HOUSE OF ASSEMBLY

Wednesday 7 May 2008

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

LEGAL PROFESSION BILL

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (11:01): I move:

That the sitting of the house be continued during the conference with the Legislative Council on the bill.

Motion carried.

SELECT COMMITTEE ON BALANCING WORK AND LIFE RESPONSIBILITIES

Ms PORTOLESI (Hartley) (11:01): I move:

That the report of the committee be noted.

The select committee has spent over 12 months considering the issue of balancing work and life responsibilities. Whilst the committee's hearings were mainly held in Adelaide, members were determined to give all South Australians an opportunity to be heard on this matter, so we travelled to Port Pirie, Port Lincoln, Renmark, Mount Gambier and Murray Bridge in regional South Australia; and to Mount Barker, Paradise, Salisbury and Noarlunga in the metropolitan area. Evidence was provided to the committee by interested parties, including individuals, large and small businesses, unions, professional associations, researchers and demographers, tertiary institutions, NGOs and local government representatives. All submissions (both oral and written) provided a very valuable and diverse source of evidence for which the committee is grateful and appreciative. I thank each and every member of the community who took time to present their views on this matter.

Now I turn to the committee's findings. The report of this inquiry provides a policy and action framework to take South Australia forward as a community that values and encourages a healthy balance of working life. The capacity to balance work and life responsibilities is largely perceived as a challenge, but one made easier by working conditions that recognise that women and men have obligations external to their working lives. A report of the OECD prepared in 2002 sums up perfectly for me the importance for governments of reconciling working life. It states:

> The reason why the reconciliation of work and family is increasingly important to so many governments is that it is hoped that getting the right balance will promote all sorts of other goals of society: increasing aggregate labour supply and employment (so increasing national income); families with more stable and secure sources of income; families better able to stand the stresses of modern life, and if relationships do break down, better able to move on in their lives; better child development outcomes; less public expenditure; higher fertility (or at least enabling families to have their desired number of children); and more gender equity, are often primary government objectives.

The committee heard evidence from many organisations that they aspire to be an 'employer of choice' and for South Australia to be the 'state of choice'. Evidence indicates strong support for embedding a strong work/life balance culture across both public and private sector organisations, and that this is achievable.

The committee heard evidence of numerous factors preventing a reconciliation of work and life. They include:

- lack of access to high-quality child care and (incompatible) school and preschool hours
- taxation arrangements not supportive of a shared approach to paid work and care
- increased reliance on in-home care for the aged
- current household debt levels
- career disruptions and stereotyping based on gender, leading to inequalities in terms of paid and unpaid work.

Making a choice between work and family is no longer acceptable, particularly for women. The significant caring role and household work generally assumed to be the tasks of women are becoming unattractive as a full-time option. Why they were attractive in the first place is beyond me! Male-female partnerships in the 21st century are increasingly conditional on a shared approach to paid and unpaid work and to life responsibilities.

On the other hand, best practice employment conditions that support a work/life balance include:

- personal leave and leave to attend to family responsibilities, including paid maternity leave, carer's leave and parental leave
- flexible working arrangements, including compressed working weeks, gradual return to work after maternity leave and home-based work arrangements, job sharing and part-time work
- care provisions, including breastfeeding rooms (which I think was reported in *The Advertiser* today), employer-sponsored or subsidised child care.

At this point I would like to refer to some of the evidence that the committee heard which formed the basis of its recommendations.

I refer to witness A, a sole parent who moved from Adelaide's southern suburbs to regional South Australia when she graduated from the Police Academy. She loves living in the country and is raising two young children, both with ADHD. She works a six week shift roster, which might mean working eight days straight, including three afternoon shifts, two day shifts, two early night shifts and another afternoon shift. Witness A does not want to give up her shiftwork because that is part of being a police officer and does not want to burden her employer, but she cannot find affordable child care that suits her shift.

Witness A was using family day care but had to discontinue it because she could not afford the $350 to $500 per fortnight. Faced with the prospect of witness A resigning from SAPOL, her mother moved from Adelaide to the country to become the full-time carer for her grandchildren—an enormous act of self sacrifice, although not a systemic solution. Witness A's child care crisis could have been averted if she was able—I notice members opposite are laughing, and they are all men.

The SPEAKER: Order!

An honourable member interjecting:

Ms PORTOLESI: Beg your pardon, the ones who are laughing are all men, not Liz. Witness A's child care crisis could have been averted if she was able to find in-home care for her kids. For instance, registered carers who care for her children in their home. Although there were local people willing to provide this care, she was unable to afford it because the federal government rebate for in-home care is 19¢ per hour.

Witness B, who is a young mother of school-aged children, is employed in a senior role in a local regional council. She considers herself lucky enough to have an employer who is flexible and supportive but, despite this, she eventually ends up using all her sick leave and all her annual leave, which leaves no time for a proper break (as she describes it) with her children. Every time her boss changes—and that has happened three times since she has been there—she needs to renegotiate the flexibility because it is an arrangement borne of goodwill rather than a formal entitlement. When managing her own staff, witness B says that she is able to retain them because allowances are made which give them flexibility to juggle all the demands of their life.

Also we heard from a leader on this subject at the University of South Australia, which uses a suite of work/life balance provisions as a way of attracting, retaining and competing for staff. They include compassionate leave and paid carers leave, 22 weeks paid maternity leave at full pay, and phased-in return to work for staff who have exhausted maternity leave. In order to avoid any ambiguity, these entitlements are written into collective agreements and AWAs.

From a small business perspective, Denise Delsar of the Hackham Business Association manages her own private business. She suggested that work/life balance needs to be about more than maternity leave and child care—and I could not agree more. She says that small business needs to embrace more flexibility or suffer a high turnover of staff, but that this should not be subject to a great deal of compliance. Again, I could not agree more.

On the subject of economic development, the committee found that current skills shortages around the country should provide South Australia with the unique opportunity to market itself as a family-friendly state and, therefore, attract interstate migration. This was a consistent theme marking the committee's hearings and submissions. This is particularly relevant in those instances where some enterprises could not compete with interstate wages but where family-friendly employment conditions could provide a comparative advantage.

Overwhelming research and evidence suggests that enabling a balance between work and life for employees makes good financial sense for business. The benefits include increased retention rates, decreased absenteeism, improved job satisfaction, and increased loyalty and productivity. The importance of the South Australian government taking a leadership role in this policy area was emphasised by many witnesses, including those from Business SA.

In my view there is a clear role for the state to champion and oversee the introduction of genuine flexibility in all workplaces, both private and public. In the public sector, for instance, while significant achievements have been made already, up until recently these initiatives lacked a whole of government direction or accountability. The committee recommends that the South Australian government establishes an office for work and life, located in the Department of the Premier and Cabinet, to assume this role.

A national system of paid maternity leave and paid parenting leave was strongly supported by witnesses. The committee recommends that the South Australian government urge the federal government to take steps towards the introduction of a national paid maternity leave scheme. While paid maternity leave is unequivocally a national issue, the committee urges the South Australian government to examine options for a state-based maternity leave scheme until such time as a national scheme has been implemented. In the context of ongoing skills shortages in South Australia and an ageing population, this is crucial for the maintenance of this state's economic prosperity.

An amalgam of the evidence provided suggests that the development of a policy and action framework for the achievement of a work/life balance which the committee proposes should be implemented through a collaboration between employers, employees and the government. The key areas for action include:

- Structural elements, such as the development, implementation and evaluation of legislation and industrial conditions to strengthen the foundations of a work/life agenda in order to ensure policy coordination within and across sectors.
- Cultural elements, which include strengthening leadership, focusing on workforce diversity in order to attract and retain labour, and strengthening advocacy to increase gender equality and universal access to quality work.
- Finally, and perhaps most importantly, practical elements which include support for pilot programs in the private sector that champion innovation and continue to support research which will provide the evidence base to continue to inform policy and practice.

Since the commencement of this inquiry there has been a change of government federally. The election commitments and policy agenda of the new Rudd Labor government include the establishment of an office of work and family, whose aims are to help working families to balance their work and family responsibilities and to assist businesses to manage their workforce in order to achieve greater participation and productivity. A strong focus on work/life balance within the South Australian government will enable the state to respond to and work collaboratively with the federal government.

Therefore, this report is very timely. The inquiry has provided evidence of the fundamental importance of creating workplace environments where all South Australians are valued and where they are able to balance work and life responsibilities.

I extend my gratitude to all members of the committee: the members for Reynell, Norwood, Goyder and Unley, and in the early stages the member for Napier. I especially acknowledge the member for Reynell whose experience in this place was a great source of support for me, given that I had been here for only one year when I became chair of the committee. Each member brought a valuable focus to the direction of the committee.

The members for Norwood and Reynell made important contributions on so many fronts, in particular in relation to the challenges South Australia faces as our baby boomers are faced with dependent parents and family members. The member for Goyder brought an important regional and business perspective to the committee, and even the member for Unley demonstrated himself to be a strong advocate for community-based child care.

David Pegram and Rachel Stone did a great job supporting me in the committee. It did appear to me that the member for Unley was frustrated because for every rule that existed I made him find a way in which to break it. I am sure all members would agree that the staff supported us

very well, as did *Hansard* who had the misfortune of travelling with us in the regions, and I thank them also.

The committee's research officer Chris Christensen, who was seconded to us from DECS, did a great job. She and I worked very closely together and one can only conclude that she is very patient. I cannot commend her highly enough. My thanks go to the Minister for Education and Children's Services and her department for releasing Christine to us.

In conclusion, I note that the government has four months in which to respond to this report. It is something to which I look forward. Given the timing of the report was largely unknown, I had no realistic expectation that the government would receive the report in time to respond in this budget. However, there are a number of recommendations which can be implemented without a great deal of cost to the state government; for instance, protections against discrimination can be drafted as amendments to the Equal Opportunity Bill tomorrow, if it was so desired.

In conclusion, tensions between work and life are not new, but the challenges of the 21st century require new approaches and innovative solutions. We can take heed from those who have gone before us and who clearly understood the importance of maintaining the balance between work and other aspects of our lives. The American merchant John Wanamaker stated that 'people who cannot find time for recreation are obliged sooner or later to find time for illness'.

Mr GRIFFITHS (Goyder) (11:15): It is my pleasure also to make a contribution on the presentation of this report to parliament, and to confirm that I had the great pleasure of being involved with the committee since its inception. I know that, as soon as the member for Hartley announced her intention to the parliament to form the committee, a call for nominations amongst the Liberal opposition went out, and I believe that not only were the member for Unley and I the only members who responded but we responded quite quickly. We demonstrated our commitment to ensuring that there was a collaborative and bipartisan approach to this matter.

