in six years. That is nearly 3,000 a year, or 60 positions a week being created and filled.

As I said, we support the appointment of anyone who gives us quality of life, a safer life and better health care, although it is interesting that today perhaps 6,000 to 10,000 people demonstrated out the front of the building about a pay claim for the teachers. If the Public Service numbers had not been allowed to balloon out of control, the government might be in a better position to meet some of the demands of the teachers—and, of course, the doctors, who have just recently resigned. Today, as I said, there were 6,000 to 10,000 public sector teachers out the front of this place demonstrating. Of course, the impact of that is that 165,000 public school students are at home impacting on their parents, some having to take days off and some having to take sick leave or parenting leave or probably, I suspect, leave without pay. There are 165,000 kids not at school because this government has not managed its public sector employment.

The Advertiser today stated that the strike was futile because the government does not have the money to meet the demands, yet we hear that these are the best economic times the state has been in. We have seen revenue grow significantly over the life of this government. We know there was particularly good financial management of the national accounts by the former Liberal government. We are in the best of times; yet, again, we see an example of this government having squandered its opportunities, and now South Australia is not in a position to make the most of the buoyant economic times.

The government has a notion of a Public Service cap which, according to the Treasurer, means that government agencies are not authorised to increase their employment without cabinet approval, so the Treasurer is saying that cabinet has to approve these increases. So, the 15 members of this government who have sat around the cabinet table have allowed the public sector to grow by 17,000 extra positions over the past six years. I cannot, for the life of me, understand how they could allow that to happen, but I guess it is a little like the sort of management we have seen of WorkCover.

Six years ago there was a $60 million unfunded liability. I know that members opposite would say that the actuary uses a different accounting method now so it really should have been at $120 million, not $60 million, when we started. So, even if we accept that it should have been $120 million, it has gone from $120 million to almost $1 billion. When I questioned the minister, the chair of the board and the CEO, the CEO's response was, 'No-one saw it happening; no-one saw it coming.' Now we have a government that sits around the cabinet table and, according to the Commissioner for Public Employment (so it is not an opposition figure or a government figure: it is a figure from the independent Commissioner), we have 17,000 extra public servants, and they have sat around the cabinet table and approved every one of them.

The Hon. P. Holloway interjecting:

The Hon. D.W. RIDGWAY: The minister said 'doctors and nurses'. It is not doctors and nurses, nor is it police. I will touch on police numbers. This government's policy is to have 4,400 police officers on the beat by 2010. If we are talking about full-time equivalents (which is what the Commissioner for Public Employment figures are), on 30 June last year there were 3,842 full-time equivalent police officer positions in South Australia, which was a decrease from the previous 30 June figure. So, while the Public Service has grown by 17,000 full-time equivalents over the past six years, in the past 12 months we have seen a decrease in police numbers.

I am looking forward to the minister's first dorothy dixer when parliament resumes next year, because every February the Hon. Bernard Finnigan rolls out the Productivity Commission Dorothy Dix question. It will be interesting to see where the full-time equivalents have gone and whether the government has any prospect at all of meeting its commitment of recruiting 400 new officers and having 4,400 on the beat (to quote the minister) by 2010.

I know that this is the Supply Bill, and I will not mention the budget, apart from saying that I note in the budget papers that the recruit 400 program has been extended by at least two years. I suspect it is an admission that the government will fail to reach its target by 2010. There was also the recent announcement by the Police Commissioner with respect to tasers—and I congratulate my colleague and recently re-endorsed member of the Legislative Council team, the Hon. Terry Stephens, for his longstanding hard work, his sort of crusade, to have South Australian police officers equipped with tasers.

It was interesting that the *Sunday Mail* did a feature on tasers, because the police wanted tasers and had been asking for them for some time, with the support of the Police Association. The people who sell tasers often come through town, and they met with me to have a quick chat. Then the *Sunday Mail* contacted me. The opposition saw that as an opportunity—and probably a political opportunity—to release our policy for providing the Commissioner with funding for 500 taser units to deploy across the police force as he saw fit. So, we provided that policy to the *Sunday Mail* to match up with its thrust for tasers and then, lo and behold, the Commissioner came out with it. I suspect that the minister was not even aware that the Commissioner was going to announce the fact that they were to have a broad trial.

It is interesting that the number of public servants has grown almost exponentially, yet the government has to be dragged screaming and kicking to give public servants more resources so they can do their jobs properly. As has been mentioned previously, the police officers in this state do not even receive a kit bag, a raincoat or any wet weather gear when they graduate. The Hon. Paul Holloway laughs and shakes his head, but I do not know whether I would want to put on a wet raincoat—

The Hon. P. Holloway interjecting:

The Hon. D.W. RIDGWAY: The minister is laughing about not receiving a kit bag. I am told that when officers go on duty they have their morning meeting and there is no standard piece of equipment in which they can carry their gear. Some of the gear, such as their weapons, handcuffs, radios, and so on, are locked in the station but there is nothing in which to carry all the other gear, such as notebooks, torches, and so on. They do not provide them with the basic equipment. It is quite bizarre that this government is happy to almost take its eye off the ball. I will bet its excuse for the 17,000 extra public servants will be that no-one saw it coming. The Treasurer said, 'The government has announced a public servant cap', which, according to the Treasurer, means that government agencies are not authorised to increase employment without cabinet approval. So, clearly, this is a very lazy government.

I will quickly touch on the PACE program, which the government talks about as its great success, in achieving over $300 million worth of exploration drilling in this state. Certainly, there is a world record amount of exploration taking place. What the government has failed to mention is where the price of commodities has gone over the past six years. I will bet that if uranium was down at the price it was before or if oil was down at $30 a barrel or if gold was down at $200 an ounce there would be no exploration, no matter how much money they put out.

It is about time that the government talked about the PACE program in the context of the burgeoning commodity prices and world demand. If there was no demand—if the economies of China and India were not booming—we would have no exploration at all. When one looks at the budget papers, one will see that the PACE program puts about 1 per cent of the roughly $3 million a year into a $330 million or $340 million a year program.

No company in the world that I know of makes a decision based on a 1 per cent kick-up from the government to go and find 99 per cent. It is being driven purely by a 30-year commitment from governments of all persuasions to put the right data in place. We have some of the best data (which I think began when Frank Blevins was the minister), and it was vigorously pursued by the Liberal government. We had a program called TEISA, which the government says was not funded. That is because it chose not to fund it in its first budget, so it ran out of funding. Then the next year it launched the same thing and called it something different and claimed the whole massive exploration boom on its program. This government is dreaming if it thinks $3 million will deliver $340 million worth of exploration.

Interestingly, as I have mentioned before in this place, when Dr Paul Vogel left the EPA he made some comments in relation to compliance officers and radiation officers. If we have 40 per cent of the world's known uranium in South Australia (and we are likely to find more, so we could say at least 40 per cent), we are not seeing any commitment with respect to the 17,000 public servants to support and back up our industries.

I note that there has been some commitment in the current budget for extra staff in PIRSA to support the mining industry, yet there has been no overall allocation to PIRSA. So, I suspect that there will be a shifting of the deckchairs. Some other needy parts of our rural industries will have staff ripped off them, so they will flounder in supporting this other industry, yet the Premier and the minister are out there all the time bragging about this great resources boom.

I refer to a magazine called *Paydirt*, in which there is a photograph of the Premier. The article is headed, 'It is not a boom: it is a way of life in South Australia'. There is also a lovely photograph of the minister and his adviser on the next page—in fact, I think she looks much better than the minister in the photograph! We have not seen any commitment over the past 12 months to support that way of life; that is, it is not a boom—it is a way of life. Where is the commitment from this government to support those industries that are booming to capture some of this wealth? With those few words, I indicate that I and the opposition are supporting the Supply Bill. In the interests of getting some government business completed this week without having to sit until 3, 4 or 5 in the morning, I will conclude my remarks.

The Hon. C.V. SCHAEFER (17:08): When I say that I will make a short speech, I will actually make a short speech. The purpose of the Supply Bill is to provide essential funding to the government so that it can pay the bills between now and the declaration of the new budget. It must be passed by the end of this week, as I understand it, so, of course, we will be supporting it. When I say 'pay the bills', that includes the wages of the Public Service—and what a large bill that has become. As my colleague has rightly pointed out, this government has increased the Public Service by 17,500 people in its time. Members would think that, with an extra 17,500 people, some of the demands being made by an increasingly desperate police force, an increasingly desperate education group (our teachers) and increasingly desperate salaried medical officers would be met.

For instance, members would think that, as a result of the extra 17,500 people, we would have smaller class sizes in schools or more policemen on the beat. Members would think that (even though this government does not know where it is) we would be able to have a policeman at places such as Coober Pedy 24 hours a day. Members would think they would be able to achieve that with 17,500 extra public servants but, no, they do not have any of those things. Members would think that, with 17,500 additional public servants, there would be some nurses in emergency—

The Hon. R.P. Wortley interjecting:

The ACTING PRESIDENT (Hon. I.K. Hunter): Order! The Hon. Ms Schaefer will be heard in silence.

The Hon. C.V. SCHAEFER: The Hon. Mr Russell Wortley interjects that I will be missed. Believe me, he won't be. We have 17,500 additional public servants, yet we do not see any additional services in this entire state. This is the highest taxing government in this state's history. In order to pay the bills and to perform what I believe is a pea and thimble trick, it will close country hospitals, some 45 country hospitals—just a few. There will now be medical services at Port Augusta, but you better not have an accident or take sick if you happen to be travelling on Highway One between Port Augusta and Ceduna because there will not be anyone to assist you.

This leads me to some of the increased charges we have in this budget and the reason why we are now having to pass this bill. When I was driving somewhere the other day, I heard the Treasurer talking about how this year fees and charges were not increasing much: they were only increasing an average of 2.5 per cent in line with CPI. That needs to be taken into context with last year's staggering rises, some up to 175 per cent.

I just happen to have kept a news clipping from last year outlining some of the rises from last year: car registration fee from $82 to $88; a six cylinder vehicle from $176 to $186; speeding fines from $169 to $176; and so the list goes on. We need to put that into context when we look at this year's fees, which were gazetted on budget day. For example, an emergency callout fee (ambulance services) will rise from $688 to $712; an emergency two callout fee will go from $496 to $513; and a non-emergency fee from $153 to $158. In spite of saying that it is doing good things for us, it continues to slug the people of South Australia.

In relation to police service fees and charges, last year an aircraft callout cost $1,347 per hour: it will now cost $1,394 per hour. Another example is disability services fees: disability, campus-base fee from $256 to $265; disability, other campus-base services fee for in-patient or residential accommodation from $369 to $382; and Disability South Australia fee for preparation of a report from $298 to $308. I cannot find anything that has not increased in the past 12 months. I would not mind that if I could see any improved services but, no, we have our teachers and our salaried medical officers striking, our anaesthetists resigning and our country health services in chaos. We do not have any more public servants that anyone in the street can see or find, and yet we have 17,500 of them stuck away somewhere.

The Leader of the Opposition smiles, because many of them are tucked away in the Premier's offices. He has the highest number of staffers that any premier in the state has ever had in line with the highest fees, charges and taxes of any government that this state has ever had.

It gives me no real pleasure to support a bill which provides more of the fat to more of the public servants who do less of the work on the ground. However, as I said, it is our job to support this so that those people who are out there working hard for the services and fees of this state will be paid. I support the bill.

Debate adjourned on motion of Hon. J.M. Gazzola.

STATUTES AMENDMENT AND REPEAL (INSTITUTE OF MEDICAL AND VETERINARY SCIENCE) BILL

Adjourned debate on second reading.

(Continued from 30 April 2008. Page 2541.)

The Hon. J.M.A. LENSINK (17:17): Our position has been stated very clearly in the other place by the shadow minister for health, the member for Bragg and deputy leader, Ms Vickie Chapman, who spoke for several hours on this particular bill on 29 April. Being a non-lawyer and, I say in jest, a non-serial offender in terms of lengthy speeches, I do not intend to speak for several hours on this bill, but I will restate a few very important points in relation to this particular proposal.

This bill will repeal the IMVS Act and transfer its functions to the Central Northern Adelaide Health Service, which has become one of the great monoliths within our health system, carrying a huge responsibility in terms of health services across the state. It is centralisation. It goes hand-in-hand with the actions of this government, as we have seen in its most recent budget, in relation to not only country health, where our country hospitals will be absolutely gutted, apart from the four major centres, but also the non-spine (I think that is the language that the government uses) metropolitan hospitals, which will also be dumbed down in the effort of centralisation.

There can be no more obvious proof in the pudding of how this government is managing our health system than the actions of well over 100 doctors to date who have simply had enough of the way they have been treated. This is a government that believes in buildings and not the people who work in them. It is all very well to make great announcements about infrastructure, but if you do not look after the people who work in your system you do not have a system at all.

In relation to this particular bill, the pathology services, which are currently provided by the IMVS, SouthPath and the women's and children's department, which have all evolved separately along their own lines into a single pathology service entitled SA Pathologies, are merely a smaller part of the picture but nevertheless a very important part of our health system.

I declare an interest in that my sister was an employee of the IMVS a few years ago as a research scientist. The people whom I know who work there these days are really quite fed up with the way they have been treated by this government. They are treated like mice in a running mill and have their particular skills and expertise dismissed as if they are all just numbers that can be pushed around in some grand plan by this centralist government.

The IMVS has a very good reputation. I am pleased that at least the government has seen fit to allow the title of the IMVS and Medvet Sciences to be carried forward so that those reputations may continue to attract research funding. We see this as a means by which the government will take over all of these pathology services so that it can get its hands on the funding that they raise. Rather than respecting the particular models that may have developed historically, they will be rolled into one homogenous system regardless of whether that is the best way to proceed going forward.

There are a number of issues in relation to staff. I understand that the IMVS lost its FBT status three or four years ago and was grandfathered until recently. We were told in a briefing—

and I am grateful to the minister's staff for the information that they provided—that when staff becomes part of CNAHS they will be able to salary sacrifice again. There are also, I understand, some contract issues in terms of the transfer that still need to be approved. The new entity will need to become an approved pathology provider in order to receive commonwealth funding.

I think it also needs to be highlighted that, because of its reputation, the IMVS undertakes a significant number of tests from private GPs. It will be interesting to see whether that, in fact, continues.

I note that the government assumes that it will actually be undertaking more tests. I think that is optimistic. It also claims that there will be some cost savings of $2.177 million over two years. I think that is probably rather optimistic as well; possibly it is part of some illusion that is part of the vision of the shared services which has occurred in a lot of government departments but which really is not coming to fruition.

We are not sure where those savings of $2 million plus will come from. I also understand that there are 'fee for service' funding model issues that are still to be worked through. I note that the cost per test on average for the IMVS is $25, SouthPath $31 and the Women's and Children's $71, so one would have thought that, if one wanted to amalgamate them, the intelligent thing would be to keep the IMVS and make it the lead agency for pathology testing in South Australia.

Another disappointing thing about what happens when these entities are all rolled into one service is that the expertise of the board is lost, and I note that the CEO Professor Brendan Kearney has a great deal of experience in the health field. Once these entities are rolled into one under CNAHS, we will see the lack of transparency continue, with much less public information being made available.

When one looks at budget papers or annual reports these days, the funding, the number of patients and the number of tests and so forth, are all aggregated, so it is very hard to actually work out what is really happening in the service, which I suspect is part of the design of this proposal in that it reduces transparency. As we know, our health system is in crisis, and the government would rather that the real world should know as little as possible about what is really going on.