Mr Pisoni interjecting:

Mr GRIFFITHS: The member for Unley confirms that we are SNAGS—sensitive new age guys, and I think that description defines both of us quite well on this issue. It is very pleasing that the parliament has chosen to devote resources to this area. Those of us who were involved in the committee—indeed, any member in this house who has a perspective on the pressures that families and people in the workplace are under—would agree that it was important that this issue was considered and that we should get as much information as we possibly could before making recommendations, and there is no doubt in my mind that that occurred. There was a high level of interest among members of the community with whom we consulted, and we attempted to do that quite widely, as you would be aware, Madam Deputy Speaker. Numerous letters were sent out.

We tried to engender comment from as many people as possible to ensure that the position taken by the committee reflected all the needs of the community and not just of one particular section. I did have some initial concerns at the start that a focus appeared to be on larger organisations where, obviously, there is greater capacity to create more of a work/life balance sensitive environment. There is scope within that environment because far more people work there and there is the flexibility that a larger number of people ensures that you can have in relation to working arrangements that suit more people. Compare that with the small business background from which the member for Unley and I come, and our involvement with our own lives and communities.

While small business would love to provide a more equitable work/life balance situation, it simply does not have the resources. It is pleasing in that regard that one of the recommendations in the report quite clearly explains that there should be no additional cost to business in pursuing, investigating and, hopefully, adopting the principles that are recommended in the report. The member for Hartley, in her excellent presentation of the report to the parliament, noted the skills shortage and workforce participation pressures that South Australia will experience in the future. In my shadow portfolio role, I am certainly aware of the fact that, over the next 10 years or so, something like 300,000 more people will be required to fill in for predominantly those baby boomers who are intending to retire from the workforce in the next 10 years.

I know that the workforce participation rate in South Australia is less than the national figure, and that in itself creates pressures, because there is a need to improve productivity or to get more people physically into the workforce who have not been there before. We think that some of the recommendations in this report will encourage people to stay in work longer, which is an important factor also; alternatively, it will allow those people who feel at the moment that the

pressures of their family life make it impossible for them to be in the workforce to seek an opportunity to enter the workforce because employers will potentially provide them with opportunities to cater for their very important family needs.

The member for Unley and I, as well as government members of this committee, recognised that, no matter what we do in this house, the impact of our decisions upon families is what is most important to us. We want to make sure that families have a good future. There is enormous pressure on families paying high mortgage costs and for both partners to be working to reduce their debt as quickly as possible. In doing that you have the difficulty of finding the best possible child care that can be provided Where do you find the money to fund that child care? Do you use a combination of family support to provide that child care or professional services? That situation exists out there, and we understand that.

It is important that a suitable combination is found, be it informal or formal child care or the flexibility at work that will exist by the adoption of some of these principles and recommendations. I think that everyone on the committee would agree that the interaction between members was good. On some occasions a perspective was taken which might have caused some concern, but there was a reason behind that. It was not just for blatant political point-scoring but to ensure that the whole perspective of the needs of the community were considered.

The member for Hartley was very fair all the time. She certainly ensured that there was an opportunity for any member of the committee to express an opinion. Again, we live in a democracy, so not everyone agreed with that, but we had the chance to debate it, and that is all I could ever ask. I also commend the member for Norwood and the member for Reynell (you, Madam Deputy Speaker) on their involvement in this committee. Our regional travels especially, when we had the chance to spend a bit of time together, gave us the chance to develop relationships which we might not otherwise have developed, and to understand people a little more and to appreciate the various skills and positions that we bring to the parliament.

Hopefully, that will stand us all in good stead in the future (from our point of view, we hope that the opportunity that members opposite now have will not continue for too long). Relationships that were built up over the last 12 months will certainly assist in the next two years at least, and we will see what happens beyond that. Like the member for Hartley, I also thank the support staff who served the committee. Chris Christensen had an enormous job, there is no doubt about that. We were very lucky that we managed to find someone who had a perspective on the issue as much as she had. The report is very detailed, and I was very impressed with the way in which many of the verbal submissions made to the committee were dealt with.

Chris has gone on to a different role now, and I am sure she is very suited to that. I have no doubt that she will be a high achiever in whatever position she takes on in the future, because she has a collaborative approach to things. She wants to make sure that it is not just her opinion but the opinion that most closely reflects the discussions taking place and the opinion of the committee as a whole. Not everyone who writes reports does that. Their perspective flavours a report without listening to every debate. I do commend Chris for her efforts, and I also commend the House of Assembly support staff, David Pegram and Rachel. It was very nice to have them with us, especially as we were travelling around quite often.

I must admit that my wife questioned me as to why I wanted to be involved in this committee, because it affected my own work/life balance.

Ms Portolesi interjecting:

Mr GRIFFITHS: True; rather ironically. We had a couple of discussions about this. I respect the fact that the committee was trying to do a lot of work in a reasonably short time. We had to speak to a lot of people and we had to make a lot of visits, and it was important that we sat in between parliamentary sitting periods. I was quite happy to make the trip down: it is only an hour and a half in the car one way, so that is an easy one to do. The member for Hartley grimaced at that, but I do about three of those trips per week. So, I am used to driving and doing 60,000 kilometres a year.

I was very pleased to see that there was support from both sides to undertake regional consultation. It was challenging. We enjoyed the opportunity to fly around, and we visited Port Pirie, Port Lincoln, Renmark and Mount Gambier. They were busy days. We spoke to a lot of people and there was not at a lot of time to flush out some of the real issues. However, from each of those consultations, be they regional or outer metropolitan, it was obvious to me that the people who presented before the committee had real issues.

We heard some very sad stories about people who want to create a professional opportunity for themselves. They want to be out there in the workplace and contribute financially to their family, but the pressures associated with being responsible for children (and, in some cases, it involved single parents), make it very difficult. We heard from a female police officer from Port Pirie who had moved away from family support and who faced enormous challenges. She had worked hard to achieve her role in life. She wanted to continue in that role, but the opportunities to support her children, who were also critical to her, complicated her opportunities to continue in the force. However, I am pleased that things have been able to happen there.

There is no doubt that work/life balance presents enormous challenges to us—not only to government but also to society—to ensure that the policies are in place, and it will come at some level of cost. In the federal sphere, we have all heard (and this was one of the submissions received during the committee investigation) that the cost of the baby bonus scheme is more expensive than the cost of providing paid maternity leave. I found that interesting, because I did not think that that would be the case, until the evidence was presented to us.

I found the full range of the discussions that we held over that 12 or 13-month period to be enlightening. I hope that my small contribution to the committee was beneficial in the eyes of others, and I have no doubt that the things I have learnt over the last 13 months will impact on the decisions I make in future while I have the opportunity to be in this place. I sincerely commend the report to the house.

The Hon. R.B. SUCH (Fisher) (11:24): I welcome this report. I think this is one of the very useful roles that committees of the parliament can fulfil, whether they be select committees or standing committees. Former premier John Olsen made an observation when he visited this place some two or three years ago (and I think that he received a bit of flak for it) that in the United States people live to work and in Australia people work to live. In fairness to him, I think he was suggesting that we could be more in tune with the American approach rather than our traditional approach. I do not agree with that, and it certainly caused controversy at the time.

This is a very complex issue, and I know that it goes beyond maternity and paternity leave—aspects that I have tried to push in this parliament for many years. It is pleasing to see that, at long last, we might see some action in regard to the provision of paid maternity and paternity leave.

I try to implement family-friendly working arrangements in my own electorate office. I am in the fortunate position of being able to do that. All my staff are women. I have several part-time staff who have young children and, if they cannot be at work until a little later or if they have an issue with a child at school, or whatever, we accommodate them. We operate on the basis of trust: if someone loses time they make it up when they can, and it seems to work well.

That is a privilege that can be enjoyed because, ultimately, the taxpayer is paying for it. However, it is not something that is easily provided in a small business. There are not many small business owners who can say, 'You can rock in half an hour after normal starting time and we will just make up the time later.' It is just not feasible. So, one of the key issues in relation to family/work balance is the capacity of businesses to pay.

The big organisations have some scope, but even then I would argue that, if we are to have paid maternity and paternity leave, it should be the responsibility of the whole community to fund it out of government and we should certainly not impose it on business. I heard the figures given this week in relation to a submission on paid maternity and paternity leave and the costs as a levy on individual workers. I am not sure whether I have the figure exactly right, but I think it was something like $150 per annum on every worker plus a levy on business according to turnover.

The Hon. I.F. Evans interjecting:

The Hon. R.B. SUCH: It is a $250 a year levy on each worker plus a levy on business according to turnover. That is quite significant. The reality (and this was highlighted by the member for Goyder) is that we already pay for things without knowing how much they cost in aggregate, anyway, and the baby bonus is one example of that.

I wish to raise a couple of points, but not to make the issue more tortuous than it already is. Some people do not have children, for whatever reason, and that is their business. However, one has to ask whether they should be required to contribute to those who have children or who want to have children. I also ask: in any of these arrangements are we doing it for the benefit of the children, the parents or the community? One would hope that it is for the benefit of all.

There is no doubt that time spent with children at the earliest possible age by parents and other relevant caregivers is absolutely vital, in terms of helping a child to become established in life and to grow up to become a worthwhile citizen and contribute and have a satisfying life. However, I think we have to be careful to ensure that, in this push for paid leave, we end up with a system that is equitable and we are not simply giving out money to people who probably can afford to provide for themselves (that is one issue), and whether or not we are supporting people who see children as a trade-off in a materialistic sense.

If you are going to have children, you have to be prepared to make a sacrifice. Those of us who have children know that. This weekend we are acknowledging the role of mothers, and that is fine. You do not have motherhood without self-sacrifice. You cannot be a mother and you cannot be a father without being prepared to make a sacrifice. I am not saying that this is the majority, but I think there is an element of some people not being prepared to make any sacrifice themselves but wanting the rest of the community to cater for and support their particular material obsession. I have heard people say—and I think it is despicable—'Look, we're choosing between having a baby or putting on another room.' Well, I wish that child all the best because if you put it in those terms it is pretty abhorrent.

It is easy to say that the younger generation is hell-bent on having it all now, but I think there is an element of truth in some young couples wanting to have it all now. They want the big TVs, the big house, the family room all at once, and at the same time they want the rest of the community to pay if they have children or want their children looked after. If you are going to have children, both parents have to be prepared to make a sacrifice.

Some people, as we know, do not have a choice in many of these things. Single parents often do not have a choice. There are people in particularly low income situations who are struggling to make legitimate ends meet; and I am not talking about wanting the latest motor car or plasma TV; I am talking about basic necessities. I gather from what is being said in the press that the federal government will move in its first budget to target some of these benefits according to the financial situation of the family or the individual; and I think that makes a lot of sense.