I would like to place on the record a question: does the government have any intention of selling any of the assets of any of those three services as this goes through? We have been given reassurances in the past, along the lines of, 'We're from the government; we're here to help; trust us.' As I said earlier, we were given those assurances in relation to Country Health and now look at what is happening there, where the services will be so minimal that, to be quite honest, speaking as a health professional myself, nobody will really want to go there to work, because the work is just not particularly challenging.

That equates to training places and so forth. It really is pulling apart the fabric of a health system that has taken decades to develop, and those communities within the health system that have developed and have been self-sustaining are being pulled apart. I fear that the same will happen with our pathology services in this state which have had such an excellent reputation to date. So, I seek an assurance from the government that no assets will be sold as a result of this within the next two years and, with those remarks, I indicate that we will be calling for a division on this bill in opposition.

The Hon. SANDRA KANCK (17:26): The IMVS has a very proud history in this state although, in the past 15 to 20 years, a lot of the tests that it made its money from have been creamed off by the private pathology firms which make a lot of money out of the large volume simple blood tests, and this has of course reduced the profitability of the IMVS. However, as an organisation, at this point with legislation like this, we need to pay tribute to the important role it has played in public health in this state.

Members will recall that about a decade ago we had the Garibaldi food poisoning outbreak, and the IMVS played a pivotal role in isolating the cause. This is part of the reason why the IMVS is so important, because the private pathology laboratories that are there to make money would not have gone down every burrow as the IMVS did in this case in trying to find the cause, because there is not a massive financial return in doing something like that.

I have had only two representations concerning this bill. One was a phone call in support, and in fact that person has rung twice and has asked us to support the bill, and one was an email very strongly lobbying against it. My concern about the bill echoes some of those concerns that have been spoken of by the opposition, in particular, the centralisation of services.

What I see happening in health at the moment has the potential to be reminiscent of the worst days of the Department of Human Services, and it certainly has the potential for a lot of empire-building in the long term, and that does concern me. I see that in a number of different portfolios where public servants see themselves as being king of a somewhat small castle, but their reputation is staked on it, and a lot can be built on that.

So, although I have had very little lobbying on it, my concern about the centralisation leads me to a position of supporting the second reading, but I indicate that I will listen with great interest and read what other members have to say in determining my final position at the third reading.

The Hon. A. BRESSINGTON (17:29): I have had the pleasure of receiving a number of briefings from minister Hill's office and, yesterday, I received a briefing from one of his staff members on this bill. It came as no surprise to me that, obviously, we only hear of the benefits. When I asked the question, 'What will the cost be to particular stakeholder groups?' the gentleman sat there almost dumfounded to think that I could even comprehend that there would be costs to any people with a bill from the government. However, I kept in mind the personal briefing I had from the minister (the Hon. John Hill) on the health care bill. I was reassured that there would be very little inconvenience to rural people, that most certainly hospitals were not going to close, and that it would be a more refined service for rural people.

Last week we heard that 43 out of 66 hospitals will be closing. We have had mass resignations from anaesthetists and doctors. It will not be long before nurses, too, are up in arms about the conditions that they work under, especially at the QEH. My daughter-in-law is a theatre nurse there and I hear some horror stories about what staff are now having to put up with regarding some of these reforms.

I have learnt that I cannot rely on these briefings to give me a broad spectrum view of what the long-term (or even short-term) ramifications will be. I remind members of this council of the Glenside proposal. We were told that it would be a you-beaut mental health facility, which would be state of the art and the best thing since sliced bread, and now we hear that our mental health patients will be sharing the grounds with movie stars on a movie set. I wonder how a Hollywood theme and mental health patients will mix and what the therapeutic value of having such a combined site will be. I am sceptical of the intention behind this.

Yesterday I met a staff representative from the IMVS. I was appreciative of his honesty in saying that they were supporting this bill only because they had the opportunity, after amalgamation, to salary sacrifice, which meant an extra $6,000 or $9,000 a year in their pockets. What I found interesting was that, for the past six years, the IMVS staff have been applying for taxation status to allow them to salary sacrifice but have been knocked back.

I read in Vickie Chapman's address on this issue, in the other place, that in 2006 the Treasurer made an announcement that the government would like to create an amalgamated pathology service called SA Pathology. I wonder whether it has been so difficult for IMVS staff to get the FBT status that they need to salary sacrifice because this has been in the wind for quite some time.

After speaking with the staff member yesterday and saying that, although I feel for the 1,200 employees of the institute, their ability to salary sacrifice was hardly a reason to pass a bill that could have long-terms impacts on the health and welfare of people in this state. That employee left my office yesterday saying that he would be rethinking his stand and that he is sure that most of the staff, if they could be assisted to get the status they need to salary sacrifice with the Taxation Office, would not support this bill; that they do want to keep their autonomy; and that they take pride in the services that they deliver and the research that they undertake. It is not their wish that they be amalgamated with the other two services.

At the briefing I asked what the other costs would be (apart from not being able to salary sacrifice) to the IMVS with this amalgamation, and I was told that the IMVS at present has a great deal of autonomy in being able to purchase new equipment that is required for research, whereas once the amalgamation takes place it will come under yet another layer of government and it will have to seek approval and funds for the purchase of equipment, which is probably going to compromise the quality of service that it has been able to deliver in the past. He was quite concerned about that. Again, it was stated that the only reason the staff are supporting this is the opportunity to salary sacrifice.

The gentleman yesterday also made the point that just because people are quiet and are not lobbying hard on this particular bill does not mean that there are not major concerns amongst the staff of the IMVS regarding this amalgamation.

I return to the lack of lobbying on this bill. It is very reminiscent of the lack of contact made regarding the health care bill, as well. My office went to a great deal of trouble to try to contact people working in the health care industry, prior to the adoption of that bill, and took their silence as a sign that all was well and that they had accepted the reforms. However, as I said, last week we saw mass resignations from the health care industry because of their dissatisfaction. I have learnt that lack of lobbying does not necessarily mean lack of interest or lack of concern.

I will read an email that I received from one of the employees of the IMVS. As I said, there has not been a great deal of comment but there are some valid points made in this email. It states:

Whilst the IMVS has been established for 70 years (this August) it is the history of the last 25 that has made it a unique contributor to public health in Australia.

In addition to its vital public health role, and unlike most public health institutions, it generates tens of millions of dollars in competitive earnings each year.

The money the IMVS earns by supplying diagnostic pathology to general practitioners and specialists is spent on training and research. This is money that the state does not have to extract from taxpayers, money Treasury does not have to find.

Public health—where to start; the HUS outbreak, the Yorke Peninsula water scare, legionella on Kangaroo Island, salmonella outbreaks, white powder incidents, the list goes on and on. Interestingly, and often, it's not the IMVS who takes the credit; the press most often talk to hospital spokespeople or to the department, but be in no doubt, it is the IMVS who does the work and provides the expertise. Furthermore, we do the work across the state through a network of regional laboratories; the staff lives and work in the local community. The IMVS supports and works in regional and rural South Australia, not everyone does.

The IMVS was the first public pathology provider, and only the second in Australia, to undertake ISO9000 series quality accreditation, a major undertaking and a major achievement. This is in addition to NATA accreditation requirements.

The Hanson Institute is the research division of the IMVS, it provides a career in medical research for hundreds of South Australians; these jobs simply did not exist before the IMVS directed its efforts and earnings into research. Young South Australians now have whole of career opportunities in medical research in this state and competitive earnings are paying for it. The results are visible.

I imagined that this was the sort of thing political parties dreamt of, a public institution showing initiative, generating valuable ideas, licensing the intellectual property, whilst minimising the burden on the state's financial resources. It seems not.

The earnings also support training; sessions for rural doctors, for students now that medical courses no longer provide comprehensive training in pathology. Training for scientists and technicians, look around the private pathology providers and ask where their staff were trained, overwhelmingly it was at the IMVS, from top to toe. Imagine if you had to find the money for all that solely from the public purse. Imagine how much poorer the service to South Australians would be if the IMVS just turned up for work each day and cranked the handle.

The reason the IMVS has been able to do these things, to actively contribute to the health of South Australia in so many different and innovative ways, is because the IMVS act enabled it to. The IMVS is independent but recognises that with independence comes responsibility; in my view it has amply met its charter.

That gives a feel of the staff and their passion for the work they do and for the institute for which they work. As I said, the gentleman who came to see me yesterday said that all but two of the 1,200 employees at that institute support this merger—as in a merger that will improve services and quality of service to this state.

We also must not forget that there are a great many assets that go with this amalgamation. That is of concern to me, as it was with the Glenside project, and it has not yet been proven that our suspicions on that were unwarranted. I will support the second reading of this bill, and look forward to the committee stage; however, at this point, and with the information I have at hand, I indicate that I am very unlikely to support the bill.

Debate adjourned on motion of Hon. J.M. Gazzola.

BHP DESALINATION PLANT

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (17:43): I lay on the table a copy of a ministerial statement relating to the Upper Spencer Gulf desalination plant made earlier today in another place by my colleague the Treasurer.

ENVIRONMENT PROTECTION (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 30 April 2008. Page 2527.)

The Hon. J.M.A. LENSINK (17:44): I rise to indicate that the Liberal Party will support this bill; in fact, in my view it is really a no-brainer. At the outset I would like to say that I am grateful to the staff of the EPA, who provide the most comprehensive briefings, including briefing notes, which are very helpful to those of us who are not government members. They are very thorough and, in fact, made me aware that this bill is not about the increase from 5¢ to 10¢ (that will take place by regulation) but that it tidies up a number of the provisions as well as a couple of things that I will talk about later.

The container deposit scheme was first introduced as a means to combat roadside litter, and it largely targeted single-use containers. Anyone who stays up late at night reading the government *Gazette* will notice that periodically a large number of containers are gazetted. This is because in the existing legislation each label needs to be approved every time it is changed or every time there is a new product on the market. So, one of the major changes under this legislation is that it will not be required to gazette each and every container and go through that approval process each time merely because the design of a label may have changed.

In the briefing I asked why wine bottles had not been included and was advised that they are less of a problem within the litter stream. In fact, jumping back to that issue of label approvals, there are approximately 7,000 approved on the system and at any one time 700 are obsolete—for example, Eagle Blue, which is no longer produced. There are some 1,600 new approvals per annum.

One of the issues that have been raised is that of interstate rorting, and I note that the super-collectors will now be regulated within this legislation. In the past they were not included and it is appropriate that, within the list of organisations that are regulated, that should continue. Because they are not regulated they are not required to pay a deposit, and there has been a court case where one of the depots was refused payment because there was no requirement to do so. I understand that it has been difficult to obtain data because much of it is commercial in confidence, so I will not read it into *Hansard.* However, I believe it supports the need for them not just to be included but also for the penalties for interstate rorting.

It is disappointing that this system has not been adopted nationally. I understand that it is exempted from the mutual recognition system because it might be in breach of it, but South Australia has been given a particular exemption. It would be worthwhile if it were adopted across Australia. I note that Western Australia is looking at it—something in the order of 20 cents—and it will not have the difficulties of interstate rorting because of the distances. I urge other states to look at this because we have the infrastructure and it is easy for us to say, as we have had it in this state for several decades. However, at a time when everybody should be aware of reducing their impact on the environment and the amount of waste produced that is not reusable or recyclable, it is something that most consumers would support and it is well regarded within South Australia.

It is a bit shortsighted of other states not to adopt some sort of measure. I have got on to the issue of the 5¢ deposit and say for the record that the Liberal Party supports the increase from 5¢ to 10¢ whenever gazetted. I note that the original value of 5¢, introduced over 20 years ago, in today's value would be 32¢. It would be difficult to increase it to that today as it would cause quite a few problems, but it is a positive move in the right direction and anecdotally a lot of people will tell you that there is less litter on South Australian roads from people flinging things carelessly out of their windows as we have a container deposit system. My colleagues say they have seen an increase in the amount of litter on roadsides in more recent times, so hopefully this increase will arrest that to a degree.

I note that this whole scheme has been opposed by beer producers and the National Association of Retail Grocers of Australia on the grounds that it increases the product cost price, and they point to the National Packaging Covenant Council. However, the NPCC has been embarrassed in recent times by being exposed for overestimating its progress in meeting targets to reduce the volume of packaging disposed to landfill by 2010, so it does not have a leg to stand on as it has been caught out.

CDL is also popular with a number of community groups, such as the Scouts and service clubs. From my own experience with a service club, I have been a member of the Lions of Bridgewater, which has a sorting shed just next to the old railway station. Since meeting some of the members of the recycling association I have gone back to depositing all of my bottles—wine and beer bottles—at that site because, although many people do not realise it, when you put glass into the kerbside recycling system a lot of it breaks and, when it mixes with papers, plastics and so forth, you get a degree of contamination and the end product is not as pure and does not get as high a market price.

One of the reports I was reading, possibly commissioned for this state government, in relation to the solid waste levy included as one of the costs the cost of convenience, and I question that, particularly at this time when everybody is trying to do more to assist with the environment. The impact of people at a household level making a little more effort should not necessarily be taken into account because we ought to all feel the obligation to be making more of an effort at a household level, which will aggregate into a much better effort across the board. Potentially there could be significant problems with the way the increase is implemented in that there is a mythical date (most of the recyclers know what it is, but I will not state it for the record as it will not help matters), and there will not be a phase in. It has been suggested that the depots and super collectors will be disadvantaged because, on the date of the change when it is brought in overnight, depots and super collectors will need to pay the 10¢ levy on that day, yet they will not have collected that level of cash to enable them to pay, and potentially some will go broke.

I will read some notes provided to me. It is partially a question for the government but it also signals that the Liberal Party may have some amendments to sort out the issue to facilitate the continuation of the scheme. The time from filling a container to getting it to the retailer is approximately four weeks for supermarkets and eight weeks for normal stores—an average of six weeks. The next item is the time it takes a retailer to sell, and the answer is approximately two weeks—some more, some less.

The amount of time from when the container is bought to when it is returned to either an MRF or the collection yard is a minimum of four weeks. This is part of a CDL process. So, the time from manufacture is a minimum 12 weeks (or three months), which is a quarter of a year. The number of items recycled per year is 470 million. One quarter of 470 million is 117.5 million, which will be the number of products in the system for which 5¢ has been collected and 10¢ will be needed to pay for them after the introduction date, equating to a cost of $5.875 million. One other point to keep clear is that the return rate this year has already decreased, and some yards have told the author of the document that people are holding CDL units to get 10¢ after the changeover, so that $5.875 million may be a lot larger. On top of this change for manufacturers is the cost of changing their labels to show 10¢.

It has been suggested that there be a means of implementation which will not disadvantage anyone or send anyone broke, which I think we would all agree would not be a good outcome. The first suggestion is that there be a 10¢ marking on the product packaging in a specific colour, which is very visible, for possibly the first year, and that would make work easier for the collection yards. They would need something to make the containers easy to recognise and separate. Suggestion two is that the change should be done at the quietest, or least productive, time of the year, definitely not the Christmas period. The suggestion is 1 July, but definitely in winter and not crossing the end of the financial year. This is for the benefit of all involved, especially collection yards, because they will have to sort the 5¢ and 10¢ items and forward them to super collectors in separate containers.

Suggestion three is that if a person hands in a product without a label they only get 5¢ during the changeover period, whatever that is. Suggestion four is that, at an agreed date, preferably three months from the start of the 10¢ scheme, the value of 5¢ containers should be set at scrap value. This is to encourage people to get these containers in quickly and avoid people holding them to get 10¢ for a 5¢ container after the cut-off date, and also to avoid collection yards having to sort them forever.