I would not be supporting necessarily generous assistance to people who can afford to pay. Why would you want to give paid leave to someone whose salary is in the order of $700,000 plus a year? There are people in the community in that category. We recently had the despicable case where a professional person was found guilty of sexually assaulting a young girl. The judge said that the penalty is that that person will lose some of their $700,000 a year income. Well, many of us would dream of that sort of salary if we were motivated by money—and that is just one example. Why would you give that person support and put a burden on the rest of the community if they chose to have a family or to expand their family?

Once again, I am not being devil's advocate for the sake of it, but I have spoken to people who are trying to manage particular workplaces, and they say that it is almost impossible because there are so many people who are entitled to leave for all different occasions that it is hard to have any continuity or any provision of a service. I will not say where, but this is in a large church establishment and someone I know, a family relative—but this person says that almost every week someone has some sort of leave. They have community leave, parenting leave, all sorts of leave because grandma has to be assisted into this or that. That is fine, but it means that the people who are left in that unit have to carry the can and the load.

If you talk to GPs, who are around the age of 60, you will find that some of them carry the can in the clinic for the others, because the others want to work only part-time, limited hours. You find these exhausted GPs working from first thing in the morning until late at night. That is fine, but I think you have to take into account the impact on those people who are supporting the rest of their colleagues in providing so-called family friendly arrangements.

I make the point that, in this parliament, we have moved to so-called family friendly hours, but we are not all that family friendly in many other respects. I think charity begins at home, and family-work balance also should be part of what happens to MPs, and it does not, in my view, happen at the moment. So, I think this report is good. I am pleased that we are moving towards active resolution of paid maternity leave and paid paternity leave.

Time expired.

Mr RAU (Enfield) (11:35): I just want to say a couple of things very quickly. First of all, this is a very important topic for all members of parliament and also for families—I will not use the adjective that normally comes before that these days—

The Hon. R.B. Such: Working families?

Mr RAU: Oh, goodness me—yes. I also think, however, that, in addressing this problem from a point of view that is going to be useful to people out there in the real world, I favour those people having as much choice in their own lives about how they deal with these issues of dealing with family and work as they possibly can, rather than having solutions which are prescriptive or reliant upon external agencies.

In my view, one of the biggest things that could possibly be done to assist families to get this balance right between their work and their responsibilities to their children would be for the federal government eventually to consider the fact that the future of this country does lie, as people say in that great cliché, with the children of today, but it is more than a great cliché: it is absolutely critically true—

The Hon. R.B. Such: It's a true great cliché.

Mr RAU: It's a true great cliché; that's probably a fair comment. And also, the fact that if those children are to have the best opportunity to grow up and develop to be productive, useful citizens who have a productive, useful life, it is desirable at least for them to have parents—hopefully two—who are engaged in the process of looking after them and are not stressed out or drawn between work and the very important responsibilities of nurturing and assisting children through the years that they grow up.

So, the tax system at the federal level is something that ultimately is going to have to be considered in this regard. I have never understood why it is that a single man or woman, whose only responsibility to society is basically to support their entertainment, their motor vehicle or something else, should be taxed at exactly the same rate as the person next to whom they work who is supporting a family. I do not understand why the social utility of the fact that that person is supporting a family, whose members will ultimately be contributors to the society in which we live, should not be taken into account in the tax system.

Obviously, one way in which that could be done is for there to be an opportunity for families to be taxed as a unit, not as individuals. That is something that requires a lot of mathematics and thought, and I am not an expert on tax policy and I do not pretend to be, but I do think that if we are really going to address these issues properly in a way that is going to be most beneficial to families on the ground, the greatest thing we can do for families is to give them the choice as to how they, as a family unit, solve their problems without necessarily trotting out an array of very prescriptive solutions into which they must then squeeze themselves.

I support the report. It is a great thing that we are looking at these issues. I hope that the federal parliament also looks into these issues and tries to address the issues from its perspective because, after all, it can do things we cannot. I hope that that keeps this very important question on the agenda.

The other thing that I have mentioned very briefly is the family friendly hours here in the parliament about which the member for Fisher made a comment. I think if they are going to be family friendly hours, they should be hours to which we keep. I speak in particular about the idea that we adjourn at 6pm. If you are adjourning at 6pm and your family expects you to be home soon afterwards, then it is not unreasonable that that should occur. If that is not going to occur—and I realise we have jobs to do here and so on—in some respects, it is more disruptive now than it was previously because we did not expect to be getting home. But I know that the system has to accommodate the greater or lesser amount of material that has to be dealt with by the chamber and that is probably an insoluble problem. I congratulate the member for Hartley on the report and all the members of the committee who participated in the report. I look forward to seeing some further constructive discussion about this matter at both state and federal levels.

The Hon. I.F. EVANS (Davenport) (11:41): I rise to speak to the motion to note the committee's report into family/work balance. I want to pick up the theme referred to by the member for Enfield. I ran a business for 15 years, and during that time my wife and I became parents of four children and I was involved in 32 local committees, as well as running the business. So, we were fairly busy. I support the member for Enfield's view that families should have choice, but I question whether the choice needs to be at an extra cost to the business or, indeed, at an extra cost to the taxpayer.

I think the system should be allowed where the family that wishes to have a child should be able to have access to their superannuation (albeit a limited access) to the amount argued in the

report, which I think is 14 weeks of the basic wage, which is roughly $5,000, as the member for Unley informs me. That gives the family choice.

In our case, we combined some leave that was due—holiday leave and long service leave— and we constructed times that way where my wife could recuperate and spend time with the child. We ended up making the decision that my wife would leave the paid workforce for 10 years and be a full-time mum. That was our choice. But I do not see why—

Mrs Geraghty interjecting:

The Hon. I.F. EVANS: The member for Torrens says you have to be able to do that, and I accept that. That was our choice and we were in a fortunate position to be able to choose to do that. But I do not see why the business should have to pay another fee for maternity leave when it already pays a fee for superannuation. The superannuation accounts are there. Every worker has a superannuation account. The worker could choose to take three weeks' or four weeks' pay out but up to a prescribed maximum so that they cannot bleed the whole fund dry. That would place no extra cost on the employer; it would place no extra burden on the taxpayer and, as the member for Enfield argued, it would give that family choice. Some will take out all of that 14 weeks, others will take out 16 weeks, others four weeks and others will combine it with annual leave or holiday leave or whatever. They would all construct their own unique period of leave that suits them.

The reality is that families are getting smaller. I think we are averaging 2.2 children per family now. So, it is not going to be a huge drain, in that sense, on the superannuation accounts. I advocate that, if they are to bring in a paid maternity leave system, the system should simply be a reconstruction of the superannuation laws so that families can choose to have access up to a prescribed maximum so that they can then choose to design the amount of leave they wish to have to suit their circumstances.

I fail to see why it is my duty, as an employer who is already paying holiday pay, long service leave and holiday loading, to pay another levy or another cost because the family decides to have a child. If we are not careful, if we construct this incorrectly, it will be another reason not to employ young women.

I support the principle that the member for Enfield talks about: the more flexibility the better. I argue that it should not be at a cost to the taxpayer or the employer, because I think that there is money in the system that people should be able to access now via their super.

Mr PISONI (Unley) (11:46): I rise to support the recommendations as a member of the committee, along with my colleague the member for Goyder. We obviously would be seen, on perhaps this issue at least, as progressive members of this side of the parliament, and I just want to pick up on some of the concerns that some members have raised about reduction of choice.

What came out of this whole process was that parents do, in fact, want choice, and they want to manage, and have the ability to manage, their own affairs. That, of course, is something that cannot be legislated. You cannot legislate any prescribed self-management of your own affairs, but you need to give people an opportunity so that they can, in fact, have the benefit of choice if it is not available to them.

It is important to note that the member for Goyder and I were very aware that Australia is one of only two OECD countries that do not actually have some form of government-funded maternity leave. We could also see from the evidence that was presented to the committee that, because we are in a very tight employment market, small businesses are missing out on opportunities to employ good women in their businesses because their bigger competitors, whether they be banks, large accounting firms, even local governments or branch offices of multinational firms, have the ability and the profits to offer their employees paid maternity leave.

This was automatically a disadvantage for South Australian small businesses who are out there competing in the labour market in the private sector for talented women to work for them. They were competing against companies that had an unfair advantage because they had greater spending power, more ability, more flexibility because they were big business, to offer incentives such as paid maternity leave. We heard that that leave tended to be somewhere around about the 12 to 14 week mark.

I look at the experiences that small businesses have now, where it is very difficult and very expensive to get good staff in a tight labour market. The evidence that we heard from one of the professors (whose name escapes me at the moment) from Flinders University was that this is the best time ever for employees in the workforce. This is an employee market and so consequently

they virtually dictate the terms. One of the things that I think attracted me to recommending some form of government-funded maternity leave was because it would actually bring the balance back in favour of small business—not give them an unfair disadvantage to their big business competitors.

I think that what should be emphasised in this debate today is that we heard time and time again (whether it was from a fruit-packing shed business in the Riverland down to a community care business run by the Anglican Church) that the main issue was that employees wanted flexibility, and employers were prepared to give it to them.

What was missing was a structure for that flexibility to be legal or for that flexibility to be recognised. This debate happened in the lead-up to an election in which the Labor Party had seen where it could exploit a complicated federal government policy of WorkChoices, so we saw a lot of the WorkChoices rhetoric being brought into this campaign.

I know that Labor members were very uncomfortable when independent witnesses said that they wanted flexibility in the workplace. It is not something that they wanted to hear, but it is a reality that, whatever size a business is, one size does not fit all. Flexibility to tailor that workplace was paramount. Obviously, the best way to secure these jobs and to secure this flexibility is a vibrant and strong labour market such as we have at the moment. We heard evidence that that is what we have.

I want to get back to the point that bringing up children really is a family issue and it is an issue that requires choice. We hear that often a solution is for one partner to work from home. The evidence we heard from some who gave evidence before the committee was that occupational health and safety requirements for a home office, for example, were often broken, and there was an unsigned agreement between the staff member at home and the employer, or they were ignored, and that there was no real facility for occupational health and safety to be adapted or to be flexible, if you like, so that a working mother could, in fact, choose to work from home rather than send their child to child-care if that is what they wished.

That was something that my wife and I were able to establish, with my wife working as a hairdresser for close to 15 years, I suppose, before we decided to have children. We then decided to set up a salon at home when our firstborn was due to arrive so that Michelle could continue with her work. We needed that income, we were reliant on that income, so we set up a professional salon from home and her clients came to visit the salon at home. It was on an appointment-only basis, so Michelle knew what her whole day was going to be. We did not have any walk-ins off the street.

I suppose some could argue she was fortunate that she had a trade that enabled her to do that, but she also made her fortune, she made her luck, which enabled her to have that opportunity. Of course, I was in my own business and I had flexibility as well, so I was very fortunate, but again, it was a situation that I made. I come from a very working class background and my first job was on the factory floor, but I took responsibility for my life and went on to be self-employed—

Mr Pengilly: You have completely ruined it by coming in here.

Mr PISONI: But, of course, as the member for Finniss says, I have completely ruined that by coming into this place, but that is another story. I must mention the great visit and the private hearing we had with Dr Fraser Mustard. The work he has been doing on early childhood development is revolutionary, really, and I am looking forward to his report being tabled in this parliament. That report has been held up by the Premier. My understanding is that the Thinker in Residence Program has had that report for almost eight months—an extraordinarily long time. The education minister said it is because the grammar needs correcting, or there are some spelling mistakes or something like that, but I think it is more likely that there is something in there that they do not like. I have been advised that words such as 'disgrace' and 'chaotic' are used to describe the way some of our departments deal with early childhood development.

Another point that I should make is that the best results in a child's early development are achieved when a parent or a relative takes responsibility as key caregiver for that child, rather than the child going elsewhere. Dr Mustard has said in his report and on numerous websites that that is the number one outcome. That cannot always be the case, of course, but that is the number one outcome and that is what parents should consider and what the paid maternity leave system could help us achieve, so more parents can spend time with their children in those very early developmental years. As a member of the opposition. I support the committee's report and its recommendations.

The Hon. J.M. RANKINE (Wright—Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Volunteers, Minister for Consumer Affairs, Minister Assisting in Early Childhood Development) (11:56): I thank the member for Hartley and the other members of the Select Committee on Balancing Work and Life Responsibilities for the work they have undertaken. I understand that the select committee received submissions from a diverse range of individuals and organisations indicating that there is a high level of interest in this area, and certainly contributions this morning indicate there is a great deal of interest in this chamber.

The Rann government acknowledges the importance of work/life balance and in March 2007 appointed Michelle Hogan to lead the government's work/life balance initiative in developing a multi-agency strategic response to work/life balance. Finding ways to improve work/life balance is vital if we, as a government, are to retain and recruit skilled workers. It is also a real challenge to the private sector and to local government. More families have both parents in the workforce now. As a community, we need to recognise changes to the way our workforce operates and the changes that need to occur.

It is true that many of the caring roles within families are still essentially the responsibility of women, but not always. Workplaces that want to retain valued and skilled employees ensure their workers can support and respond to the needs of family members. This not only ensures the wellbeing of families and communities, but also brings stability into the workplace. Work/life balance is not just an industrial issue for women. It cannot be discounted or dismissed as a social issue. It is fundamental to the health of our community and our economy.

This is why the government's population policy has stressed the need to improve the life styles of South Australians by actively encouraging family friendly workplaces, and that is why the Rann government promotes voluntary flexible working arrangements in all its government departments. Arrangements such as purchased leave, flexitime, compressed weeks, part-time, job sharing and working from home are all initiatives that assist in helping to balance work and family. Having access to such arrangements, however, is only part of the picture. There also needs to be a mindset change that allows workers to access arrangements without feeling guilty, without the worry their career may be penalised in some way, without being seen as lacking commitment to their job.

Of course, it is not just employees and employers who are affected, it is also our children. For many parents, a poor work/life balance can mean a disconnection from their children. Obviously the more time spent at work, the less time at home, impacting on the time spent supporting the learning and development of babies and young children. As Minister for the Status of Women, I want to ease some of this burden by supporting and promoting practical, workable strategies for women and men and, as the Minister Assisting in Early Childhood Development, I aim to improve and support learning and development of babies and children.

Again, this is an economic as well as a social issue. Many parents have to juggle work and family, some just do not have a choice. Whether parents are working because of financial reasons or because of a commitment to a career, it is a juggle and, for the primary caregivers of children or aged relatives, the constant juggling of work and family commitments puts an inordinate amount of pressure on families.

The Rann government is committed to supporting parents. Every Chance for Every Child is a wonderful initiative. It is also removing the barriers in the childcare system where some believe the focus on the profit margin could well be at the expense of quality care. I do not want a childcare system that operates with its priority being profit first at the expense of the best possible early childhood development for children who are brought up by overworked and time-poor parents.

Debate adjourned.

BOGUS, UNREGISTERED AND DEREGISTERED HEALTH PRACTITIONERS

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (12:00): I move:

That this house requests that the Social Development Committee examine the report on harms associated with the practice of hypnosis and the possibility of developing a code of conduct for registered and unregistered health practitioners in the context of its current inquiry into bogus, unregistered and deregistered health practitioners.

Members may remember that, a year or two ago now, I moved in this house a bill in relation to psychologists in South Australia—the regulation of psychology—and at the time I committed the government to looking at the issue of hypnosis. Hitherto and currently in South Australia, hypnosis

in a de facto way is regulated by the psychology laws in that only psychologists in this state, plus doctors and dentists I think, can practise hypnosis, hypnotherapy. That is an exclusive right that is kept to them.

The legislation I introduced at the time removed that exclusivity. The reasons for doing that were: the recommendations that had flowed through to South Australia from COAG; the fact that no other state regulated hypnosis in this way; and the lack of evidence that the lack of regulation of hypnosis had caused any detriment in the community.

The other issue which was really a more philosophical one was: what is hypnosis? If I set myself up as a dream therapist, a relaxation therapist, a counsellor in grief, or any of these things, and I used some of the practices which were associated with hypnotism, am I practising that or am I practising something else, and who would really know? They were the kind of issues.

I accepted that there were concerns about these issues and I said that I would have a report prepared by department. That has now been done and I have tabled it in this place. I commend the authors of that report: it was a very thorough piece of work. My recommendation now to the parliament is that we refer that report to the standing committee of the parliament, the Social Development Committee, which is currently looking at the issue of unregistered health practitioners, and ask it to take into account this report and to consider whether or not we should create a regulatory framework for it and make recommendations to the house. I think that is a sensible way of doing it.

I was grateful to the opposition at the time that I moved it for supporting that general thrust, and the opposition in the other place did not seek to restore hypnotism to the legislation and make it an exclusive province of psychologists. I think they are all the issues that I can bring to the house. It seems to me a sensible thing to do, and I commend the motion to the house.

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (12:03): I indicate the opposition supports the motion. It is certainly accurate, as the minister points out, that the government introduced the Psychological Practice Bill some time ago. The opposition raised a number of concerns about the proposed legislation, including psychometric testing and who should undertake it. Another main area of concern related to those who should be qualified and under what regime or regulation to operate the practice of hypnosis. We are pleased that the government listened.

The minister gave his undertaking to inquire into the latter matter and, indeed, he has done so. I have received and read the report and, as indicated, it is one which looks at the question of how we deal with the establishment of a code of conduct for those who use this methodology in the course of their practice, and then, ultimately, if they are to operate, whether they should be included in the psychological practice act for registration. I simply make the observation and place on the record the opposition's agreement to have this matter considered as promptly as possible, and it is for that reason that we ask the Social Development Committee to consider this in light of its current inquiry.

It is to be noted that the current inquiry is into bogus, unregistered and deregistered health practitioners, which arose out of concerns raised at the time—I think by the member for Taylor—about cranks operating in practice and who were holding themselves out to be healers and giving an unfair and certainly an incorrect assessment, and then publishing that to prospective people who are hoping to be healed. It was certainly unrealistic and it was imposing great grief on the community.

I hasten to add that, whilst that is the extent of the Social Development Committee's current inquiry, in no way is the opposition in supporting this motion suggesting that those carrying out hypnotherapy are in some way bogus practitioners. We are certainly not. We would be looking for an outcome which would ensure the protection of the public as future patients and the responsible administration of hypnosis in the future by whoever and whatever professional group is to be authorised to undertake that practice. The opposition supports the motion and is agreeable to that being presented today and voted on.

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (12:07): I thank the opposition for its support. I underline the point made by the Deputy Leader of the Opposition, that is, in referring this to the Social Development Committee, it is not to reflect on the those who are practising the art of hypnotherapy or hypnosis. It is just a convenient committee to look at these issues. I agree with the deputy leader that we would not want to reflect in any unfair way on those who do this.

Motion carried.

TRAINING AND SKILLS DEVELOPMENT BILL

Adjourned debate on second reading.

(Continued from 6 March 2008. Page 2522.)

Mr GRIFFITHS (Goyder) (12:08): I indicate that I will be the lead speaker for the opposition on this bill. I also indicate that we recognise the importance of the bill as it relates to the future of South Australia. There are a few areas in the bill on which I will seek clarification, based on our consultation with various groups. There are some points which we understand cannot necessarily be enshrined in the legislation, but it is important that the minister's position is put in *Hansard*.

I thank the minister's staff for the three briefings provided to me. The minister's Chief of Staff, Mr Ryan, has had contact with me, including numerous telephone calls, in order to ensure that anything I needed was available to me; and I appreciate that. At any time we have had briefings they have been conducted in an open and forthright manner. I am grateful for the minister's meeting with me last week, where he even offered me coffee—which was above and beyond the call of duty.

I do note that some 43 amendments have been filed today. I confirm that I was provided with an indication of those amendments on Thursday last week and a copy of the amendments was given to me on Monday afternoon. Most amendments relate to terminology.

I acknowledge that the guidelines for applications under the Training and Skills Development Act, as it relates to the Industrial Relations Commission, were provided to me last Thursday. I know that they were an evolving process and that there was considerable consultation with people from Business SA and the unions in relation to the development of the guidelines; and I will talk about that in more detail later.

Representatives from Business SA have spoken to me on numerous occasions about this bill. I know also that they have talked to the minister and his staff quite often in order to ensure the best possible outcome from negotiations on the bill. I wish to note the people to whom I have spoken in relation to this bill. Obviously, I have spoken to representatives from Business SA (from whom I received a lot of information) and Unions SA (from whom I did not receive any communication after inviting them to make comment). I contacted nine industry skills boards, and I am grateful for the feedback I received from the Primary Industries Skills Council. The Motor Traders Association provided me with written comments, the Masters Builders Association replied to me by return email, and the Housing Industry Association and the Australian Hotels Association did not make comment to me. In his second reading explanation, the minister said:

> [The bill] provides a legislative framework for our training system, higher education and community learning, and includes the provision of advice on workforce development, the registration of training providers, course accreditation, arrangements for traineeships and apprenticeships, and protections for students...This bill provides for a stronger role for the Training and Skills Commission, in consultation with industry training bodies, such as industry skills boards, and employee and employer associations, in providing high level strategic advice about the application of workforce development strategies that are informed by effective community engagement.