Those are some of the concerns that have been raised about the implementation, and that is in relation to the container deposit system. Then there are some other provisions which relate to the EPA board and requiring it to meet 11 times a year instead of 12 times. I think that is reasonable, because one of those times would more than likely be in the silly season. Then there are some other issues in relation to the works approval process.

With those few words, I indicate that the Liberal Party supports this bill but may have some amendments and certainly has concerns in relation to the implementation date because, unless that is crafted fairly carefully, there will be some winners and losers. The winners will be people who are stockpiling, and the losers will be the yards and the super-collectors who suddenly have to pay double the amount of money and probably will not have the cash flow available to provide that sort of rebate. I put that as a question, as I said, but also to flag that we may have some amendments. I endorse the bill to the council.

Debate adjourned on motion of Hon. Sandra Kanck.

WORKERS REHABILITATION AND COMPENSATION (SCHEME REVIEW) AMENDMENT BILL

The House of Assembly agreed to the amendment made by the Legislative Council without any amendment.

WORKCOVER CORPORATION (GOVERNANCE REVIEW) AMENDMENT BILL

The House of Assembly agreed to the amendment made by the Legislative Council amendments without any amendment.

[Sitting suspended from 17:57 to 19:48]

ENVIRONMENT PROTECTION (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Resumed this page.)

The Hon. SANDRA KANCK (19:49): The Democrats support this bill, which will improve South Australia's much vaunted and admired container deposit system. I am sure that most MPs have found over the years that when they meet MPs from other states and go to conferences there is always discussion about our container deposit legislation. There is envy (I suppose that is probably the best way to describe it) when politicians in other states talk about our system and say how they wish—

The Hon. C.V. Schaefer: Why don't they bring it in then?

The Hon. SANDRA KANCK: I will get to that. They do not bring it in because of the power of the packaging lobby. They fall at the hurdle every time there is an attempt.

There is no doubt that container deposits are very effective. The tonnage rates for collection of bottles of assorted types are far in excess of what other states manage to get. South Australia recovers 85 per cent of non-refillable glass soft drink bottles compared with 36 per cent nationally. The return rate for plastic soft drink containers (PET) is 74 per cent while the national return rate is 36 per cent. Ian Kiernan, founder of Clean Up Australia and a past Australian of the Year, said:

> Beverage container recycling rates are appalling low in most states. 40 per cent of the rubbish we collect on Clean Up Australia day is bottles and cans, but in South Australia, where they have container deposits, they are just 8.4 per cent of the rubbish we collect.

Ian Kiernan has been a strong defender of the South Australian system and has argued that similar systems should be introduced in other states. I take members back to 2004 when our esteemed environment minister, the Hon. Gail Gago, was a backbencher. The minister was a member of the Environment, Resources and Development Committee (as was I) at the time the committee conducted an inquiry into waste management. That committee made seven recommendations about container deposit legislation, and they were numbered 20 to 26 in the list of recommendations. I will read them all because, ultimately, when she is summing up, I would like the minister to give some feedback to us all about how each of these recommendations have been addressed. Recommendation 20 states:

> The committee recommends the Prime Minister through COAG encourage all states and territories to adopt uniform container deposit legislation.

I do not know that we had much power over the Prime Minister. The recommendations continue:

> Recommendation 21: the committee recommends that all CDL containers be a uniform capacity of up to and including three litres.
>
> Recommendation 22: the committee recommends the 5¢ deposit value be reviewed and that an analysis of the benefits of an increase be determined considering both economic and environmental factors.
>
> Recommendation 23: the committee recommends that the government introduce legislation to minimise the potential abuse of CDL [and I note that this legislation does deal with that].
>
> Recommendation 24: the committee recommends the development of industry standards for super collectors.
>
> Recommendation 25: the committee recommends the EPA collect data to make the container deposit scheme more transparent and determine the amount of unredeemed deposits.
>
> Recommendation 26: the committee recommends that government investigate the value of unredeemed deposits so that unredeemed deposits can be returned to the system for litter education initiatives.

One has to observe that progress is slow. It is five years since the House of Assembly referred that particular waste management issue to the Environment, Resources and Development Committee, and it is four years since the committee conducted the inquiry. I note that the minister has announced that deposits will increase from 5¢ to 10¢, but it is also interesting to observe that the Environment, Resources and Development Committee baulked at making a clear recommendation on increasing the deposit. A couple of sentences from the committee's report in that regard state:

> There are convincing arguments to increase the amount of the deposit and for it to remain the same. However, there has been little research to substantiate either side of the argument. The committee believes further investigation into the value of the deposit is required.

The fact is that we did not receive convincing evidence in support of retaining it at 5¢. What happened was good old-fashioned buck-passing, because the unstated fears of the committee were about impacts of competition policy in relation to other states if we went down that path. Again, when she sums up, and although competition policy does not have the power that it had at that time, I would be interested to know what advice the minister did receive in relation to how this fits with other states.

In some of the evidence the committee was given there were some very good arguments for increasing the deposit, and the Ceduna council's submission argued for an increase to 20¢ because it believed that if the glass bottles in particular had a high enough value it would stop them being smashed on the foreshore, as has happened in that area, and they thought that a decent rebate of that amount would encourage more of the bottles to be returned and fewer to be broken.

Having acknowledged that the minister has announced that deposit increase from 5¢ to 10¢, I would like to know whether in fact she considered 20¢ as an option. I reflect that, when I was a child, soft drink manufacturers all had deposits on bottles because it was in their interest to do so. The glass bottles cost so much that it was in their interest to collect them, wash and reuse them and at that stage we had small and large soft drink bottles. The small ones had a deposit of threepence and the large ones had a deposit of sixpence. In 1966, with decimal currency, the sixpence become 5¢. I tried to work out what 5¢ might be worth now, without going to an economist and finding out what inflation rates had been, and I reflected on the fact that 5¢ could buy a single icecream cone at that stage and the same item today would be about $2.50. If we were keeping pace with the real value of money, it seems that we should expect a deposit of at least 20¢. I wonder why the government has been so timid in setting it at 10¢.

Other evidence the Environment, Resources and Development Committee heard included the discrepancy between deposits on different sorts of containers. The minister might remember that representatives from Recyclers of South Australia brought different containers with them and put them up in front of us and said that this one has a deposit on it and this one has not. We saw puzzling differences. They showed us exemptions to the deposit being made on the basis of size. A one litre container of fruit juice did not have a deposit, while a 250ml container of fruit juice did have a deposit. Containers with the same capacity but made of different materials were treated differently, and there was a 5¢ deposit on a one litre PET bottle but not on a one litre cardboard carton.

For some it was the same material but the contents of the packaging made the difference. Fruit juice was exempt from a deposit while basically the same shape container with fruit juice drink—fruit juice watered down with water and sugar—had a deposit. We were told how difficult it was for the recyclers. Your basic 16-year old school leaver working as a labourer in one of these yards had to be aware of something like 3,500 different containers and be able to make an instant assessment as to which pile to throw it in. The point was made that this was also confusing for consumers who had to look at containers and work out whether or not they had a deposit, and for 5¢ it would not be worth it for many consumers.

The Hon. Caroline Schaefer interjected earlier and asked why the other states were not introducing container deposit legislation. It is an interesting question and it is answered by the power of the packaging industry. They are extremely powerful and, in other states, whenever there has been an attempt to introduce container deposit legislation, they have fought very strongly against the introduction, and usually have done so by distorting the arguments and lying by omission—and, sometimes, overtly lying. When the Northern Territory tried to introduce container deposit legislation, I think about 10 years ago, the packaging industry offered half a million dollars to the Northern Territory government to use alternative programs and also falsely told the people of the Northern Territory that if it was introduced the price of a carton of beer would go up by $7 per carton just to cover the deposit and, of course, it scared people.

In 2001 the New South Wales government carried out a review to look at the possibility of introducing container deposit legislation, and it asked the Institute of Sustainable Futures at the University of Technology, Sydney to prepare a report about it. That report found that there was substantial economic benefit to introducing such laws. However, a group representing the packaging industry called C4ES Pty Ltd responded to that report and gave a list of the things it said were wrong in the Sustainable Futures report, and I will pick on one of them only. It said:

> The ISF report highlights that CDL systems produce high quality recovered containers...but fails to identify that higher quality recovered materials would not result in increased revenue for recycling systems under current circumstances and is therefore of little importance.

It is interesting to look at Sustainable Futures' response to that, because it highlights the dishonesty of the packaging industry. Sustainable Futures' response was:

> The independent review report did not claim that the higher quality of used container material collected through the South Australian CDL system would result in increased revenue for the recyclate.

Then it goes on (and this is something very interesting for us all to look at):

> However, the existence of a 30,000 tonne stockpile of contaminated glass fines at Chullora MRF [materials recycling facility] is proof enough of the additional costs imposed on used container material recycling by contamination arising from our current collection methods.

We also saw that when the Productivity Commission was looking at CDL the packaging industry and its spin doctors argued that the benefits of CDL might not outweigh the costs. It is very obvious that the packaging industry is a very effective lobby group, but it ignores some of the costs to reach that conclusion.

On 10 February this year there was an article in *The Age* entitled 'Revealed: our growing glass mountain'. A short time ago I referred to the Chullora recycling facility in New South Wales, but this is in Victoria. It stated:

> Victoria is one of the highest per capita waste generators in the world and efforts to recycle outside the home need to be accelerated. This is the view of Sustainability Victoria as it ramps up efforts to curb Victoria's waste addiction.
>
> The latest available figures show that on average every Victorian creates two tonnes of waste a year, up from 1,200 kilograms in 1993-94.
>
> Victoria produces more than 10 million tonnes of waste annually. This is predicted to increase to 13 million tonnes by 2012-13 if reduction targets are not met, 11 million tonnes if they are.

This article has a photo of what can only be described as mountains of glass fabrics at Visy in Melbourne. It shows one person on top of one of those mounds. It is a little difficult to describe the picture, but the person is barely visible in a photograph that is about seven by four centimetres. That is a problem that Victoria is facing.

The problem there is that broken glass contaminates paper, and once you have the broken glass in amongst the paper it makes it much more difficult to recycle the paper. In South Australia, because we have our deposit system, many of our glass containers are pre-sorted away from other waste so that it does not ever create that problem—it does to some extent, but not to the extent that New South Wales and Victoria have been finding. Nationally, more than 10 per cent of paper goes to landfill because of the contamination of glass, but in South Australia it is only 1.7 per cent. I think that speaks for itself about our deposit regime.

I refer to the Sustainable Futures report and its response to the packaging industry. It is very interesting that in the past couple of weeks there has been an announcement that this problem at the Chullora recycling facility has been solved. The following is an article from the website sustainabilitymatters.net.au:

> WSN Environmental Solutions and joint venture partner Australian Glass Technologies are launching a facility capable of processing up to 40,000 tonnes per year of previously unwanted glass. The facility at WSN's Chullora Recycling Centre will transform small pieces of glass into a valuable resource and open up markets in New South Wales. The recycling facility crushes the glass, which is then sold as granules that can be used in the manufacture of bricks, water filtration medium, pavers and roof tiles.
>
> Up until now, glass that was shattered in the recovery process has been difficult to process and often had to be sent to landfill. The facility sorts the recycled glass from fine powder to larger pieces, with each size being used as an additive in the manufacture of a broad range of products. In addition to building materials, the recycled glass can also be used as an abrasive in sand blasting and as a filtration system for pools, while coloured pieces of glass can be used as decorative features in pot plants.

The article goes on to say that, in getting this project together, the National Packaging Covenant has provided a grant of $400,000 to Australian Glass Technologies. What is interesting to observe

is that it has been seven years since Sustainable Futures put that report together for the New South Wales government. What this article does not say is that it costs about $3 million, I understand, to set up such a plant. When one considers how we do it with our deposit system, one will see that it is a much more efficient way to do it.

I observe that, for the most part, plastic comes from oil and an increasing amount of our containers are made from plastic. From that perspective, given what we know about peak oil, I think there is a real imperative to reduce the usage of plastic bottles and do whatever we can to make sure that what we have is recycled. Glass, aluminium and plastic all have embodied energy in them from their manufacture, and aluminium is often referred to as congealed energy. I believe that we should be addressing this issue in the context of reducing climate change emissions that come from energy use.

I also remember that at least one of the submissions to the Environment, Resources and Development Committee suggested that we needed to include wine and spirit bottles as part of the deposit legislation. So, I would be interested to hear what the minister has to say about that. I would also like the minister to advise me whether she and her department, when they were drafting clause 7 of the bill, considered including something in new section 64E that recognises that our container deposit scheme also positively impacts on South Australia's efforts to address greenhouse gasses. I do recall that, when the High Court challenge was on about South Australia's deposit legislation in the 1980s, there was some argument about the intention of the legislation. As a state, we were arguing that it was about reducing waste and the benefits to the environment, while those who were opposing it were seeing it is a constraint on trade.

I truly believe that the impact it has to make in terms of climate change ought now to be recognised in the legislation. As I say, I would like to hear from the minister about that particular aspect. I probably will have an amendment to do that, unless she is able to give me very good reasons why I should not do so. This legislation still does not put a true value on containers but, bit by bit, I think we are edging in the right direction, and for that reason the Democrats will be supporting this bill.

The Hon. M. PARNELL (20:11): The Greens support this bill, which will strengthen the container deposit legislation provisions of the Environment Protection Act 1993. When container deposit legislation was first introduced in 1975, it was primarily seen as a tool to control litter and, in particular, drink containers—bottles and cans—that covered our roadside verges from one end of the country to the other. I think it has been a point of pride amongst South Australians that, over the past 30 years, we have been able to see that most of that litter now tends to stop at the South Australian border. Who here has not had a conversation with someone who has travelled saying, 'I noticed as soon as I crossed the border that I started seeing the bottles and cans again'.

The system has worked fairly well over many years, not the least of which is that it has changed our behaviour towards waste, and it has also been a major incentive to promote recycling. Most of this legislation is about behavioural change, and that is important because, until the recent announcement of putting up the deposit from 5¢ to 10¢, the deposit certainly has not kept pace with inflation. I understand that, if it had followed inflation, the deposit would now be 30¢, and that raises all sorts of issues about whether the container deposit legislation should be a mechanism to spawn industries to make money or whether there is a social benefit in keeping the deposit fairly low to encourage charities and even casual bin collectors. That is a debate that we can have as well.

The most important thing for me about this legislation is that container deposit legislation is now seen to be much more than just a litter control mechanism. Now it is about recovering valuable resources, reducing greenhouse pollution and even saving water. As the Hon. Sandra Kanck mentioned, much of the debate has been contentious, in particular in relation to savings and benefits. However, because I am interested to look at this recycling scheme from an energy saving point of view, I found a couple of local sources which seem fairly clear to me to be well based on research and science and which shows that there are genuine savings. For example, Clean Up Australia, an organisation that has been referred to previously, talks about the energy saving to be had in manufacturing glass from recycled cullet.

The main reason that it saves energy is that the recycled glass melts at a lower temperature than the virgin raw materials, and because they do not have to be heated to the same temperature, less fuel is required—and we are mostly talking about fossil fuels, oil and gas and, to a lesser extent, coal—which means that there are greenhouse benefits.

According to Clean Up Australia, making glass from recycled materials requires only 40 per cent of the energy used to make glass from sand. Another organisation close to home, KESAB, provides on its website a more detailed analysis of the costs and benefits of recycling and, again, looking just at the case study of glass, the organisation points out that using cullet for glass-making not only uses less energy but also enhances furnace life, so capital savings can be made as well.