It is important that this occurs. I acknowledge at this time, also, as an adjunct to the release of the bill, the minister's presentation of a skills strategy for South Australia's future. The minister and I have been engaged in some radio and media contact about this matter, and in the briefing provided to me on Thursday last week we spoke at length about it. There is no doubt that that issue will arise in future issues.

The future workforce needs of South Australia are immense. We all in this place acknowledge that. There is a desperate need to ensure that the skilled workers we need are provided, and the importance of that plays to the economic future of the state. Certainly, both the minister and I agree—and we are on the public record as saying—that up to 300,000 people are required in the next 10 to 20 years to replace those in the baby boomers generation who are about to retire and for the economic opportunities that will be created throughout the state.

It is a challenge for governments, regardless of their political persuasion, to try to come up with that skilled workforce, and that is why the minister provided an opportunity for public consultation in mid-2006, with comments being received through to the end of that year, on a review of the Training and Skills Development Act 2003. As a result of that consultation, the minister chose to introduce a new bill, rather than make amendments to the present act.

I want to quote from some of the comments I have received. Part of Business SA's original comments in its submission in February 2006 states:

The training system, through the act, needs to be fluid enough to work effectively to ensure quality rather than imposing prescriptive regulations to manage it. In a global marketplace, the challenge is to focus on the outcome required, not on the process required to get there. It is therefore recommended to shift the focus away from front-end resource intensive regulation to a system based on monitoring quality assurance through a risk and case management approach...The level of protection through the act must not duplicate protection provided in other legislation and must be commensurate with having training and skills for the future. Individual protection should not be an excuse for the regimentation of the system to the detriment of those who are being protected. Consumer protection should not be dictated by the very small per cent of stakeholders who do not comply to the detriment of the vast majority who do.

Those of us in this place know that laws are in place for those people who choose not to obey them, to ensure that there are opportunities to enforce the upholding of those laws, and that relates to training and skills development equally as much as to any other law that parliament passes. Business SA further said:

Part 4 of the bill will introduce even more rigidity and regulation, with registration of employers, compliance notices, higher penalties and expiation fees and the necessity for employers to appeal to the District Court against any disputed decision of the Commission with respect to registration of employers. Business SA continues to receive feedback from employers that they are deterred from taking on an apprentice as a consequence of existing regulations. The imposition of additional regulation, penalties and fees will further stifle the uptake of apprenticeships and create barriers to flexible skill development.

The document further states:

Business SA does not support the need to apply for registration before entering a training contract or having to appeal against any decision of the Commission with respect to registration to the District Court. This places more red tape and regulation on employers at a time when the government's policy is to reduce red tape.

The Premier talks about the need to reduce red tape. The document continues:

Registration of employers is in addition to the employer approval process, imposing additional burden on employers and additional administrative responsibility on Training and Apprenticeship Services where resources are already limited. In this bill the Commission may vary or cancel the registration of the employer either by application by the employer or if the employer contravenes the act, a corresponding law or the conditions of registration. There may be inherent problems in this if the employer is a group training organisation or employs more than one apprentice and trainee in that it may unnecessarily apply to or affect other apprentices or trainees under their employ—

Business SA has acknowledged that there must be a filtering mechanism, and, certainly from discussions I have had with the minister, we recognise that, too—

—to ensure that the apprentice or trainee is not at risk and is trained appropriately.

It is important that a safe workplace is provided in which the employer ensures that not only is the workplace safe but also that it provides a workplace which is stimulating for the employee and which gives them an opportunity to work safely with no risk of injury or persecution by the employer any other staff member. The document continues:

However, there needs to be a simple process with minimal bureaucracy, that doesn't involve enterprises having to complete a registration form, prior to taking on an apprentice/trainee, as it is an added administrative burden for them or for their intermediaries. Business SA is not convinced that the proposed up front registration process will [and there are some top points here]:

- ensure employers understand their obligations under a training contract, particularly if registration is done online;
- get rid of 'cowboys' in the system;
- raise the importance/profile of the apprenticeship system for employers who are taking on an apprentices, and hence change the status quo.

Currently obligations under a training contract are listed in the training contract which the employer signs, yet there is still a lack of understanding by employers. It is likely given the proposed process, [as outlined in the bill] that the intermediaries [e.g. Australian Apprenticeship Centres, Apprenticeship Brokers] will complete the registration form for the employers and in rural areas, in particular, the registration form and training contract may be forwarded at the same time. Hence this would negate the intent. This will not change the status quo for existing employers who do not know their obligations.

That is a concern for us all. We must ensure that, when they are taking on young people on apprenticeships or traineeships, employers understand their obligations. The document further states:

There will always be employers and employees [and I note that, too] who rort the system. Business SA maintains that the current process of approval by Traineeship and Apprenticeship Services (TAS) remain. In addition an education process by the Australian Apprenticeship Centres or TAS for employers and apprentices/trainees when signing contracts, on a one-on-one basis may prove to be more effective. TAS can still use this information to form a register of 'approved' employers which could be made public, should they so wish, without the need to duplicate the information on the training contract and without the need for employers to complete a registration form.

I do understand from the negotiations that have occurred between the government and Business SA that there are some comments, and that the government is committed to registration of employers. The document continues:

Business SA have been given assurances that [they] will be active participants...in developing the registration...process.

Indeed, I am led to be believe that a meeting has been arranged with the CEO of the department to undertake that, and that will be made as simple as possible. The document continued:

[The government] will consider a formal review process being inserted into bill—

I am not sure whether that is there; I have not noted that, but we might talk about that a little later—

(possibly after a 12-month review) in order to evaluate whether the system of registration of employers is meeting its objectives.

A further quote states:

The restructuring occurring in Australian industry clearly highlights the need for advanced knowledge and skill, a commitment to lifelong learning and the development of applied research expertise on an internationally-competitive basis. An educated and skilled workforce is integral to the future of Australia [and we would all agree with that]. Business SA notes the fundamental importance to the South Australian economy of the education and training system. This system has important implications for the state's economic investment and employment prospects. In particular:

South Australia's education and training markets compete with others on a national and global stage.

And, certainly I acknowledge the wonderful effort that has been made by Education Adelaide to have something like 25,000 overseas students, or close to that figure, studying in South Australia at the moment. The quote continues:

South Australia's education and training system must stimulate (not stifle, nor worsen, prejudice) South Australia's economic, investment and employment markets.

South Australia's education and training system must balance providing fair and effective quality assurance measures and protection for students, apprentices and trainees, with encouraging investment, education and training in South Australia.

The South Australian government cannot afford to support an education and training system that makes it less attractive for business to invest, employ, educate and train in South Australia.

We all want to ensure that the opportunity is ripe for anyone to come in and to grow business in this state and to employ people whether they are young or old. Business SA further comments:

The current system is stifled by an excessive focus on consumer protection as an excuse for over-regulation rather than economic pragmatism necessary for South Australia's economic survival, progress and prosperity.

Rather than creating education and training opportunities and ensuring fairness for all South Australians, the existing Act constrains the South Australian marketplace by creating barriers to flexible skill development. The current system in South Australia is still embedded in the 19th century. Focus on past models is still being imposed by too many stakeholders. The tragedy of the current over-regulated education and training system is that it is at the expense of the largely compliant majority of South Australian businesses—

we have recognised that and, certainly, we will talk about it: the overwhelming majority of people do the right thing within their businesses all the time—

and to the detriment of the majority of South Australian students, trainees and apprentices who are being protected. As with almost every other facet of economic and social life, the apprenticeship and traineeship system, born and raised in the old economy, is struggling to come to terms with its form and place in the new global economy.

Revised training and skill development legislation must ensure that South Australia's post-compulsory education and training sector has the capacity to develop a highly skilled workforce capable of supporting the economy and maintaining a high standard of living for all well into the future.

It is true to say that a few of the recommendations of Business SA have been adopted into the bill as it is presented before us. However, Business SA was frustrated that the bill fails to take advantage of the opportunity to create a framework for future skills development and growth in South Australia. Rather, its contends that the bill would appear to be driven by ideology and imposes additional prescriptive regulatory systems and penalties on employers and the training

system at a time when greater flexibility and creative, innovative approaches to the development of skills in South Australia are so urgently required.

This bill does not acknowledge changes to the social and demographic landscape, where clients of the system—namely, the students, be they apprentices or trainees—are older and more street-smart and demand more flexibility. People understand their rights pretty well. Business SA insists on a model whereby a broad, flexible and innovative framework for the education and training system is created by the bill rather than a bill which seeks to perpetuate the prescriptive and inflexible systems of the past. This framework would then allow the Training and Skills Commission the capacity to develop detailed guidelines that can support the flexible arrangements that are required now and into the future, and ensure the protection of all parties.

However, it is fair to say that, since these comments were initially provided to me, things have moved forward. I know that the continual consultation that the minister and his staff have had with Business SA has allowed for the resolution of many of the issues that Business SA raised initially. I think there were something like 30 points of difference. Eventually, agreement was reached on nearly half of them, but we are still working through that. However, we still have to move things forward a little.

I want to mention some specific concerns that have been identified as part of our consultation. There is a lot of concern about the involvement of the Industrial Relations Commission. It is a basic premise of the Liberal Party that we do not support this provision. We certainly recognise the efforts in the past of the Grievance and Dispute Mediation Committee. Some information was forwarded to me in that respect by the minister's Chief of Staff, and I note that there were between 16 and 30 disputes in each of the last five years, which is a reasonable number when one considers that something like 34,000 people are in training in South Australia at the moment.

We will be seeking comment and confirmation from the minister on why the Industrial Relations Commission is now the body that will control the dispute resolution process. A comment had been received by me that, with the lessening of the workload of the IRC, it appears as though the government has created this role for it.

The Hon. P. Caica interjecting:

Mr GRIFFITHS: The minister puts a different perspective, and I am looking forward to his contribution in that respect. The Training and Skills Development Bill should be entirely focused on the training needs of South Australia, and that is why we were rather intrigued that it places strong importance on that but also talks about the legislative capacity to fine employers. We are a little disappointed with that, especially noting that the maximum penalties increase from $2,500 to $5,000.

I now wish to briefly talk about registration of employers. I acknowledge that there will be an automatic transfer for those who already have training contracts in place, and I think that automatic transfer will be applicable for a five-year period, but it is an additional impost on the willingness of some employers to give someone a job. How will they promote this requirement? That is the question that I am asking in terms of ensuring that all those enterprises out there are aware of the need to have this registration in place. There are many people who will have automatic registration by virtue of having contracts in place, but there are many potential employers out there who will not be aware of it. It will be an enormous education program for the minister and the government. I am sure they will put the resources into that, but it will be a challenge for them.

Considerable debate has taken place about the interpretation of a definition for 'apprentice' and 'trainee'. The groups with whom I have consulted are not entirely pleased, and feel that the already established list of occupations endorsed by industry at the national level should have been used. I will be seeking comment from the minister on that matter.