KESAB estimates that, for every tonne of glass cullet reused, an equivalent of 135 litres of oil is saved in terms of production process in the furnace, extraction and transportation. KESAB points to another study which estimates that recycling glass containers saves between 13 and 25 per cent of the energy needed to make glass from virgin raw materials; and a third study it refers to talks about glass made from 100 per cent cullet using 20 to 35 per cent less energy than glass made wholly from virgin raw materials.

On the other hand—and this has been referred to before—some with vested interests in the packaging industry like to cite figures to show that there is, in fact, no benefit environmental or otherwise in recycling, and it is not that difficult to come up with a set of circumstances that might, for example, involve truckloads of glass travelling halfway across the country and taking into account the fuel used in that process before you can make a case for recycling not being efficient environmentally. But the point is that if we do this properly and we do it locally, there are clear savings in terms of energy use and, therefore, in relation to greenhouse gas emissions.

Another reason why I think this container deposit legislation is important is that it points to some further steps we will have to take as a society in the future and, by that, I mean that we need to engage in a debate about the appropriate level of responsibility that manufacturers of products (in particular, manufacturers of packages) have in order to take responsibility for their waste. At present, very little responsibility is taken by industry. There are incentives on end consumers—that is, members of the public—in that they can get a small deposit or they can get a feel-good factor if they put their recycling bin out on the kerb, but very little responsibility is attached to the manufacturers.

Another objective of this bill is to stop beverage containers purchased interstate, on which no deposit has been paid, from being cashed in here in South Australia. The mechanism is to provide for proof of purchase or certain declarations can be required in cases where large numbers of containers are presented for a deposit refund. The need for this provision, to me, highlights the importance of moving to a national scheme eventually or at least complementary legislation in the other states. From our perspective, that means New South Wales and Victoria should be the priority being the two states with the highest levels of interstate traffic with South Australia across our borders.

The Greens in the parliaments of the other states and territories have moved (or are about to move) for this type of legislation to be introduced into their jurisdictions. Most of my interstate colleagues' container deposit bills go much further than the South Australian scheme. For example, most Greens bills in other states incorporate paperboard as well. But to go back to where I started and talk about this as a litter control mechanism, if that remains our focus, then we will only ever apply a scheme like this to things that are known to end up in the litter stream when we should be concerned about things that end up in landfill and we should be concerned about things where recycling results in savings of resources, fuel and water.

So, there is no reason why a peanut butter jar eventually should not attract some level of deposit if we find that voluntary measures such as kerbside recycling do not of themselves work. I would be interested to see the statistics and I would be interested if the minister could provide us with any statistics about whether items other than beverage containers could have increased recycling rates if they were subject to a deposit.

The final point I make is that, with these moves happening interstate (and it is not just Greens members in other parliaments; other state governments are now seriously talking about this sort of legislation in their state), I do not think it will be very long before our leadership in this area is overtaken by some other jurisdiction. It is one of those things that we see in this place a lot, where innovative legislation of 20 or 30 years ago serves us well for a while, but we very quickly lose the forefront position we had as other states take over. So, there is an opportunity for us to take the example of CDL and extend it to other items where there are clear benefits from recycling. With those words, I indicate that the Greens are happy to support this legislation.

Debate adjourned on motion of Hon. B.V. Finnigan.

PAY-ROLL TAX (HARMONISATION PROJECT) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 3280.)

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (20:22): I thank the Hon. Mr Darley and the Hon. Mr Lucas for their contributions to this debate.

During the debate, the Hon. Rob Lucas asked a number of questions, and I provide the following responses. The honourable member asked: which jurisdictions have agreed to harmonise their payroll tax provisions in relation to the eight areas that are the subject of this bill? I am advised as follows. All jurisdictions have committed to harmonisation in the eight areas. The eight areas nominated for greater harmonisation originally included the timing of payroll tax payments, which was subsequently found to be sufficiently consistent, therefore no changes are being made in this area.

New South Wales and Victoria have already legislated, with effect from 1 July 2007, in relation to these matters. All other jurisdictions have committed to implement these reforms from 1 July 2008, with the exception of Western Australia, which will delay implementation of an expanded commissioner's discretion to disallow grouping until 1 July 2009.

As I understand the honourable member's second question, he asked for a breakdown of the revenue implications in relation to each of the eight different areas where changes are being made in this bill. He asked whether business will benefit from or be disadvantaged by the changes in each of the eight areas. Given that no changes are being made in relation to the timing of payments, I am advised that the breakdown of costs in relation to the seven remaining areas are as follows:

Motor vehicle allowances: the motor vehicle allowance changes are estimated to result in a revenue cost of $0.9 million in 2008-09, $1 million in 2009-10, and $1.1 million in 2010-11. South Australia will increase its exemption rate for motor vehicle allowances to align with the Australian Taxation Office large car rate for income deduction purposes. South Australia currently has a lower motor vehicle allowance rate, therefore all taxpayers paying motor vehicle allowances will benefit.

Accommodation allowances: the accommodation allowance changes are estimated to result in a revenue cost of $0.9 million in 2008-09, $1.0 million in 2009-10, and $1.1 million in 2010-11. South Australia will increase its exemption rate for accommodation allowances to align with those set by the Australian Taxation Office for income deduction purposes. South Australia currently has a lower accommodation allowance rate, therefore all taxpayers paying accommodation allowances will benefit.

Fringe benefits: the fringe benefit changes are estimated to result in a revenue cost of $0.9 million in 2008-9, $1 million in 2009-10, and $1.1 million in 2010-11. The use of the type 2 gross-up factor under fringe benefits tax legislation will benefit taxpayers because it results in a smaller gross-up of fringe benefits relative to the type 1 gross-up rate.

Work performed in another country: currently, wages paid or payable in respect of services that are performed wholly outside Australia for a continuous period of more than six months are exempt from the time the initial six-month period overseas has been served. From 1 July 2008, such wages will be exempt from payroll tax from the commencement of the period of overseas service. No costing is available for this measure, but the government considers that the revenue impact will be minimal, with the changes benefiting all affected taxpayers.

Superannuation contributions to non-employee directors: I can advise that businesses that make superannuation payments to non-employee directors will have to pay payroll tax on these payments where they did not have to do so before. The government considers that the revenue impact in this area will be minimal.

Grouping changes: the grouping changes are estimated to result in a revenue cost in 2008-09 of $2.8 million, of $3.2 million in 2009-10, and of $3.4 million in 2010-11. The main reason for the revenue cost in the grouping provision is that the common control test threshold will now be more than 50 per cent, where previously it was 50 per cent or more. All businesses that were previously grouped due to a common control interest of 50 per cent will now fall outside the provision. Changes have also been made to the provisions in the following areas:

- the definition of 'business' has been aligned;

- the criteria for groups arising from the use of common employees have been aligned; and
- in determining controlling interests, a new category of grouping will be adopted that provides for the tracing interests in corporations.

I am advised that, while particular circumstances could arise in which a business could be disadvantaged by these changes, I understand that no submissions from any particular businesses have been received on the basis that they may be unfairly disadvantaged.

I am further advised that the proposed tracing provisions were introduced in Victoria from 1 July 2007 and that the Victorian Revenue Office has advised that they did not find these provisions to be contentious with taxpayers and that the revenue implications have not been significant.

Employee share acquisition schemes: there will be no revenue effects in respect of these provisions. Employee share acquisition schemes are currently liable to payroll tax through the general provisions in the Payroll Tax Act relating to the definition of wages. The new specific provisions will, however, provide more transparency.

Exemptions: in addition to the eight areas of harmonisation, the government has also agreed to introduce four new exemptions into the Payroll Tax Act. The provision of these exemptions will provide benefits to all affected taxpayers. The exemption for adoption and maternity leave payments is estimated to result in a revenue cost of $0.5 million in 2008-09, of $0.6 million in 2009-10, and of $0.6 million in 2010-11.

The exemption for charities is estimated to result in a revenue cost of $0.9 million in 2008-09, of $1 million in 2009-10, and of $1.1 million in 2010-11. The exemption for volunteer and bushfire emergency workers is estimated to result in a revenue cost of $0.9 million in 2008-09, of $1 million in 2009-10, and of $1.1 million in 2010-11. The exemption for the Community Development Employment Project is estimated to result in a revenue cost of up to $0.5 million in 2008-09, up to $0.6 million in 2009-10, and up to $0.6 million in 2010-11. The second reading explanation states:

South Australia is to retain the Commissioner of State Taxation's discretion to disallow grouping except for related corporations pursuant to the Corporations Act 2001 (Commonwealth) .

The Hon. Mr Lucas asked: does this mean that South Australia is the only state to retain this discretion? I am advised that all jurisdictions have committed to retaining or introducing the commissioner's discretion in the same form as it appears in the bill; that is, South Australia would be consistent with all jurisdictions in that regard. I again note that implementation of this measure in Western Australia will be delayed until 1 July 2009. I trust this answers the questions adequately for the honourable member.

Bill read a second time.

STAMP DUTIES (TRUSTS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 10 April 2008. Page 2423.)

The Hon. R.I. LUCAS (20:30): I rise on behalf of Liberal members in the Legislative Council to support the second reading of the Stamp Duties (Trusts) Amendment Bill. In doing so, I must admit that I had a sense of deja vu about this particular piece of legislation as the second reading does refer to previous endeavours by this parliament to close off a particular loophole first identified in 1999 (I think) by way of a High Court decision—the case of MSP Nominees Pty Ltd v the Commissioner of Stamps. *Hansard* shows that the then treasurer on 5 December 2000, one Hon. R.I. Lucas MLC, said the following:

The fourth amendment operates to restore the stamp duty base to that existing prior to the High Court decision in the case of MSP Nominees Pty Ltd vs Commissioner of Stamps (1999) 166 ALR 149 ('the MSP Case').

In the decision in the MSP case handed down on 30 September 1999, the High Court decided that a redemption of units in a unit trust is not liable to duty under the Act, as a redemption does not constitute a release or surrender of a beneficial interest in the trust fund or in the underlying property of the trust. Previously it had been long standing and accepted interpretation and practice that such transactions were liable to ad valorem conveyance duty.

After receiving advice from the Crown Solicitor in relation to the High Court's decision, it became apparent that if no action was taken to protect the revenue base as a result of the decision, a significant amount of revenue would be lost, which will have a significant impact on the Government's budgetary situation.

The proposed amendments operate to ensure that the transfer, issue and redemption of units in unit trusts that own (through the trustee) South Australian property are liable to ad valorem conveyance duty based on the value of the South Australian property 'conveyed' as a result of the transfer, issue or redemption.

This is achieved by amending the definition of what constitutes a transfer in the Act, clarifying the types of transactions that are deemed to be voluntary dispositions inter-vivos and inserting new territorial provisions which will ensure that RevenueSA can continue taxing the transactions that were considered to be dutiable prior to the MSP case.

The second reading explanation goes on. I will not read all of it. Further on it states:

The levying of duty in relation to property in South Australia visa-vis property outside South Australia necessitates apportionment provisions being included in the bill. These provisions do no more than confirm the current assessing practices adopted by RevenueSA.

The Crown Solicitor is of the view that the provisions of the bill effectively counter the decision by the High Court in the MSP case to re-instate the pre-existing status quo.

The bill was initially drafted to operate retrospectively to validate all ad valorem assessments issued prior to the decision in the MSP case in relation to the redemption provisions. However, after wide consultation was undertaken with industry bodies the view was strongly put forward by these bodies that the provisions as drafted were inequitable. A compromise position has therefore been reached.

The provisions will now operate retrospectively prior to 30 September 1999 except in situations where valid objections or appeals (that are yet to be determined) have been lodged within 60 days of the assessment. The provisions will also operate from the date of introduction of the bill into Parliament.

This compromise provision will significantly protect the revenue base (although it does involve some repayment of stamp duty to taxpayers), whilst at the same time accommodating many of the concerns raised by industry bodies.

As I said, the introduction of this bill led me to quickly recall the debates of almost eight years ago. I therefore had a look at some of the contributions that were made by members in this place—the Hon. Mr Holloway and the now Treasurer Foley in the House of Assembly.

It is clear that the High Court decision was taken on 30 September 1999 and that legal advice was provided to me, as treasurer, about a month later on 30 October 1999. The matter was the subject of a cabinet submission on 8 November 1999, and a first draft bill was issued on 14 May 2000 for consultation. Ultimately, the bill was considered in the parliament in November and December 2000. So, there was a delay of some 14 months or so from the High Court decision to entry into parliament.

From the wonderful vantage point of opposition, it is fair to say that the Hon. Mr Holloway and the then member for Hart—I think he was—Mr Foley, waxed lyrical about the extraordinary delays by the then government in introducing legislation to correct a High Court decision from September 1999, that is, there had been a delay of just over a year in having the bill introduced.

The Hon. Mr Holloway, on a number of occasions in his contribution, was critical of the delays. It is fair to say that his criticisms, as was often the case in those days, paled in comparison to the criticisms made by the member for Hart (Mr Foley), who was joined on that occasion by the member for Ross Smith (Mr Clark), a former good friend of the Labor Party, who spoke at length in the second reading debate and at the committee stage.

As I said, the member for Hart—now Treasurer—was very critical of the 'negligence/incompetence' and various other descriptions of the lack of activity of the government in bringing that legislation to the parliament to correct that particular problem. For the benefit of members, I will not read all the contributions of Mr Foley and Mr Clark into the record. I do not think that any reader who wants to go back to those debates will disagree that—

The Hon. P. Holloway: I assume we supported it.

The Hon. R.I. LUCAS: Very reluctantly, you said in the end.

The Hon. B.V. Finnigan interjecting:

The Hon. R.I. LUCAS: Well, that speech was very clear, I thought. As I said, I think that most people who go back to those debates will think that my summation, that the then opposition was strongly critical, is relatively fair. I intend to raise questions during the second reading debate in relation to this matter. I do note that, whilst the Hon. Mr Holloway, Mr Foley and Mr Clark were very critical of the delay of some 14 months, this High Court decision was actually brought down on 28 September 2005. On the last check, I think we are into 2008 at the moment, so it is almost three years after that High Court decision was taken down.

The now Treasurer and the now Leader of the Government in the Legislative Council, as I said, were very critical of the former government in relation to the delay. I have a series of

questions for the Leader of the Government, which we can pursue during the committee stage, as to what on earth he and the government have been doing since 28 September 2005 in relation to this particular decision.

Just to help smooth the passage during the committee stage, can the minister get advice from the Treasurer as to when the Treasurer was first advised by RevenueSA, the Solicitor-General or the Crown Solicitor of these particular concerns as covered by a similar case in Victoria of 28 September 2005—CPT Custodian Pty Ltd v the Commissioner of State Revenue—in that particular jurisdiction?

The section of the second reading explanation in question states, 'As a result'—and it is not entirely clear as a result of what, but it states:

> As a result of objections lodged against assessments of stamp duty made on the above basis, the Solicitor-General and Crown Solicitor provided RevenueSA with advice that exemption 26 operates more broadly than was intended and recommended that consideration should be given to amending the exemption to more clearly provide—

a split infinitive, I note—

> for the limited exemption that was intended.

When were the objections lodged against assessment of stamp duty in relation to these particular provisions? How many objections were lodged, and what was the total cost of revenue in dispute? Before anyone indicates that these sorts of issues are not canvassed, I refer them to the debate in 2000 when the former government listed six cases in dispute in relation to MSP Nominees, totalling revenue (I am going on memory now) of $6 million.

Obviously the privacy provisions do not allow, and should not allow, the naming of the individual disputants, if I can use that inappropriate word—'objectors' perhaps is a better one—but the revenue at risk, if I can put it that way, was certainly provided, and RevenueSA would have the information in relation to those particular cases.

So, what was the total at-risk revenue? When was that advice first provided, first, to RevenueSA and, in particular, was it pre the decision of the High Court on 28 September 2005? When did RevenueSA advise the Treasurer of these particular concerns? When was the first memo from the commissioner to the Treasurer that there was this particular concern in relation to the land-rich provisions in the legislation?

After 28 September 2005—and why I asked the question earlier—it would appear that the issues I raised then were all raised prior to 28 September 2005, if one follows the sequencing of the second reading explanation. Knowing the officers within RevenueSA and Treasury, I am sure that they would follow the logical sequence as they would normally do. After the second reading explanation refers to the High Court decision of 28 September, it then states:

> The Crown Solicitor has advised that the decision in the CPT case essentially means that the transfer of a unit in a unit trust will not constitute a transfer of property that is subject to that trust and, therefore, is not liable to ad valorem conveyance duty in South Australia. Consequently, further amendments are now required.

On what date after 28 September 2005 did the Crown Solicitor advise the commissioner or RevenueSA, whoever is handling the case, of the concerns? Did the commissioner, prior to receiving the Crown Solicitor's advice, advise the Treasurer of the concerns in relation to the potential implications of this High Court decision, and if he did not prior to the Crown Solicitor's advice, how soon after receiving the Crown Solicitor's advice (on what date) did he advise the Treasurer of his concerns in relation to the implications of the High Court decision on the stamp duty base here in South Australia as a result of that particular decision? The Treasurer might like to—on advice, I am sure—indicate what then transpired between, I am assuming, some time soon after September 2005 and the present time, almost three years later.

I understand that there was no consultation with the industry in relation to this legislation for fears of the industry becoming aware of what the government was intending. I think that is a fair summation of the government's position. However, I seek confirmation of that—that is, between 2005 and 2008 that there was no consultation with industry groups or the normal group of people that the commissioner normally consults in relation to state tax matters.

The commissioner will be aware that there is a body (the name of which escapes me now; something like the joint legislation committee of a number of accounting bodies here in South Australia) that is normally consulted by the commissioner in relation to state taxation matters. I am assuming that there was no consultation with that body or, indeed, any other body or individuals. I seek confirmation that the government did not consult any individual—I am not just talking about bodies but any individual—in relation to these issues.

If that is the case, what was occurring between 2005 and 2008 in relation to these issues? Again, I remind members that the Treasurer and the Leader of the Government in this chamber have very strong views on this matter and certainly delays of 14 months in introducing amending legislation in the parliament is tardiness in the extreme, and I am sure they would be consistent in their views in relation to a delay of up to three years in the introduction of the legislation.

I also seek a response from the Treasurer specifically in relation to the issues that were identified as 'at risk' in relation to the Victorian legislation and, therefore, its application to South Australia. Having some marginal experience of the time required for High Court decisions, I assume that this issue was well known to the commissioner probably a number of years (but certainly many months) prior to the High Court decision of 28 September 2005. I seek advice, through the Treasurer, from the commissioner as to when he and his officers were aware that this case was being tested in the Victorian High Court.

In particular, I am asking whether the provisions in the Victorian legislation were exactly the same as the provisions in the South Australian legislation. That is, the commissioner was obviously aware of what was being challenged in Victoria in relation to the specific provisions of their legislation, but were the provisions in South Australia exactly the same or were there some marginal differences in terms of the drafting of our provisions in South Australia?

I also ask, particularly in these areas, as to whether the government had any other legal advice at any time throughout this period which was contrary to the final decision of the High Court on 28 September 2005 or, subsequently, the decision of the Solicitor General and the Crown Solicitor. That is, did the commissioner take any other legal advice at any stage throughout this long period in relation to this particular issue?

I also seek advice from the Treasurer regarding the extent of the revenue at risk should the parliament not confirm these provisions through the amending legislation. I asked earlier about the number of objections lodged and their potential cost, but the commissioner will have advised the Treasurer, in preparation of the cabinet submission, that unless these things are 'fixed up' (to use a colloquial expression) there will be a sum of $20 million or $50 million (or whatever it may be) potentially at risk in relation to these issues.

Regarding the objections I also ask what, if any, position has been arrived at in terms of people who have lodged objections and who, under the current law, would have been successful in not having to pay stamp duty had they taken it to court? Has the government come to any arrangement at all in those cases where people have expended their own money on legal advice, etc.? As I understand the nature of this particular decision, should it pass the parliament they will ultimately still be liable for the stamp duty payable.

In the second reading explanation the government highlighted two unintended consequences of the amendments of 1999 and 2000. The first is described as follows:

> It has since become apparent that the structure of the amendment act has led to unintended consequences in relation to two exemptions available under the act. Firstly, the exemption contained in section 71(5)(e) is arguably not available in respect of distributions and transfers from certain trusts. Prior to the MSP decision, the view held by RevenueSA was that a distribution from a unit trust was exempt from ad valorem duty on the basis that a unit trust was considered a fixed trust in which the unit holders had an equitable interest in the trust assets.

Let us be clear on that: prior to the MSP decision (which was in 1999) the view held by RevenueSA was that distribution from a unit trust was exempt from ad valorem duty. Therefore, RevenueSA was not charging stamp duty on those particular transactions. The second reading explanation goes on:

> The operation of the act as a result of the MSP decision and the subsequent amendments is such that the exemption contained in section 71(5)(e) will not apply where trust property is transferred to a unit holder of a unit trust as the unit holder is not considered to have a beneficial interest in the property transferred. Transfers of property from superannuation funds to fund members are similarly not exempt from duty. Given that this result was not intended, RevenueSA has continued to administer the exemption in a manner consistent with the practice of the office prior to the decision in the MSP case, so as not to remove benefits to taxpayers.
>
> In order to give legislative effect to this practice, the bill amends section 71(5)(e) to exempt, from ad valorem duty, distributions from unit trusts, or transfers of property from superannuation trusts to the extent of the value of the unit holder's or fund member's interest in the trust.

I seek clarification of this unintended consequence. If I have understood the second reading explanation (and I seek advice from RevenueSA officers, through the minister, as to whether I have understood it correctly), it appears to say that RevenueSA has continued, in these particular cases, not to remove benefits to taxpayers.

That is, in these particular cases they have not been charging stamp duty. As there does not appear to be anyone who has been disadvantaged, I am assuming that no-one has objected. You would normally object only if you have been charged stamp duty and you do not think that you should have been. You do not normally object if you have not been charged stamp duty and perhaps you should have been.

If I have read this correctly, I am assuming there has been no objection lodged by anybody and it may well be that what we are talking about here is that RevenueSA itself—or it has taken Crown Law advice—has said, 'You are not interpreting the act correctly', that is, 'You are giving an exemption and a concession when you shouldn't be.' There is no reference in this to advice from the Crown Solicitor or the Solicitor-General. The other parts of the second reading explanation generously refer to advice from the Solicitor-General and the Crown Solicitor.

My questions to the commissioner, through the minister, are as follows: first, have I understood what the second reading explanation is trying to tell us as legislators is the nature of the issue here? Secondly, if I have understood it, was Crown Solicitor's advice or Solicitor-General's advice taken in relation to this particular issue? If so, when was that advice taken and what was the nature of the advice provided by the Solicitor-General or the Crown Solicitor? If that advice was not provided by either of those legal authorities, was it provided by another legal authority, or was this a view formed by the commissioner and/or his senior officers in relation to these issues?

My recollection of the normal practice of RevenueSA is that, if it had come to a conclusion such as this, it would normally have sought confirmation from the Crown Solicitor on something as important or as serious as this, that is, in essence, that the officers had not been interpreting the act correctly, there was a new legal view and that maybe they had been giving a benefit that they should not have been giving; they had not been charging stamp duty when they should have been. You might have had a grumpy Treasurer who was saying, 'Hey, you're telling me that we should be ripping out some stamp duty from people and we haven't been. What's the explanation in relation to why we're not collecting stamp duty when we should have been?'

Will the commissioner also indicate what level of stamp duty is covered by this particular area? That is, what might the Commissioner of State Taxation and the government have been collecting if they have been interpreting the legislation since 1999 on the basis of, I assume, the legal advice that the Solicitor-General or Crown Solicitor has given to the Treasurer?

The opposition supports the second reading of the legislation, although I await the minister's response. Again, if it is possible, I would appreciate receiving a written copy so that I can then consult with one or two people who have an interest in this particular area. I am not sure that I mentioned this in the earlier part of my contribution, but if the commissioner's answers to my questions on consultation are that he and the government did not consult for reasons of confidentiality, etc., is that a significant change in policy from the previous policy adopted by the commissioner on stamp duty legislation?

Certainly in relation to the MSP legislation in 1999-2000, *Hansard* is full of references to the reason for the 14-month delay, which was that the commissioner drafted legislation and went out and consulted with the industry, received feedback and came back and provided advice to the then treasurer and to the government in relation to that. If the answer is that there was no consultation, is that now a change of policy from the commissioner? If it is a change of policy, will the minister indicate when this policy was changed and the basis for the policy change? Does it apply to all state taxation issues? Is it now being adopted through all state tax issues in relation to legislation being introduced into the parliament?

I think it is an important issue because it is a complicated area of the law. Only a limited number of people are what one would call experts, in addition to officers within RevenueSA. Previous practice has meant that there has been consultation with a number of those other experts. If the current practice is that there is to be no consultation with those experts, on past experience I would say that we (the parliament and the government) would leave ourselves open to the potential for more examples of unintended consequences having to be revisited by the parliament.

The brutal reality is that on these issues not all wisdom rests within RevenueSA. There are people on the other side of the tax equation with considerable expertise in terms of getting around the law, some of whom are still practising in the area and some of whom have left the area but who would be happy to be consulted on these issues, even on a consultancy basis. Certainly, it would be good legislative practice to ensure that there was access to views from outside RevenueSA in

relation to some of these complicated areas prior to their going through the executive arm of government and, ultimately, coming into the parliament.

The Hon. R.P. WORTLEY (21:02): I support the bill which seeks to amend certain provisions relating to trusts within the Stamp Duties Act 1923. These amendments are made in consequence of two High Court decisions to which I will refer later. Until the first of these two cases in 1999, RevenueSA was of the view that a distribution from a unit trust was exempted from ad valorem duty. Ad valorem refers to duties that are 'graduated according to the value of the subject matter taxed'.

The basis for the view held by RevenueSA was that a unit trust was considered to be a fixed trust and that unit holders held an equitable interest in the trust assets. Then came the decision in MSP Nominees Pty Ltd v Commissioner of Stamps. This case concerned the construction of the Stamp Duties Act 1923 and its application to the redemption of units in a unit trust scheme.

The High Court held that a redemption of units in a unit trust was not liable to duty under the act. The Stamp Duties (Land Rich and Redemption) Amendment Act 2000 was subsequently enacted to ensure that liability for ad valorem conveyance duty remained for the issue and redemption of units in private unit trusts owning property in this state unless a relevant exemption applied.

However, the amendment act, specifically section 71(5)(e) and general exemption 26 of schedule 2 of the act, led to results not intended by the then legislature. As a result, RevenueSA has continued the practice established prior to the MSP case with regard to section 71(5)(e). This bill amends that subsection to give the practice legislative effect. The amendment before us now provides greater clarity in terms of the limited exemption intended by general exemption 26 of schedule 2 of the act.

The second High Court decision impacting on the Stamp Duties Act 1923 was CPT Custodian Pty Ltd v Commissioner of State Revenue in 2005. It placed a question mark over the effectiveness of the amendments made to the charging provisions of the act as a result of the MSP decision. As a result, additional amendments are required to ensure that the private unit trust provisions continue to have the same application, as was the case prior to the CPT decision. In order to protect revenue, the amendments are designed to operate both retrospectively and prospectively.

Finally, the bill examines two additional stamp duty exemptions. The first of these deals with the inequitable restriction to an exemption. The bill looks to exemption from ad valorem duty where trust property is subdivided into community or community/strata titles and transferred to previously identified beneficiaries as required under the trust. The second of these relates to the action of Chapter 5C of the Commonwealth—

Members interjecting:

The Hon. R.P. WORTLEY: Mr President, if they want to speak, members can move out the front or out the back if they wish.

The PRESIDENT: Order! I will make the decisions about where people speak.

The Hon. R.P. WORTLEY: Thank you for your protection, Mr President, from this rabble across from us. The second of these rules relates to the action of Chapter 5C of the commonwealth corporations law. This, of course, predated the Corporations Act 2001. If technically construed, this makes a transfer between a responsible entity which holds property and undertakes the business of a scheme and the custodian of a managed investment scheme a voluntary conveyance and therefore subject to ad valorem conveyance duties. In other jurisdictions, an exemption—or at the least a concession—operates with regard to transfers of this nature, and it is the government's view that, following extensive consultation, the exemption is warranted. The provisions put forward in this bill are proportionate to the inconsistencies and inequities encountered in the area I have outlined, and they protect the revenue appropriately. I support the bill.

Debate adjourned on motion of Hon. I.K. Hunter.

PREVENTION OF CRUELTY TO ANIMALS (ANIMAL WELFARE) AMENDMENT BILL

Consideration in committee of the House of Assembly's amendments.

The Hon. G.E. GAGO: I move:

That the House of Assembly's amendments be agreed to.

Two amendments were made to the bill in this place during debate—

The Hon. D.W. RIDGWAY: Mr Chairman, I cannot hear with the Hon. Mr Wortley yapping up there. Can you please make him go outside somewhere so that we can hear?

The CHAIRMAN: Order!

The Hon. D.W. RIDGWAY: I beg your pardon, Mr Chair; I could not hear.

The CHAIRMAN: Order! The honourable member can take a seat in the gallery.

The Hon. G.E. GAGO: Two amendments were agreed to in this place during debate. The government moved a number of amendments, but the government subsequently moved two minor amendments in the House of Assembly to further clarify what was intended, and this was in turn supported in the lower house. I understand that these changes were discussed with the members who put the original amendments and they were approved. The first amendment includes clarifying training requirements and the second involves clarifying the meaning of any action required, about which an inspector must inform a person.

The Hon. C.V. SCHAEFER: The opposition supports the amendments. As I have said on a number of occasions, my colleagues and I heartily concur with some provisions of this bill. Other provisions are more about an inherent mistrust of farmers than anything to do with animal welfare, and those involved in particularly intensive animal husbandry have been shabbily treated by the government in this bill. However, there are times at the end of legislation where one can only take the briefings and advice one is given by parliamentary counsel and others in good faith, and the opposition is doing that at this time and will support the government's amendments from another place.

Motion carried.

CRIMINAL LAW CONSOLIDATION (DOUBLE JEOPARDY) AMENDMENT BILL

In committee.

(Continued from 29 April 2008. Page 2484.)

Clause 1.

The Hon. S.G. WADE: When the committee last met the government undertook to give the opposition a briefing on issues raised by members of the judiciary. The government provided that briefing, for which we are grateful, and we will support the government amendments in the context of that briefing. However, I raise some issues with the government in relation to judicial consultation on legislation. At the end of committee when it last met there was a general comment, which I understood to mean that there is no formalised procedure for consulting with judges, the Courts Administration Authority or similar, that it was dependent on the bill. I do not dispute that as it sounds quite appropriate.