Another point raised with me was the fact that, as it stood in the draft bill, employers were to be penalised for late lodgement of training contracts. I understand that that has changed a little, in that now the employers are the last people to be involved in the signing of the contract and they then have four weeks to ensure that the contract is lodged. However, there were a lot of concerns about the fact that, again, it was a potential impost upon employers and it might have been to the detriment of employment opportunities. It also reflected an increase in the fines, with the penalty increasing from $2,500 to $5,000.

Some questions have been asked about the process for the issue and administration of compliance notices. It is not quite as clear as I would like, so I would appreciate it if the minister

could outline that for me. I acknowledge that some of the expiation notices and penalties have been removed by the amendments that have been introduced today, but only in some relatively minor areas.

With respect to the disputes and grievances procedure, I acknowledge that the Industrial Relations Commission has prepared the guidelines and also the attached rules, but I will be seeking clarification from the minister on how that is all intended to operate. I must admit that there was some confusion in my mind as to the level of IRC's involvement in taking that grievance and dispute situation away from the GDMC. There was a lot of concern within the opposition party room about the IRC's involvement. I understand that it will involve the approach based on one of the recommendations, I think, from Business SA whereby a panel will be formed representing employers and employees who will be part of—

The Hon. P. Caica interjecting:

Mr GRIFFITHS: Okay. The minister tells me that it was his directive. However, there is still the issue that, when the conciliation conference is held in the initial stage of any grievance or dispute, that panel is not used at that level, as I understand it, and it will just be the IRC commissioner who is involved.

The Hon. P. Caica interjecting:

Mr GRIFFITHS: No? We'll sort that one out, too, by the sound of it. There was a reasonable level of concern raised by a few people on the lack of ability to undertake a trade other than through a training contract. It was felt that this did not provide the necessary flexibility that might have been provided if the minister was given some form of discretionary powers, and given the fact that we have such a dire need for people with skills and trades to come into South Australia.

There might be some wonderfully innovative processes out there which allow people to receive recognition or accreditation without necessarily having been in a training contract to give them the formal acknowledgement of the skills that they possess. I am wondering whether the minister might have a comment on that, too. They might not be out there at the moment, but there might be opportunities for some discretion to be shown and some key understanding of the recognition of skills to exist.

Serious and wilful misconduct was also talked about, and the inability for an employer to terminate an employee who was found to be doing seriously the wrong thing. I recognise that the Industrial Relations Commission intends to hold a conciliation conference within seven days. The minister has confirmed with me that, if the conference cannot be held within that time frame, there is an opportunity for an extension of the seven days. I think, on my reading of legislation, it provides for another seven days. I am not sure whether that can be multiples of seven days, because there will be great challenges sometimes in bringing the parties together.

Not all of these disputes will occur within the metropolitan area. Sadly, some of them will occur in the regions. I understand that there will be a willingness to travel to the workplace to potentially have these conciliation conferences. It is important that they are provided in a place where parties feel comfortable. I understand that there would be a reasonable level of—not real intimidation, but nervousness attached to appearing before an IRC commissioner.

There is also a need for the minister to define the suspension of a wages liability while the suspension is on. In our discussions we have talked about the fact that any employee who is suspended, and pending the conciliation conference, will not be paid. I seek some confirmation of that.

In terms of the powers of the IRC to order an employee to pay compensation for any breach of the training contract (and we will go into that when we go into the committee stage) my question is: what does that actually mean? How broad is that intended to be? That in itself creates some concern amongst employer groups.

My next point concerns the ability for people from employer associations of which the employer is a member to be able to attend conciliation conferences, dispute hearings, and take part. I am told, in my discussions with the minister and his staff, that there is an opportunity for these people to be there to support the employers, but there were some fears that, by payment of a gratuity in relation to the membership undertaken of that employer association, it could create some difficulties, and it might require decision to be made by the Industrial Relations Commission. I am wondering whether that can actually happen.

One point which has only just been made obvious to me is the requirement that an employer must employ an apprentice or trainee in preference to a junior employee. I want some comment on that; that is in the later portions of the bill, I think. I know that the obvious preference for all of us is to ensure that young people are given some surety by going into a training contract, but I can also understand that there would be some apprehension amongst potential employers out there who might just want to see the demonstrated work ethic of a young person. The best way of doing that is to give them an opportunity as a younger employee and, then, once they have actually proven themselves—and I think we all have a responsibility to prove our worth—enter into a training contract, which will give them the qualifications they need in the future.

Schedule 2 of the amendments as it relates to the Fair Work Act was brought to my attention. Why does clause 7, in amending section 155 of the Fair Work Act, insert the term 'or any other act'? We certainly understand that it was necessary to insert the Training and Skills Development Act 2008 into the amendments of the Fair Work Act, but why the inclusion of any other act? I seek comment from the minister on that. With those few brief words, I conclude my comments and I look forward to continued debate on the bill.

The Hon. R.B. SUCH (Fisher) (12:35): I have had a longstanding interest in this area. I was the minister many moons ago and, as the current minister will agree, it is a great privilege to be minister in this area which, even though it does not always make the headlines, is a very important one. I acknowledge the detail in this bill but I am going to focus more on some general aspects relating to training and universities.

In South Australia we have an excellent TAFE system, although over the past 20 years or so it has had a fair whack around the ears. That was driven to a large extent by misguided federal policies and financial constraints. When I was the minister I used to have to fight hard to protect TAFE against the treasurer of the day. We all know that treasurers are tough cookies and that they are always trying to squeeze a dollar out of every government agency. It used to be argued that TAFE was over-funded and I argued that it was not; in the end, I was able to demonstrate that.

I do not think that, even today, many people in South Australia appreciate the great TAFE system we have, even though it has diminished somewhat in some areas—for example, in engineering and other areas. I hope that will change. I do not have a problem with the private training sector, but some of that sector has cherry-picked programs in which TAFE has traditionally been involved. We had the previous federal government introducing its own training colleges. I think that was an unwise and unnecessary move. They should have used the funding to boost TAFE. It was an unnecessary duplication which I think was driven ideologically, which is always a dangerous driver, on the basis that they did not want the union to have too much say.

In my experience—and this was after having been a minister when I was on the councils of TAFE—I found the union to be very amenable and reasonable, and I never found the union to be difficult in any way, shape or form. In fact, I was quite surprised by that argument that the federal government could not support TAFE because of union power. I never saw much exercise of union power then nor have I seen it over the past several years.

One problem we still have in relation to training and higher education is an obsession that people have in our community about everyone having to go to university. That is not in any way to put down universities.

The Hon. K.O. Foley interjecting:

The Hon. R.B. SUCH: That is right. A lot of smart people do not go to university. I spent 16 years at university in part-time and full-time capacities, but I do not believe that everyone needs to go to university; in fact, I have a feeling that probably too many people go to university for the wrong reasons. It reflects this obsession with going to university—and there is nothing wrong with people aspiring to that, because we need lawyers, doctors and people in many categories of professions which the universities normally train—but the downside is often that, for people involved in the trades and technical areas, there is an implicit (if not explicit) put-down. I have come across cases where parents have cried when their son has said that he wants to do carpentry. I do not make up these stories; these are real experiences where I have seen people get quite upset because their son wants to be a carpenter. It would be the same obviously if their daughter wanted to be a carpenter.

That is crazy, because not only do we need those skilled people, but in the not too distant future, if not right now, people such as plumbers and those other skilled tradespeople will be earning a lot more than many of the people who went to university anyway. But simply to make

money is not a justification for going into a trade. If you do not enjoy it and you do not want to make a contribution, then it is better that you do not go into the trade.

An honourable member interjecting:

The Hon. R.B. SUCH: Well, I won't comment on that. I have a niece who is a dentist, so we will say no more. We still have this underlying lack of respect and lack of appreciation for people who have a trade or technical training, in contrast to Germany and Japan where they value those people. The next time members fly to Sydney, they might like to reflect on the skills of the aeronautical engineer and the maintenance staff at Qantas, Virgin Blue, etc., and the skill of the people who maintain a jet engine which is quietly ticking away while passengers are travelling up in the sky.

The people who do things like stonemasonry—for example, the recent work over the last 10 years at St Francis Xavier Cathedral—are highly skilled, talented people and yet in our society we have this tendency unfortunately to put those people down and say, 'They're only tradespeople,' or, 'They're only technical' as if somehow they are not very smart.

I use the phrase 'equal but different'; people have different talents but nevertheless should be regarded as equal. However, we have not reached the point where we value technical training and trades in the same way that we value the efforts of someone who has been to university. What concerns me at the moment—and the minister might want to comment on this—is that I am hearing reports from interstate of a commitment to, or a focus on, accelerated training. For example, the traditional training for a chef, say, at Regency Park here is four years. I am told that interstate it is either happening or is about to happen where they want to put those people through in eight months. That is ridiculous.

Training and education involve experiential development; it is not just cramming something into someone's head. I would be very wary of moves to accelerate training to a point where people are simply trained or educated (so-called) in some sort of express lane. I think it is highly dangerous, and I am told that it is happening in relation to pilot training. Because of the shortage of skills, there is a push by some sections of industry to rush people through, get a qualification and put them at the controls of a jumbo jet. I would like to be assured that the person who is flying the aircraft that I am travelling in has done a proper course and is properly experienced, not someone who has done a pressure-cooker course in order to get a quick qualification.

I think that there is a very real risk at the moment with the shortage of skilled people that there will be increasing pressure for these pressure-cooker, quick-fix, 'Quick-draw McGraw' courses and training, and the consequences of that will be inflicted on the community for a long time to come. I am also concerned—and it is not something that is easy to legislate—about the terminology used to describe people who are trained. The Germans talk about the 'meister tradesperson', the person who is qualified, has experience and has a certain status.

We throw around terminology in this country; we talk about a chef, for instance. To me, there is a difference between being a cook and a chef (and I know there is a TV program that has both) but we need to protect those terms. It is not simply status or snobbishness. In engineering, there is a difference between somebody who is a civil or mechanical engineer who has done an in-depth course of many years of study at a high level and someone who fits discount brake pads on your car. In our system, we do not protect those titles. The universities are at fault too, because nowadays just about anybody can be called 'professor'. It used to mean something. In America it means basically anyone who teaches in a university.

You have to be very careful because otherwise you devalue these terms so that they mean nothing, or very little. Likewise, with the a doctorate; we are now getting 'doctorate of education', for example. To earn the traditional PhD, you had to make an original contribution, or a contribution to theory in an original way, and also undertake original research. Now we have these programs based upon course work only offering so-called doctorates—they are very careful not to call them PhDs—on-line on the weekend and, in my view, the universities risk bringing themselves and the system into disrepute.

The other matter that concerns me about universities is the so-called issuing of double degrees. They are not double degrees: that is a con. They are a one-and-a-bit degree. They are not two complete degrees, because they give people so much status for the first degree that they have almost completed the second degree, and I think that is a con. It is a form of academic dishonesty, and then someone goes out and says, 'I've got a double degree.' They have not done two degrees' worth of study; they have got what the university has issued—two bits of paper—and it is, in my view, as I say, a form of intellectual and academic dishonesty.

I think the universities have to be very careful that they do not move away from proper standards, rigour and integrity. People need to remember what the universities are there for; their fundamental role is to seek truth and that means unequivocally, without compromise, trying to find out the answers to questions and issues. They are not there to turn out people for McDonald's, although that in itself is not a bad thing. They are there to engage in, as I say, the search for understanding, awareness, knowledge and a process of discovery but, sadly, more of our universities are becoming education factories, where you receive a piece of paper after you have done the prescribed work. They might as well give the people the certificate at the start and, if they are not careful, they will end up giving it to everyone because we are moving to a system where every player seems to get a prize.

Ironically and sadly, the students are being cheated because they have crowded teaching situations. A tutorial is not a tutorial if you have 30 students in it—that is nonsense. A tutorial should not be any more than about 15 students. How can there be meaningful interaction in a class of 30 students? We are seeing lectures with 200 or more students in them. That is more like a Billy Graham crusade than a lecture. The use of on-line learning has its place, but it is not a substitute for social interaction and personal development at a university.

University should be about developing as a person, not only acquiring knowledge and skills but also developing as a person in a liberal way, with a commitment to truth and all those elements of the civilised person. Now with on-line delivery, if we are not careful, we will end up with a robotic output of graduates. So I think the universities face a big challenge. Also, I think there should be an independent audit of the quality of training and teaching in universities. At the moment, it is basically self-assessment and, not surprisingly, they almost always give themselves a high rating. There should be an independent body checking university standards.

I have raised this issue previously with federal ministers without success. I do not think universities should be above scrutiny. I do not think they should be exempt from an independent audit of academic standards and proper assessment, given that we have already seen, as I have said before, these trends towards watering down academic standards and the quality of teaching in some of our universities.

Returning to training more specifically: one of the great things that we have in this state—and I am proud to have been involved with it—is the bipartisan approach to create the Construction Industry Training Board and, despite attack from several quarters (including Bob Day and others), it survived and, without it, we would have very few apprentices, or a lot fewer apprentices in training. There have been very few complaints from people who have been critical of having to spend a few dollars when they put in a building permit to help, at the same time, fund the training of apprentices.

There is a big difference between an apprenticeship and a traineeship. You can call things whatever you like, but, at the end of the day, what you want is a quality of training, not simply a length of time issue, which is to what I was alluding at the start. Having employees on apprenticeships and traineeships in your business is a costly exercise. It costs employers to have apprentices and trainees, particularly in the first year, but it should not be an excuse for cheap labour. Many of our companies, the progressive ones, commit to training but, unfortunately, we still have this poach mentality where companies want to poach people rather than train their own. The old training levy which was phased out did have merit in that it required a contribution from all employers and all those who used trained and skilled people to pay their way. Sadly, that is not the case now because many are prepared to poach and pay a little more to avoid training.

Sadly, we have made the training system more expensive. I like the system where it is easier and cheaper to get into TAFE and universities. I like the Irish model where it has gone from being potato capital to technology capital by making it easy to attend TAFE or university. I have never supported HECS. If you have HECS, then it should be at a very low level. I think if you have a fair tax system (which we do not have but should have), then you pay back: the more you earn, the more you pay back for the benefit of the education and training you have received. At the moment, we are crucifying young people by putting the burden of HECS and other fees on them, at the same time that they are trying to buy a house or maybe wanting to have children.

It is a foolish approach and it is really designed to help people of my generation who are comfortably off and who are quite able to contribute towards the education of our young people and they, in turn, over their career, through a fair tax system, pay back towards the cost of the training which they enjoyed and from which they benefited. I would like to see the HECS system phased out, or at least cut back drastically. I as minister contemplated a HECS scheme for TAFE, a modest

one, given that we had one for universities, but if we can avoid having them in either sector, then that is something I would prefer to happen.

People who study and train at TAFE or university have to make a big sacrifice, and many of those young people are now working flat out just to make ends meet, let alone complete their study requirements. They are the range of concerns I have. Ultimately, the quality of our society will largely depend on the quality of the training system we have, whether it be TAFE, the private sector or universities. If you want to have a cheap training system, you will end up with a cheap outcome. We should lead the world in terms of training and higher education, and regard it as an investment, not a cost. I get sick of people talking about the cost of education, the cost of training. They rarely talk about the investment, the positive side that comes out of it through having trained people and people who can achieve in life.

Obviously I was not able to go into all the detail of the bill, but I wish the minister well as he seeks to reform and revise the training system. It is a challenge. It requires change all the time because of the dynamic nature of our society, but it is a great area to be involved in, even though it rarely makes the headlines, but without the trained and skilled people, you would not have a headline.

Mr HANNA (Mitchell) (12:54): I rise to speak briefly to the government reforms of the training and skills sector. In fact, it is scrapping the old training and skills act and introducing entirely new legislation. I do have a couple of concerns. The member for Fisher has provided a prelude by referring to universities. This legislation is not really about universities, but I notice that clause 44 does make it an offence for institutions to hold out they can grant degrees. It does seem an anomaly to me that a person can hold out that they have a degree, yet it is not a criminal offence. It might be, if they are doing that in the course of commerce, it is misleading practice, but if I have a business card printed with 'Dr Hanna' and I do not have a doctorate there is nothing to stop me handing it out.

I note in clause 67, when there are disputes, that legal representation, and indeed any representation by a registered agent in the commission, is banned. I am always very hesitant to support a system where there are absolutely no lawyers or advocates. I do recognise, however, that there is scope for a person to get in someone if they really need representation, perhaps because of a disability, and so on.

This is a moment to recognise the good work that has been done by members of the current Grievance and Disputes Mediation Committee. Over a number of years they have solved many dozens of disputes, generally by mediation. Privately, I have queried the minister as to why we need to go to a new model entirely in the Industrial Relations Commission. I understand that there is a valid point where a remedy is granted, such as an order of payment and it cannot be enforced through the committee, so a person would need to go to legal processes to have enforcement of payment. I can understand the transfer of the mediation of training and skills disputes, apprenticeship disputes, and the like, to the commission.

I pay tribute to the people who have been on the committee over the years, representing different interests. One of my constituents, Mr Brian Mowbray, has been an active member of that committee—which has done a lot of good in a very informal and inexpensive way. It has been a success story. I hope that some of the people with such experience can find their way onto the assessor role in the Industrial Relations Commission when that is constituted.

I raise a question with the minister about the workload of the Industrial Relations Commission. Is this bill just a means of providing extra work for the commission? As a result of John Howard's unfair changes to the industrial relations laws, the commission has had a lot less work to do—we know that. Is this a means of providing them with a bit more food for their jurisdiction so people are not going home at 3 o'clock?

The other question is perhaps not so significant, but I do not understand why the training and skills commission that will be constituted under this legislation will have 11 members. I think that is an expansion from nine to 11. I wonder why we need so many people. After all, it is an advisory role. Perhaps that means there will be more points of view, but I find that once you get a group bigger than seven or nine at the most you start to get a committee that is unwieldy and inefficient.

I raise those questions for the minister to address. I do not think I need to go into a detailed interrogation when we look at the bill in detail, but I think those points need to be addressed.

Mr PISONI (Unley) (12:59): I rise to comment on the bill and to say something about some of the comments made in the house about the bill. Obviously, I hang around in a different circle from the member for Fisher. My parents saw my apprenticeship as a way out, a great thing. It was not frowned upon as taking an easy option. As a matter of fact, I made over 100 job applications before I was offered an apprenticeship in the first instance. It took my older brother Simon equally as long. He was fussier than I. I was happy to get any trade, but he wanted to be an electrician. He ended up back at school, and the school council at the time was made aware of a position at SA Brewing (as it was then) for an apprentice electrician. He applied for the job and was fortunate enough to get it. In our family, we valued the trades system. Although my brother and I have gone down different paths, we both have used those tools. I seek leave to continue to remarks later.

Leave granted, debate adjourned.

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

PAPERS

The following paper was laid on the table:

By the Minister for the River Murray (Hon. K.A. Maywald)—

Murray-Darling Basin Agreement 1992—Schedule G—Effect of the Snowy Scheme

LEGISLATIVE REVIEW COMMITTEE

Mrs GERAGHTY (Torrens) (14:03): I bring up the 19th report of the committee.

Report received.

VISITORS

The SPEAKER: I draw to honourable members' attention the presence in the chamber today of students from Our Lady of the Sacred Heart College, who are guests of the member for Enfield, and students from Magill Primary School, who are guests of the member for Morialta.

QUESTION TIME

GOVERNMENT LEGISLATIVE PROGRAM

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:03): Did the Premier direct the Leader of the Government in the Legislative Council (Hon. Paul Holloway) to debate the WorkCover bill ahead of the bikie legislation, and, if so, does this reveal the Premier's true priorities? Yesterday, the Hon. Paul Holloway moved in the Legislative Council on behalf of the Premier and the government to postpone the Serious and Organised Crime (Control) Bill so that the government's number one priority, the Workers Rehabilitation and Compensation (Scheme Review) Amendment Bill, could be debated first.

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:04): This is what is called an autumn reprise. Yesterday, I could see that the Leader of the Opposition was worried because the media was not here, so I will say exactly what I said yesterday. From memory, I said that both bills are our priority. My challenge to the Liberals, the Democrats and all the other rats and mice in the upper house is to pass the bikies bill and pass the WorkCover bill this week. Here is your chance to show that you are fair dinkum.

For the last six years, the Liberals have demonstrated that they are soft on law and order. So, my message to the Liberals is this: show you are fair dinkum on law and order, and vote for our bikies bill, and show you are fair dinkum in terms of financial responsibility and vote for the WorkCover bill. No ifs, no buts, no alibis, no excuses: vote this week to pass both bits of legislation. Have the guts to support our stand on law and order. Instead of being soft on law and order, get behind us. Vote for the bikies bill and vote for the WorkCover bill.

SKILLS STRATEGY

Ms BEDFORD (Florey) (14:05): My question is to the Minister for Employment, Training and Further Education. What is the government doing to ensure that the education and training system is responsive to emerging industry skill demands?