It did raise the issue, however, that here we had the parliament becoming accidentally aware of concerns of the judges in relation to bills that were being consulted on with the executive. I am not reflecting on the process, and let us for the purposes of this case assume that the process for this bill was impeccable. The fact that the Chief Justice's comments became available after the bill was submitted might raise questions, but that is not my focus. My focus is on clause 1 in relation to the potential for the executive to be a filter for the judges' views on matters in relation to a bill.

In that respect I think it is important to stress that judges in particular have a unique status in our system of law (I am differentiating between the Courts Administration Authority and other parts of the judicial administration hierarchy), and it is very important that the judges maintain their independence from the executive. We could assume that the executive will give due respect to the views of the judges and would take the opportunity to raise any concerns that the judges might have with the parliament so the parliament could consider the merits or otherwise of the judges' submissions, but recent events would raise concerns in my mind as to whether that, in fact, would happen. I refer specifically to comments attributed to the Attorney-General last week in *The Australian* in relation to sentencing principles put on an internal Courts Administration Authority website by Deputy Chief Magistrate Andrew Cannon. *The Australian* article reports this exchange in the following terms:

South Australia's Attorney-General has denounced the state's second-most senior magistrate as 'daft' and 'delusional' for calling for prison overcrowding to be factored into criminal sentencing.

The ferocity of the criticism from Michael Atkinson, South Australia's first law officer, of deputy chief magistrate Andrew Cannon yesterday stunned the Adelaide legal community.

Mr Atkinson's office was on the back foot last night to justify [the Attorney-General's] language, and some of the grounds he had used to blast Dr Cannon, who is an adjunct professor of law and the state's senior mining warden.

[The Attorney-General] launched his broadside after Dr Cannon's set of 'generic' sentencing principles were posted on an internal Courts Administration Authority website accessed by other magistrates and judges.

Mr Atkinson said Dr Cannon was 'delusional', misunderstood his place in the legal hierarchy and had demonstrated a 'daft misunderstanding of the law.'

'I would be astonished if any...competent magistrate would pay any attention whatsoever to this so-called statement of principles.'

I will ignore some intervening remarks, but the concluding remarks go specifically to my point about the relationship between the executive and the judiciary. The article continues:

Asked last night to point out where Dr Cannon had used the terminology Mr Atkinson had attributed to him, the minister's spokeswoman said it was implicit to the argument Dr Cannon had advanced. She did not respond to a request for further details.

Asked if he retained confidence in Dr Cannon, Mr Atkinson said: 'I am awaiting an explanation of what has been uploaded to the magistrates' information system.'

So we have an Attorney-General referring to a deputy chief magistrate in our courts as delusional, misunderstanding his place in the legal hierarchy, and having a daft misunderstanding of the law. Then, when the media ask whether the Attorney-General has confidence in the magistrate, he says, 'I am awaiting an explanation of what has been uploaded to the magistrates' information system.'

I remind this government that, repeatedly, we have insidious undermining of the courts and the judges. Judges are not always right, but society is weakened when its institutions, specifically its judicial institutions, are undermined. In relation to judicial independence, the Premier and the Attorney-General can play their media games and undermine the judges on case work, and I think it is reprehensible.

However, when you are involving judicial consultation on bills, that specifically relates to the rights of this parliament. I think it is an issue that this parliament should explore further, and I would like to ask some questions of the minister in this context. It may well be that he will need to seek further advice, but I think it is an issue that we need to be mindful of. This is not about whether or not a particular case should be appealed: it is about judicial consultation on bills. I think it is especially important where we are talking about matters that are relevant to judicial expertise—for example, laws that relate to procedure, evidence or sentencing.

Let us remind ourselves of the context in which the Attorney-General made his bizarre remarks. It was in the context of an internal Courts Administration Authority website talking about sentencing principles, which is completely within the province and expertise of the Deputy Chief Magistrate and far less so the province of the Attorney-General. However, the Attorney-General saw fit to make what was, I think, an extremely inappropriate attack on a member of the judiciary. Does the government accept that when judges have been engaged in consultation on bills, particularly in relation to areas of judicial expertise rather than matters of policy, this parliament should be informed of the views of the judges?

The Hon. P. HOLLOWAY: The point that needs to be made is that this parliament makes legislation. There is a process, which I outlined during the previous debate, whereby the government can seek the views of a number of interested parties. However, at the end of the day, it is up to the government to decide which bills it puts forward and it is up to this parliament to decide whether or not we accept them. It then becomes the role of the judiciary to adjudicate on matters that are subject to the act that this parliament passes.

All I can say in relation to the process that was followed here is that it was appropriate and consistent, as I understand it, with past practice; that is, the comments of the Chief Justice, the Chief Judge, the Chief Magistrate, I think, the DPP and a number of others are sought. However, that does not necessarily mean that the government or this parliament is obliged to accept them.

The Hon. S.G. WADE: I should stress that I am not criticising the minister or the officers or anyone else in relation to this bill. It is the fact that we became aware of the comments from the judges that raised the issue in my mind. I want to stress that this is not about this case. The minister has chosen to misunderstand my point, which is about the awareness of this parliament of

comments by the judges. I think it is important, and I will try to discipline myself to make sure that, whenever a piece of legislation comes before us, I will ask the government whether or not it has received comments from the judges that the parliament should be made aware of.

I refer in particular to matters that relate to judicial process. I think it is something that the government should turn its mind to. Perhaps it is something that is more appropriately dealt with by correspondence with the Attorney-General. However, I think it is an issue that we as a parliament should be mindful of, because I do not think it is appropriate for the executive to tell us what advice we are worthy of considering. I do not propose to pursue the matter further than that.

The Hon. P. HOLLOWAY: My understanding of the way in which this works is that the Chief Justice does not speak on policy matters (and I assume the same would apply for the other judicial officers whose views are sought). However, he has the option to speak on matters of legal technicality and procedures and, if necessary, resources, and that is the way it should be.

The honourable member can if he likes keep raising those matters, but if he makes it a matter of political controversy I would imagine that the judiciary would be less likely to comment on aspects that could become matters of political discussion. I think if that happened it would be most unfortunate and the development of legislation would be all the worse for it.

The Hon. S.G. WADE: I think it is a bit rich for this government to talk about plebiscising judiciary.

Clause passed.

Clauses 2 to 4 passed.

Clause 5.

The Hon. P. HOLLOWAY: I move:

Page 3, line 19 [clause 5, inserted section 331(1), definition of acquittal, (b)]—Before 'discretion' insert:

direction or

The bill defines 'acquittal' to include an acquittal made on appeal or an appeal made at the discretion of the court. This was intended to include an acquittal by a direction, most obviously after a successful no case to answer submission, and an acquittal in other circumstances such as an acquittal entered by verdict on trial by judge alone. The Chief Justice thought that 'discretion' was a misprint for 'direction'. That was not so, but given the comment, I think it is useful to make the distinction clear.

The Hon. S.G. WADE: The opposition supports the amendment.

Amendment carried.

The Hon. P. HOLLOWAY: I move:

Page 3, line 28 [clause 5, inserted section 331(1), definition of administration of justice offence, (e)]—

Delete 'an offence against' and substitute:

a substantially similar offence against a previous enactment or

Page 4, line 12 [clause 5, inserted section 331(1), definition of category A offence, (h)]—

Delete 'an offence against' and substitute:

a substantially similar offence against a previous enactment or

These amendments do precisely the same thing. They are in the same clause and may be considered together. A late submission from the DPP was received by the government. The effect of the submission was that the legislation was rightly expressed to apply to offences committed in the past, but the list of offences to which the various methods to retrial were drafted only referred to recent manifestations of the relevant offences and not to versions of those offences as they existed in the past. The modern versions of the offences did not exist then and so the object of the legislation would be hampered significantly. The criticism is quite right, it should be fixed, and that is what these amendments seek to do.

The ACTING CHAIRMAN (Hon. J.S.L. Dawkins): I inform the committee that there appears to be an amendment that the table have not received but which the minister has addressed. However, until the table receives the amendment, we find it difficult to proceed. The one with which we are dealing is listed as 'Amendment No. 1 [Police—2]'.

The Hon. S.G. WADE: We have not seen these amendments, and I would ask the minister to explain the source. Do these relate, as set one does, to comments by the judges?

The Hon. P. HOLLOWAY: As I indicated, these come as a result of a late submission from the Director of Public Prosecutions. The effect of the submission was that the legislation was rightly expressed to apply to offences committed in the past but the list of offences to which the various methods to retrial were drafted referred only to recent manifestations of the relevant offences and not to versions of those offences as they existed in the past. The modern versions of the offences did not, of course, exist then, so the object of the legislation would be hampered significantly.

I apologise to the honourable member. It was my understanding that these were on file but, if the honourable member has not seen them, we can report progress. I suggest they are fairly straightforward. It just comes as a result of the DPP, but if you want time to consider them—

The ACTING CHAIRMAN: The Hon. Mr Wade, before you address that, if we proceed, the minister has moved them together, I think.

The Hon. S.G. WADE: The opposition indicates that we are not aware of the second set of the minister's amendments nor is it in our table set. We ask the government to agree to report progress so that these can be given consideration; also, we would like to raise our concerns that this is the second set of responses to the bill from beyond the Justice Department, and it further raises questions about the process the government is going through in terms of consultation on bills.

The Hon. P. HOLLOWAY: In relation to the latter one, the bill was sent out. This was a very late submission. The bill has already been through the House of Assembly and this council last considered it in April, and I understand that these amendments came through in May. It was our understanding that they had been on file, yet that is obviously not the case, so I apologise to the chamber for that and I am happy to report progress. But, in relation to the honourable member's comments about process, I indicate that if comments are made, however late, that raise important issues in relation to the bill, they ought to be considered and the government would always do that, and that is what we have done here. I believe that they were supposed to be filed on 16 May but they probably have not been added for whatever reason. Let's not waste any more time on it. I appreciate that the opposition needs time to consider them but they have come as a result of suggestions from the DPP. They are reasonable suggestions. Unfortunately, they were late but I suggest better late than never.

Progress reported; committee to sit again.

CONTROLLED SUBSTANCES (DRUG DETECTION POWERS) AMENDMENT BILL

In committee.

(Continued from 1 May 2008. Page 2625.)

Clause 4.

The Hon. SANDRA KANCK: I move:

Page 3, lines 18 to 20 [clause 4(3)]—Delete subclause (3) and substitute:

(3) Section 4(1)—after the definition of *product* insert:

relevant officer is—

(a) the Commissioner of Police; or

(b) if the Commissioner of Police is unavailable to issue an authorisation, the Deputy Commissioner of Police; or

(c) if the Commissioner of Police and the Deputy Commissioner of Police are both unavailable to issue an authorisation, an assistant commissioner of police;

(d) if the Commissioner of Police, the Deputy Commissioner of Police and all assistant commissioners of police are unavailable to issue an authorisation, a police officer above the rank of superintendent;

This amendment raises the bar. I said when we were dealing with this at the second reading stage that I would be moving amendments that would put this legislation on a par with the terrorist legislation. Of course, the irony is that, in many ways, this legislation is tougher than that which applies to terrorists; nevertheless, I thought it was reasonable to bring it down to the same status

as applies to terrorists. This amendment ensures that the officer exercising these powers has to be a senior police officer of or above the rank of inspector.

The Hon. P. HOLLOWAY: The government opposes the proposed amendment. Clause 6 of the bill provides that a senior police officer may authorise the conduct of general drug detection in a public place and drug detection on a drug transit route. The term 'senior police officer' is defined in clause 4 to mean an officer of or above the rank of inspector.

As this is the first of a series of amendments, I suggest that it be treated as a test for the series. This amendment deletes the definition of 'senior police officer' and replaces it with a new definition of 'relevant officer', with a cascade effect from the Commissioner down to an officer above the rank of superintendent.

In the past, the parliament has identified that the rank of inspector provides a high level of operational command. It has set a precedent in the use of this rank in operational circumstances in such areas as the authorisation of road blocks, the declaration of danger areas, and approval of the use of special powers of entry into private premises for certain things, each pursuant to the Summary Offences Act 1953. An inspector may issues a drug warrant if, on the receiving of information being given under oath, he or she forms a reasonable cause to suspect an offence has been, is being, or is about to be committed pursuant to the Controlled Substances Act 1984.

The proposed legislation requires a senior police officer to authorise the use of general drug detection powers in certain circumstances. The senior police officer is not authorising officers to search, break into premises or restrict the movement of persons for extended periods of time, as do the above-mentioned authorities. The government sees no reason why, for the level of authorisation, approval for the use of drug detection powers should be any different from those currently legislated.

The Hon. D.W. RIDGWAY: I rise to indicate that, along with the government, the opposition will not be supporting this amendment for very much the same reasons outlined by the minister.

The Hon. D.G.E. HOOD: Neither will Family First.

The Hon. A. BRESSINGTON: I will not be supporting this amendment.

Amendment negatived; clause passed.

Clause 5 passed.

Clause 6.

The Hon. D.G.E. HOOD: I am not proceeding with my amendment.

The Hon. SANDRA KANCK: My amendments Nos 2 and 3 are consequential. I move:

Page 4, line 30—Delete '14 days' and substitute '24 hours'

Again, this reflects the undertaking I gave in my second reading contribution. New section 52A(3) allows for the authorisation of the exercise of general drug detection powers, and new subsection (4) allows the authorisation to be granted for up to 14 days, yet the time for investigative authorisation under the Terrorism (Police Powers) Act is 24 hours, so it seems a little over the top to allow an authorisation for drug detection to go for 14 days.

If we act as though people who use drugs are the equivalent of terrorism suspects, such authorisations should be consistent with that act. This amendment therefore brings about that consistency.

The Hon. P. HOLLOWAY: The government opposes the proposed amendment. Clause 6 provides that a senior police officer may authorise the conduct of general drug detection in a public place and drug detection on a drug transit route. The authorisation may operate for an initial period not exceeding 14 days and may be renewed from time to time by a senior police officer for a further period not exceeding 14 days.

The proposed amendment deletes the initial operating period of 'not exceeding 14 days' and replaces it with '24 hours'. In amendment No. 6, the Hon. Ms Kanck proposes to delete the renewal provision of 'not exceeding 14 days' and replace it with 'but only so that the total period of operation of the authorisation does not exceed 48 hours'. As this is the first of a series of amendments, I suggest that it be treated as a test for the series.

The proposed legislation has been modelled on both the Police Powers and Responsibilities Act 2000 in Queensland and the Law Enforcement (Powers and Responsibilities) Act 2002 in New South Wales. However, it should be noted that neither of these acts provides restriction on the period of time in which general drug detection in a public place can occur. The only limit is the Police Powers (Drug Detection Trial) Act 2003 in New South Wales, which authorises the conduct of drug transit route operations and provides that an authorisation cannot exceed 14 days.

In January 2005, the New South Wales Ombudsman published review into the Police Powers (Drug Detection In Border Areas Trial) Act 2003. During the review the Ombudsman identified that the existing three-day limit on an authorisation to conduct a drug transit route was too restrictive, with drug couriers being able to predict with a degree of certainty when an operation was due to conclude. If the act says three days you will know that you just have to hang around until the end of three days and then it has to end. As a result, the couriers were able to delay their activities to avoid detection. As a result, the Ombudsman recommended that the act be amended to permit the conduct of an operation at any time within the authorised 14 day period.

The new Police Powers (Drug Detection Trial) Act 2003 (in New South Wales) commenced in February 2007 and contained the recommended amendments. The government agrees with the position taken by the New South Wales Ombudsman that a 24-hour limit will significantly reduce the effectiveness of the legislation and increase the predictability of police activities. Allowing police to extend an operation by only a further 24 hours provides no remedy to this problem and will significantly reduce the effectiveness of the legislation.

The Hon. D.W. RIDGWAY: Whilst we had some concerns about the road block detections as far as giving the dogs access to the passenger spaces, particularly in prime movers of semitrailers, we do not support the amendment of the Hon. Ms Kanck to allow this declaration to last only 24 hours. It seems reasonable to allow the 14 days, as proposed by the government.

Amendment negatived.

The Hon. SANDRA KANCK: I move:

Page 5, after line 2 [clause 6, inserted section 52A]—

After subsection (6) insert:

(6a) A member of the police force may only detain a person, by directions given under this section, for so long as is reasonably necessary to carry out general drug detection in relation to the person and any property in the possession of the person.

This amendment requires that when a person is detained it can be only for a time that is reasonably necessary. I have done this because it is simply lacking in the bill at the present time.

The Hon. P. HOLLOWAY: The proposed amendment states that police may only detain a person, by directions given under this section, for as long as is necessary to carry out general drug detection in relation to the person and property in possession of the person. This is correct at law and is current practice of police, so the government can accept this amendment.

The Hon. D.W. RIDGWAY: The opposition supports the amendment.

Amendment carried.

The Hon. SANDRA KANCK: I move:

Page 5, after line 36 [clause 6, inserted section 52B]—

After subsection (1) insert:

(1a) A relevant officer who grants an authorisation under subsection (1) must make a written record of the grounds on which the authorisation is granted.

This is an accountability measure. It ensures that there will be more detailed reporting. It seems that this would be a very reasonable and sensible thing to require the recording of these actions. If a police officer is actually put in a position of having to write it down, I think they are going to think a little bit more before they take the action.

The Hon. P. HOLLOWAY: The amendment proposes that a relevant officer who grants an authorisation for the conduct of a drug transit route operation must make written record of the grounds on which the authorisations made. The government opposes this amendment. New section 52B requires that an authorisation granted by a senior police officer must be done in

accordance with the guidelines issued by the Commissioner; that is in the new section. I have been advised by police that a requirement of the guideline will be that the senior police officer will record the grounds on which they granted the order. This record is subject to and can be tested in any judicial proceedings which may follow. The government is not convinced that this matter need be set out in the legislation itself. It can be tested in any judicial proceedings, and that is why the police guidelines will require the senior officer to record the grounds.

The Hon. D.W. RIDGWAY: I indicate that the opposition does not support the amendment.

Amendment negatived.

The CHAIRMAN: Amendment No. 16 is consequential to the amendment that was successful.

The Hon. SANDRA KANCK: Yes. I move:

Page 6, after line 27 [clause 6, inserted section 52B]—After subsection (5) insert:

(5a) A member of the police force may only detain a person who is in a vehicle, by directions given under this section, for so long as is reasonably necessary to carry out general drug detection in relation to the vehicle and any persons or property in the vehicle.

The Hon. P. HOLLOWAY: The proposed amendment states that police may only detain a person who is in a vehicle by directions given under this section for as long as is necessary to carry out general drug detection in relation to the vehicle and any person or property in the vehicle. This is correct at law and is the current practice of police. So, the government accepts the amendment.

The Hon. D.W. RIDGWAY: The opposition supports the amendment.

Amendment carried.

The Hon. SANDRA KANCK: I move:

Page 7, after line 15 [clause 6, inserted section 52C(1)]—After paragraph (c) insert:

(ca) the number of vehicles and persons in relation to whom general drug detection has been carried out under section 52A and 52B during that financial year;

(cb) the age, race and residential postcode of persons in relation to whom general drug detection has been carried out under section 52A and 52B during that financial year;

(cc) the number of complaints made by members of the public during that financial year that relate to the exercise of powers under section 52A and 52B;

This is simply an additional reporting requirement to bring about increased accountability.

The Hon. P. HOLLOWAY: The government opposes the amendment. The proposed amendment would require police to count the total number of people in vehicles which are subject to drug detection activities, obtain the age, race and residential postcode of persons to whom general drug detection has been carried out, and record the number of complaints made by members of the public so as to report them to the Attorney-General. The proposed amendments are not only impractical but, in one case, without lawful authority.

The proposed legislation has been developed to permit police to conduct general drug detection on large numbers of people and/or vehicles in such a way that, as far as reasonably practicable, prevents any undue delay or inconvenience. I have been advised that, as recently as last weekend, a popular city nightclub had a line-up of patrons four people wide and 100 metres long. The proposed amendments would require police to detain these people so they could not only count them but speak to each of them to obtain their age, race and postcode, resulting in significant inconvenience, delay and potential embarrassment.

Section 74A of the Summary Offences Act 1953 authorises police to obtain the personal particulars of a person if the officer has a reasonable cause to suspect that a person has committed, is committing, or is about to commit, an offence; or if a person may assist in the investigation of an offence or suspected offence. At the time of conducting general drug detection, no suspicion is attached to an individual person. It is not until the drug detection dog or electronic drug detection system indicates the presence of a drug that a suspicion is formed. There is no legitimate authority to underpin the proposed amendment to record the age, race and residential postcode of every person to whom general drug detection is carried.

The honourable member has proposed the number of complaints made by members of the public that relate to the exercise of powers under sections 52A and 52B be reported at the end of

each financial year. The police are provided with a large number of legislative authorities, many of which involve the searching of persons. There are no requirements to report complaints made against police for the use of any of these authorities.

The Police Complaints Authority is responsible for the investigation of complaints made against police. The authority is required to report to the President of the Legislative Council and the Speaker of the House of Assembly each year on the operation of the authority for the preceding 12 months, while also delivering a copy to the minister. It is through this report that the authority may highlight any exceptional misuse of the drug detection powers.

The Hon. D.W. RIDGWAY: I indicate that the opposition will not be supporting this amendment. I think the minister highlighted that, if you have a large group of patrons outside a venue and the police are required not only to work the detection dog but then to ascertain people's names and all their particular details, it would slow the whole process down. If somebody is actually in the line-up, or in the area, and they can see that the dog crew is coming they will grab their gear and go.

An honourable member interjecting:

The Hon. D.W. RIDGWAY: I do not think I have ever seen a queue 100 people long and four deep outside the Wolseley Hotel. We will not be supporting the amendment.

Amendment negatived.

The Hon. SANDRA KANCK: I move:

Page 7, lines 19 and 20 [clause 6, inserted section 52C(1)(d)]—Delete 'in a public place or area in accordance with the authorisations' and substitute:

under section 52A and 52B.

This relates to the new section 52C, which requires the Commissioner of Police to report to the minister. As currently worded, it refers to 'the exercise of powers in a public place or area in accordance with the authorisations'. This broadens it to any use of these powers in respect of new sections 52A and 52B.

The Hon. P. HOLLOWAY: The proposed amendment will require the Commissioner of Police to report on the number of occasions a drug detection dog or electronic drug detection system indicates the presence of a controlled drug, controlled precursor or controlled plant during any drug detection activity under sections 52A and 52B. As this will result in a more comprehensive report of the success or otherwise of the proposed authority, the government accepts this amendment.

The Hon. D.W. RIDGWAY: The opposition does not oppose it.

Amendment carried.

The Hon. SANDRA KANCK: I move:

Page 7, after line 20 [clause 6, inserted section 52C]—After subsection (1) insert:

(1a) The Commissioner for Social Inclusion (or, if no person is appointed as the Commissioner for Social Inclusion, the Minister for Families and Communities) must, within 20 months after the commencement of sections 52A and 52B, prepare and provide to the Attorney-General a report in relation to the impacts of those sections on disadvantaged persons.

(1b) A person preparing a report under subsection (1a) must, in preparing the report, consult (in such manner as the person thinks fit) with youth, indigenous and multicultural groups.

New section 52C requires the Commissioner of Police to report to the minister on the issue of authorisations. My amendment is also requiring a report to be done by the Minister for Social Inclusion within 20 months of the commencement of sections 52A and 52B. Specifically, I am asking that this report relate to the impacts on disadvantaged people in our society. I suppose the second half of it is specific that it should include youth, indigenous and multicultural groups.

The Hon. P. HOLLOWAY: The government opposes the amendment. The proposed amendment will require the Commissioner for Social Inclusion, or a person appointed to do so, to prepare a report for the Attorney-General in relation to the impacts of the proposed sections 52A and 52B on disadvantaged people, and in preparing the report consultation must occur with youth, indigenous and multicultural groups.

The purpose of the proposed legislation is to clarify the ambiguity that exists in the use of drug detection dogs in general drug detection operations. The legislation provides SAPOL with

more flexible strategies for the detection of drug activity. It will authorise police to conduct operations in such places as licensed premises, public events, public transport hubs and other public places where drug detection may increase public safety.

Such public areas are not specific to one particular social or ethnic group; rather they are frequented by a large cross-section of our community. Those persons who feel they have been unfairly treated are afforded the opportunity to register a complaint with the Police Complaints Authority. Further to this, the Commissioner of Police is required to report each year to the Attorney-General on the use of the proposed legislation. The government sees no need to extend the reporting process any further.

The Hon. D.W. RIDGWAY: I indicate that the opposition will not be supporting this amendment. So often in this place we see extra reporting burdens placed on all sorts of legislation. The opposition does not see that this report will enhance the effectiveness of the legislation and, therefore, it does not see any need to support it.

The Hon. SANDRA KANCK: This was not about the effectiveness of the legislation; it was about looking at how some of the more marginalised groups in our society might be affected by it. Obviously, if it was found that some groups were being impacted more than others, there might be some reason for parliament to look at the legislation. I remind members that the New South Wales legislation required a report from their ombudsman after two years of operation of the act.

Amendment negatived.

The Hon. M. PARNELL: I move:

Page 7, after line 23—Insert:

52CA—Monitoring by Police Complaints Authority

(1) For the period of two years after the commencement of this section, the Police Complaints Authority is to keep under scrutiny the exercise of the powers conferred on members of the police force under sections 52A and 52B.

(2) For that purpose, the Police Complaints Authority may require the Commissioner of Police to provide information about the exercise of those powers.

(3) The Police Complaints Authority must, as soon as practicable after the expiration of that two-year period, prepare a report on the exercise of those powers and furnish a copy of the report to the Attorney General and the Commissioner of Police.

(4) The Attorney-General must, within 12 sitting days after receipt of a report under this section, cause copies of the report to be laid before each house of Parliament.

This amendment is the only one that I have put forward. It is a different approach to that which I have taken with other legislation. However, it is an important amendment and I would strongly urge members to support it, especially the Hon. David Ridgway who just now referred to the extra reporting burden. That is one way of looking at my clause—that it provides an extra reporting burden—but I will tell the honourable member why we do need this extra reporting.

Members will appreciate that, in the second reading debate, a number of us referred to the New South Wales ombudsman's report and we quoted at some length from some of the case studies that came out of that report, the examples of people being unnecessarily humiliated and embarrassed by drug detection dogs in New South Wales that, according to the ombudsman, did not even do a very good job.

If one goes back to the ombudsman's report, there are a couple of sentences from the conclusion where the ombudsman states:

> The use of drug detection dogs in general drug detection operations does not significantly assist police in targeting drugs suppliers. Overwhelmingly, the use of drug detection dogs led to searches where no drugs were found, or to the identification of mostly young adults in possession of very small amounts of cannabis for personal use. There is little or no evidence to support claims that drug detection dog operations deter drug use, reduce drug-related crime or increase perceptions of public safety. Further, criticisms of the cost-effectiveness of general drug detection operations appear to be well founded.

The final sentence of the ombudsman's report states:

> However, we have misgivings about whether the Drug Dogs Act will ever equip police with a fair, efficacious and cost-effective law enforcement tool to target drug supply. In light of this, we have recommended that the starting point, when considering our report, is a review of whether the legislation in its present form or amended as suggested, should be retained at all.

That was the ombudsman's position—to query the entire value of the legislation. The ombudsman then went on to make some 55 recommendations. However, the overwhelming view was that the law was, arguably, irredeemable.

So, when we look at things like extra reporting burdens we are really talking about our ability as a state to discover what is wrong with the system. The government may say, 'We already have a reporting mechanism in the act. New section 52C provides that the Commissioner of Police will report to the Attorney-General, and the Attorney-General will then table that report in parliament.' That is all well and good for finding out things like the number of authorisations and the places where the authorisations were utilised, but it does not record the great social harm that the New South Wales Ombudsman identified. How do we get that information on the public record? Most likely we get it from the Police Complaints Authority, because that is the body that will collect the stories of misuse and injustice as a result of the exercise of these laws. We will get a very different flavour when a report is tabled in this place if it has been authored by the Police Complaints Authority compared with one authored by the Commissioner of Police.

Whilst I can accept that unnecessary extra reporting burdens are to be avoided (and I often agree with the Hon. David Ridgway), what we are looking at here is a very serious social experiment, one that we know has harmed the social fabric interstate, and I want to be able to identify at a very early stage whether or not we have gone down the wrong path.

My amendment seeks to provide that the Police Complaints Authority, for the period of two years after the commencement of these provisions, will keep under scrutiny the exercise of the powers conferred on members of the police under sections 52A and 52B. It is not just the simple statistics of how many authorisations were issued, what areas they went to and what they found. It is broader than that: it requires that they keep the whole exercise of these powers under scrutiny. The Police Complaints Authority may require the Commissioner of Police to provide information about the exercise of powers, so I guess it is an extra level of protection between us and unbridled police authority. The Commissioner can be required to give evidence to the Police Complaints Authority, which then prepares a report that is provided to the Attorney-General, to the Commissioner and to us in parliament.

I know that the Hon. Sandra Kanck has an amendment that inserts a different new section 52C(a), and that is effectively a sunset clause. My proposed new section 52C(a) is simply an additional monitoring clause, and I urge all members to support it.

The Hon. P. HOLLOWAY: The government opposes the amendment, which requires the Police Complaints Authority to keep under scrutiny the exercise of powers under the new scheme. The government does not believe there is a need for such an amendment, given that the bill already requires a reporting process from the Commissioner to the Attorney-General, and that report must be tabled in parliament. In addition, there is a general complaints process under the Police (Complaints and Disciplinary Proceedings) Act and, as honourable members would be aware, the government has announced that there will be an immediate review of the Police Complaints Authority and of the Police Complaints Authority legislation. If there is to be any further monitoring as envisaged by this amendment, the government would prefer to consider the form of that monitoring in the context of that review.

I would also like to make a comment on one of the remarks made by the Hon. Mark Parnell. The honourable member said that these drug detection dogs had harmed the social fabric of New South Wales. I do not accept that that is the case. To the extent that these drug detection dogs have led to the detection of drug peddlers, for example, I would think they have done a lot to improve the social fabric of New South Wales.

Another point that needs to be made is that in South Australia we do have drug diversion capacities. I understand that that is not the case in New South Wales. That is one important difference, but this bill is about general drug detection powers. We are not talking about powers to search. It is at a lower level than a lot of other general government legislation where there would be no perusal. I think looked at in that context it is an unnecessary amendment.

The Hon. D.W. RIDGWAY: This amendment was discussed at some length within the opposition's portfolio committee. That committee decided not to support this amendment; however, I remind the Hon. Mark Parnell that one of the opposition's recently announced policies was to establish an independent commission against corruption which, under the model, certainly takes some of the functions of the Police Complaints Authority in relation to corruption into that model. Therefore, following the next election, we would have a different structure of the Police Complaints

Authority to deal with complaints of a customer service nature, rather than perhaps corrupt behaviour which would be dealt with by an ICAC.

I say to the Hon. Mark Parnell that the opposition will not be supporting this amendment today but, if after 20 March 2010 he has sufficient evidence that the dogs have destroyed the social fabric of our community, I give him an undertaking that I am happy to consider an amendment, as minister at that time, to allow the Police Complaints Authority in its new form to report.

The Hon. SANDRA KANCK: I have an amendment to this clause as well, at the same point, which would put a sunset clause in place. That obviously would be my preference but, if I am unable to achieve that, I would certainly be supporting the Hon. Mark Parnell's amendment.

The CHAIRMAN: The Hon. Mark Parnell's amendment has been put first.

The Hon. SANDRA KANCK: Is that how you are going to do it?

The CHAIRMAN: Yes.

The Hon. SANDRA KANCK: Given what we know about this, I find it extraordinary that the opposition is not prepared to support this legislation. I do not think anyone is talking about the destruction of the social fabric as a consequence of these dogs, but we are talking about legislation that is based on a New South Wales act where the state ombudsman has queried the very existence of the act. I support this amendment, although my preference is for a sunset clause to have the bill go out of existence and force the parliament to look at it again.

The Hon. A. BRESSINGTON: I rise to indicate that I will not be supporting the Hon. Mark Parnell's amendment, either. I remind members of this committee that New South Wales is the home of Dr Alex Wodak, who has again even more recently suggested that marijuana be sold through Australia Post outlets all around the country. Let's tax it and sell it through the post office. So as far as any decisions about drug legislation that would come out of New South Wales under the guidance and influence of Dr Alex Wodak, I would urge this committee to exercise extreme caution.

The Hon. D.G.E. HOOD: I rise to briefly indicate that Family First will not be supporting the amendment for two reasons. First, as the minister points out, I think there are adequate safeguards built into the bill as it stands. Secondly, I would like to briefly relay an experience I had recently at Adelaide Airport. The Hon. Mr Parnell has outlined his concerns for the social fabric and the impact of this bill. My experience is that, when I got off a plane recently at Adelaide Airport I was among about 100 people waiting for our bags to arrive when out came the sniffer dogs. People thought it was quite amusing and really enjoyed it, as a matter of fact.

An honourable member interjecting:

The Hon. D.G.E. HOOD: That is right. The dog in question came up to one of the people waiting for their bags, sat down beside the person and obviously there was something there that was of concern. The customs officer went over to the person concerned, who was not perturbed by the experience at all. It was all done politely and pleasantly. Whilst the parallels are not exactly the same in this situation, it does give an insight into people's experiences in these circumstances. We see no problem with this bill.

The Hon. M. PARNELL: I was not aware that Dr Wodak had been appointed as the Ombudsman in New South Wales.

The Hon. A. Bressington: I didn't say he was the Ombudsman: I said that he made comments.

The Hon. M. PARNELL: The issue of the Ombudsman's report is that he has identified the harm that this program has done to citizens of New South Wales and he has questioned the entire existence of this regime. I have not made up this stuff. I have not recounted my personal experiences in Sydney with drug detection dogs. Other people have done it and they have pointed to problems.

I have great difficulty when members have so much faith in our wisdom that we will get this right, having followed the system in New South Wales where they got it wrong and where their independent watchdog—no pun intended—or independent Ombudsman has serious questions about it.

The Hon. Dennis Hood said that it is one person, but it is a person whose job it is to take evidence, analyse the evidence and report back to the community on what they found; and they found there were problems. In the second reading debate we reported other sources that showed

there were similar problems. At the end of the day we are looking at legislation that on the evidence of New South Wales does not work. Members appear reluctant to allow the Police Complaints Authority to report on what I expect will be some adverse findings.

In relation to the Hon. David Ridgway's commitment, I wish I shared his confidence in the outcome of the poll on 20 March next year and my ability to call in his undertaking. I would prefer an independent commission against corruption to be doing this work, but we do not have such a body so I have gone for the Police Complaints Authority in my amendment. I can see that I may not have swayed every member here, but this is my only amendment and I will divide on it.

The Hon. P. HOLLOWAY: At the police ministers' conference last week I used the opportunity to speak to the New South Wales police minister about this issue, given the comments of the Ombudsman. He was very strongly supportive of the New South Wales legislation and the role of the dogs. He was very supportive of it and did not believe that the issues that were raised—

The Hon. Sandra Kanck interjecting:

The Hon. P. HOLLOWAY: He was well aware of it but notwithstanding that he said that they strongly supported the legislation. His view was that most people in New South Wales also strongly support the presence of these dogs.

The committee divided on the amendment:

AYES (2)

Kanck, S.M.	Parnell, M. (teller)

NOES (17)

Bressington, A.	Darley, J.A.	Dawkins, J.S.L.
Evans, A.L.	Finnigan, B.V.	Gago, G.E.
Gazzola, J.M.	Holloway, P. (teller)	Hood, D.G.E.
Hunter, I.K.	Lawson, R.D.	Lucas, R.I.
Ridgway, D.W.	Schaefer, C.V.	Stephens, T.J.
Wade, S.G.	Wortley, R.P.	

Majority of 15 for the noes.

Amendment thus negatived.

The Hon. SANDRA KANCK: I move:

Page 7, after line 23—After inserted section 52C insert:

52CA—Expiry of sections 52A, 52B and 52C.

Sections 52A, 52B and 52C will expire two years after the date on which those sections come into operation.

Having had my last amendment defeated, which was about a report from the Social Inclusion Committee, and having seen the amendment of the Hon. Mark Parnell defeated, I believe that this amendment becomes even more important. For those members who do not read the daily Murdoch, there was—

Members interjecting:

The CHAIRMAN: Members will come to order.

The Hon. SANDRA KANCK: An article appeared on two days a fortnight ago about sniffer dogs at Tokyo airport attempting to track down a suitcase that had been planted with cannabis on some unsuspecting traveller, and the dog failed to detect that very large amount of cannabis. The funny side of it was that this person took the suitcase out through the airport. The police or customs officers had no idea who owned the suitcase; they knew only that it was a black suitcase. That person now has a whole lot of cannabis with which to trade, but the dog failed. I made the point in my second reading contribution that, for one reason or another, dogs failed in three out of four cases in New South Wales.

I gave the example of a school in the United States where dogs got it wrong nine out of 10 times. I cannot believe that our minister stood up in this place and quoted a police minister in New South Wales who said that, despite a very well written, well documented report from the

Ombudsman showing not only the amount of times the dogs got it wrong but also the embarrassment that people were put through, he still likes the legislation. This is not science; this is religion. This is about faith and belief, but it is not about reality. Because of what has happened in New South Wales we have in two successive amendments had the majority of members of this chamber say that we do not want those checks and balances. I am moving this amendment so that we have an ultimate check and balance, namely, a sunset clause. This will mean that some time after the election in 2010 the new parliament would have the opportunity, as it most certainly should, to exercise its mind on whether two years down the track this legislation remains appropriate for South Australia.

The Hon. P. HOLLOWAY: The government opposes the amendment. The proposed amendment would require sections 52A, 52B and 52C to expire two years after commencing operation. The government finds it more sensible to review the legislation after a two-year period rather than legislating for it to expire after that time. As such the government intends to review the legislation two years after its commencement. If on commencement of the review the government identifies possible amendments, the reform process can take place.

We dealt with this issue when we last debated this bill. To say that these dogs are failing or are not successful totally misses the point. When these passive alert dogs are used they certainly have a far higher success rate than any random search would indicate. At the end of the day drugs have to be present on a person before they can be charged with an offence. At the end of the day these passive alert dogs assist police in the detection of drugs and there are no mistakes in the sense that people are not charged unless they actually possess the drugs.

The Hon. D.W. RIDGWAY: The opposition does not support the sunset clause.

The Hon. M. PARNELL: I support the amendment. I am disappointed that the other checks and balances, which were a softer form of check and balance, have been rejected. At the end of the day the doubts surrounding this legislation are so serious that we would do well to bring this to an end after two years, and if the government can convince us they have worked it can reintroduce them. As to the government's commitment to review, that is all well and good, but the sunset clause is the appropriate way to deal with legislation that we know has serious problems associated with it.

The Hon. SANDRA KANCK: Given the undertaking about a review, why is it not in the legislation?

The Hon. P. HOLLOWAY: The government gives the undertaking that it will review it, as it should be. It does not have to be in the legislation for the government to do a review. We do them all the time, but we specifically give a commitment that this will be reviewed two years after its commencement.

The committee divided on the amendment:

AYES (2)

Kanck, S.M. (teller)	Parnell, M.

NOES (16)

Darley, J.A.	Dawkins, J.S.L.	Evans, A.L.
Finnigan, B.V.	Gago, G.E.	Gazzola, J.M.
Holloway, P. (teller)	Hood, D.G.E.	Hunter, I.K.
Lawson, R.D.	Lucas, R.I.	Ridgway, D.W.
Schaefer, C.V.	Stephens, T.J.	Wade, S.G.
Wortley, R.P.		

Majority of 14 for the noes.

Amendment thus negatived.

The Hon. SANDRA KANCK: I move:

Page 7, after line 30 [clause 6, inserted section 52D]—

After subsection (2) insert:

(2a) Powers under this Part must be exercised with care to avoid inflicting unnecessary humiliation or embarrassment.

It is very clear from the New South Wales Ombudsman's report that many people who were apprehended wrongly and searched as a consequence of the use of these dogs were extremely embarrassed or humiliated by the experience, and this amendment acknowledges that that is what has happened. I think under those circumstances it is important for the police to not behave in a gung-ho fashion with these people, who are immediately under suspicion by virtue of the dog's sitting or standing next to them. I think many of these people are likely to get angry under those circumstances and it could be quite a tense situation. So, I think it is just a commonsense thing to say to the police that they should exercise care and do what they can to reduce the amount of embarrassment for people in this situation.

The Hon. P. HOLLOWAY: The government opposes this amendment. The government agrees that the exercise of any authority by the police should be done so as to avoid inflicting unnecessary humiliation or embarrassment. It is impossible to prevent possible embarrassment to a person if a drug dog indicates the presence of a drug. The mere indication may be sufficient to embarrass some members of the public. However, police have well entrenched practices and general orders for the searching of persons, which includes for the searching of drugs. This will be further reinforced in the Commissioner's guidelines, which are in the process of being developed, and will specifically address the issue of minimising embarrassment to persons.

The Hon. D.W. RIDGWAY: I indicate that the opposition will not be supporting the amendment.

Amendment negatived.

The Hon. R.I. LUCAS: I want to speak briefly to this clause, because in my second reading contribution I raised some issues in relation to the interrelationship of this legislation and education institutions. I thank the Leader of the Government, who provided an answer at the second reading stage. I think I raised some further issues and he provided a more detailed response on the legal position when we were dealing with clause 1 in the committee stage.

I have had an amendment drafted but I have decided not to proceed, because I do not want to delay the passage of the legislation. Having been critical of the minister for some time for its introduction, I would hate to be in the position of delaying the eventual decision of the parliament on the legislation.

As I said, I had an amendment drafted, and my position as an individual has been (and it was when I was minister for education) that, certainly, within the government school system I believe that if a principal and a school council (as they were then; it is a governing council now) decided that they wanted to avail themselves of the use of sniffer dogs (or drug dogs as they were then) within schools—and they were being used certainly at Gawler High School and one or two western suburbs high schools—to sniff lockers and school bags, I certainly did not have a problem with that.

I know that some independent schools at that time were using the resources of the police force on occasions for random searches to try to keep their schools drug free. The current government's position is obviously different from mine when I was minister; that is, it does not support the use of sniffer dogs in schools (or, indeed, drug dogs) within schools as a policy position. The Catholic school system, I think it is fair to say from the discussions I had, took the view that it did not support the use of dogs within schools, but the independent school system indicated that a reasonable number of its schools were prepared and wanted to support the option of being able to use the deterrent effect of sniffer dogs within schools if supported by the principal and the governing council of the school.

The amendment that I had drafted was, in essence, to try to cater for the government's position but also possibly a different attitude from a future government, which may well take a policy position that schools, with the support of the principal and the school council, could use these dogs, Molly, Jay and Hooch (junior by that stage) to sniff either lockers or bags and, in the case of senior secondary students, as opposed to primary students or secondary students, in the same way as some of those 16, 17 and 18 year olds will be queuing outside hotels and nightclubs with or without legal identity of an evening in the same circumstances, having them used within school premises on occasions as well.

As I said, not wishing to delay the passage of the legislation, I have not proceeded with my amendment. I must admit, in the drafting by parliamentary counsel, competent as they are, I was not entirely confident with the legal advice the minister put on the table, which I must say basically said it was almost impossible to say what a public place was when you are looking at clause 6. In summary, it seemed to be saying that it was a case by case interpretation.

There are many schools, for example, Unley High School, where the gymnasium, grounds and other areas are used on a regular basis every night for community use. I refer to the summary of the legal advice which the independent schools had in relation to some court cases in the Northern Territory and New South Wales where this issue of whether or not a public place did or did not apply to school premises was addressed. The bottom line from the independent schools was, 'Our legal advice is that it is not entirely clear, if this legislation passes in this form, what the legal position is in relation to independent schools', but it would also apply to Catholic and government schools. It was not clear whether or not those particular provisions apply in relation to a public place.

When you look at the government's legal advice, it makes it clear that, in certain circumstances, a public place will apply in some of our educational institutions. In summary, the government's position and advice seem to be that it can only be determined on a case by case basis. That was the problem we had when I was minister for education, in that I approved the use of the dogs within schools and crown law at the time (this is now 12, 13, 14 years ago) said, 'There might be some doubt about whether or not we have the legal authority for you to be able to do this.' Through an excess of caution at that particular stage, we did not continue to provide that sort of advice to our schools.

My position in my second reading contribution was that I really thought this legislation should clarify it one way or another. I accept that we probably have differing views in this chamber, but there will be schools, principals and governing councils that will still receive the legal advice that it is not clear. The government's legal advice is that it is not clear in relation to a public place. As I said, not being an expert in the area, I sought to see whether I could have an amendment drafted which might resolve a range of issues without unduly delaying the legislation. It is my judgment that I have not been able to accomplish that, therefore I will not proceed with the amendment at this stage, but it is an issue of interest to me and I will continue to explore it with interested parties.

Clause as amended passed.

Remaining clauses (7 and 8), schedule and title passed.

Bill reported with amendment.

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (22:40): I move:

That this bill be now read a third time.

The council divided on the third reading:

AYES (17)

Bressington, A.	Darley, J.A.	Dawkins, J.S.L.
Evans, A.L.	Finnigan, B.V.	Gago, G.E.
Gazzola, J.M.	Holloway, P. (teller)	Hood, D.G.E.
Hunter, I.K.	Lawson, R.D.	Lucas, R.I.
Ridgway, D.W.	Schaefer, C.V.	Stephens, T.J.
Wade, S.G.	Wortley, R.P.	

NOES (2)

Kanck, S.M. (teller)	Parnell, M.

Majority of 15 for the ayes.

Third reading thus carried.

Bill passed.

CRIMINAL LAW (SENTENCING) (VICTIMS OF CRIME) AMENDMENT BILL

Consideration in committee of the House of Assembly's message.

The Hon. P. HOLLOWAY: I move:

That a message be sent to the House of Assembly granting a conference, as requested by the house; that the time and place for holding the same be the Plaza Room on the first floor of the Legislative Council at the hour of 10.30am on Thursday 19 June 2008; and that the Hons J.A. Darley, P. Holloway, R.D. Lawson, S.G. Wade and R.P. Wortley be the managers on the part of this council.

Motion carried.

At 22:51 the council adjourned until Wednesday 18 June 2008 at 14:15.