The Hon. P. CAICA (Colton—Minister for Employment, Training and Further Education, Minister for Science and Information Economy, Minister for Youth, Minister for Gambling) (14:06): I am pleased to inform the house that the Rann government has developed a skills strategy for the 21st century, which I recently announced to a group of key stakeholders. As my colleagues on this side of the house know (and I know that the member for Goyder is aware of this), there are three strands to this strategy. The first is to do with the provision to government of high-level strategic advice on skills, training and workforce development. The second is to do with reforms to the state's VET sector—and TAFE, in particular; and the third is to do with the strengthened role of the state's nine industry skills boards.

This skills strategy for South Australia shifts the training system from one that is driven by the needs of the providers to one that is driven by the needs of industry, learners and the state economy. An important element in this strategy is for TAFE SA to increasingly take training to industry, enterprises and learners. That is why the strategy commits to 25 per cent of all vocational training to be delivered in the workplace by 2012—and we are already on the way.

Indeed, TAFE SA already has some excellent examples in place, and has had for many years in some areas. The Workplace Education Unit at TAFE SA Adelaide South is one such example. That unit has been delivering 95 per cent of its training in the workplace for the last 17 years. Last year alone, it provided specialist training in the workplace for about 2,800 employees. TAFE SA also delivers a significant amount of training in the workplace in regional areas, with examples in shearing, horticulture and viticulture.

Work-based training offers regional solutions when location and level of demand reduces study options for potential students. That is why TAFE SA now delivers the entire Diploma in Aquaculture in the workplace for six employees; two from Adelaide and four from Port Lincoln. TAFE SA is also working with a family therapy centre in Gawler Place, where it delivers a Certificate IV in Community Services Work. Students learn in a work environment. The theoretical component is provided through interactive e-learning, with assistance provided by TAFE lecturers on-site.

This delivery, which is possibly the first of its kind in Australia for community services and health training, has been so successful that in semester 2, 60 students will receive 100 per cent of their training through its integrated practice and theory model. This means that these students may never need to set foot in a conventional classroom.

Applied learning such as that in these examples provides opportunities for students to train in real work conditions and, as a consequence (and this is important), they are better prepared to make the transition from training to employment. We are in an exciting phase in increasing access to training and in maximising the benefit of government investment in the area of skills training. We are about providing skills in demand in the 21st century.

APY LANDS INQUIRY

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:09): My question is again to the Premier. Was he genuine when he told the media yesterday, in regard to abuse in the APY lands, that he wanted to 'lock the bastards up' and, if so, will he support the opposition's call today for an immediate intervention in the APY lands to ensure that there is a significant police, medical and child protection presence in the lands within weeks?

The Premier proposes to respond to Mullighan's report in three months. The government's response announced by the Premier in the house yesterday proposes a range of measures that will take a long time to implement while permanent accommodation is built. Temporary accommodation for police and other workers of the same standard which exists in mining sites can be set up at short notice, thus enabling immediate support for families suffering through—

The Hon. P.F. CONLON: Point of order! It is one thing to explain a question, but putting a contrary argument is not explaining the question.

The SPEAKER: I uphold the point of order. The Premier.

The Hon. K.O. Foley: Only you would politicise tragedy, Martin.

The SPEAKER: Order!

Mr Hamilton-Smith: Give us a break.

The Hon. K.O. Foley: You did nothing for eight years.

The SPEAKER: The Deputy Premier will come to order!

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:11): What a dishonest, disgraceful question. This is the man who sat in a cabinet that had zero police on the lands. This is a man who sat in a cabinet that had zero child protection officers. This is a man who sat in a cabinet that pulled TAFE out of the lands that gave people employment opportunities. Under the Liberals there were no police on the lands. Under the Liberals there were no child protection officers. And the Liberals pulled out TAFE.

What is just as bad, in the 1980s a bipartisan committee (the Aboriginal Lands Parliamentary Standing Committee) was set up to deal with issues in the lands; to go up there representing the people of the state and this parliament to report on what was going on. It was banned from going into the lands by the former Liberal government of which you were a member. What a disgrace!

There is a difference between zero police on the lands and the fact that we had the guts to intervene. We had the guts to put police on the lands; we had the guts to put child protection officers on the lands. Can I just say this: never has there been a greater phoney in terms of his pretend interest in this issue. The bottom line is that you wanted the cover-up to continue. We have broken the cover-up and we intend to act, because we actually care about the issue. During the time that you were in government, nothing was done. You wanted the cover-up to be maintained, and those days are over.

Honourable members: Hear, hear!

CHILD WORKERS

Mrs GERAGHTY (Torrens) (14:13): My question is to the Minister for Industrial Relations. What is the government doing to protect children in South Australia as they enter the workforce?

The Hon. M.J. WRIGHT (Lee—Minister for Industrial Relations, Minister for Finance, Minister for Government Enterprises, Minister for Recreation, Sport and Racing) (14:13): I thank the member for Torrens for her question and also her hard work in this area. Cabinet has approved the development of specific legislation that will increase protections for child workers in South Australia. This decision was made following careful consideration of legislative arrangements existing in this and other states, as well as consultation with SA Unions and Business SA. Regard was also given to submissions previously made by parties to the child labour award proceedings presently being heard by the Industrial Relations Commission of South Australia.

As the newest employees in the workplace, young people deserve a safe and fair start to their working lives. The government is committed to the protection of child workers under the age of 18, as these employees often lack the experience and capacity to genuinely bargain and negotiate with their employers.

Under the new legislation, it is proposed that child workers will be able to rely on an adequate safety net of arrangements that will support their welfare. These laws will also provide clarity for employers about special conditions that must be taken into account when employing young people.

Given the ongoing reforms to industrial relations currently taking place at the commonwealth level, there is still a continuing role for state-based child labour legislation; however, its scope and impact will need to be determined having regard to these national developments. Accordingly, the government will determine the scope and detail of such legislation following extensive consultation with key stakeholders.

I have now requested that SafeWork SA undertake work on drafting appropriate legislative proposals that will shield the vulnerability of child workers as they build their experience and confidence in the workplace.

CHILDREN IN STATE CARE INQUIRY

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:15): My question is again to the Premier. Will the government—

Members interjecting:

The SPEAKER: Order!

Mr HAMILTON-SMITH: Will the government bring forward its full response to the Mullighan report within three weeks, instead of three months, so that the 5 June budget can include meaningful action to help the abused?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:15): I note that the first question you asked today was the one you asked yesterday because you were disappointed that the media were not here for your first question yesterday. That is what everything you do is about.

The Hon. K.O. Foley: You're a phoney.

The Hon. M.D. RANN: A total, absolute phoney. Can I just say this—

Members interjecting:

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

The Hon. M.D. RANN: If you listened carefully, yesterday I announced that even though the parliament, which means you guys, said it should be within three months—and it was your amendment—we are going to ignore that because we believe this is much more urgent than what you wanted, and I announced that yesterday.

Members interjecting:

The SPEAKER: Order!

HOUSING AFFORDABILITY

Mr KENYON (Newland) (14:17): Can the Minister for Housing inform the house whether South Australians have been using the Property Locator to access affordable housing?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Families and Communities, Minister for Aboriginal Affairs and Reconciliation, Minister for Housing, Minister for Ageing, Minister for Disability, Minister Assisting the Premier in Cabinet Business and Public Sector Management) (14:17): I thank the honourable member for his question and I acknowledge that the member for Newland has paid special interest to the question of affordable housing, and our agency will be assisting him with briefings about that matter. In August last year I had the pleasure of launching the Property Locator website—a joint initiative of HomeStart Finance and the Affordable Housing Innovations Unit of Housing SA. Property Locator is—

Members interjecting:

The SPEAKER: Order! I am sorry to interrupt the minister. I point out to members on both sides that a minister is on his feet. If members have something to say to each other, take it outside. The Minister for Housing.

The Hon. J.W. WEATHERILL: The Property Locator is a fantastic example of public sector innovation. It is an incredibly simple idea but a very powerful one. It links eligible low to moderate income earners with affordable housing. It is one of the great paradoxes in our system that there is affordable housing out there but it is not always low to moderate income earners who can get access to it. So, this provides a list of affordable homes from private developers and builders, as well as from Housing SA properties, currently on the market at fixed prices for a limited period. Low to moderate income earners who meet set eligibility criteria can apply to buy one of the affordable homes before it becomes available on the general market, so it is giving first crack at these homes to low to moderate income earners.

In its eight months of operation it has shown itself to be a great success, exceeding initial expectations. About 3,000 people have visited the Property Locator website. It has 1,050 registered users who receive an email alert when a new property is listed. Real estate agents selling the properties tell us they receive inquiries within hours of a home being listed for sale. Housing staff are receiving calls within 10 to 15 minutes of the property going live. Through the website, 143 homes have been sold with a total value of $26.4 million, and I am pleased to note that more than a quarter of those are secured with home finance from HomeStart.

This website—together with HomeStart's initiatives such as Equity Start, where we provide the $50,000 no-interest component of a home loan to Housing SA tenants, as well as the Breakthrough Loan which is a shared equity product, which I note was quickly followed by the private sector with a similar initiative—provides significant home ownership opportunities for many people who would usually be shut out of the market.

We have to realise that the banks are not in the business of lending to people who just want a home loan. They want the whole product: they want people with credit cards; they want them with a whole lot of things that gear up a lot of extra fees. Somebody who is looking for a modest loan is not the ideal target for the financial institutions. That is why HomeStart Finance is such a critical player in what is a failure of the housing finance market. The Property Locator also provides an excellent way for developers to provide the 15 per cent affordable housing component, which links with another of our important housing policies.

Developers including Fairmont, Hickinbotham and Cobuilt have listed affordable properties on the website showcasing their innovative designs which have been built in a range of locations. It is just one more example—a small but important example—of how we are attempting to grapple with the housing affordability challenge.

APY LANDS

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:20): My question is to the Premier. How many people running petrol, alcohol and cannabis on to the APY lands have been caught and locked up since March 2004?

Members interjecting:

Ms CHAPMAN: Wait for the quote. On 15 March 2004, when the government announced a radical intervention in the governance of the APY lands, Deputy Premier Foley made this pronouncement:

> There are people involved in petrol running on the APY lands. Others are also running alcohol and cannabis onto the lands. These people are helping to create a social catastrophe...we want them caught and locked up.

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Families and Communities, Minister for Aboriginal Affairs and Reconciliation, Minister for Housing, Minister for Ageing, Minister for Disability, Minister Assisting the Premier in Cabinet Business and Public Sector Management) (14:21): The most powerful and cogent evidence of the effect that we have had on the running of petrol on the lands is the 83 per cent reduction in the amount of petrol sniffing on the lands. I know members opposite cannot bear to hear that statistic: an 83 per cent reduction in petrol sniffing. All of those young lives—

Members interjecting:

The SPEAKER: Order! The deputy leader will come to order.

The Hon. J.W. WEATHERILL: All of the acquired brain injury avoided. All of the suffering and misery avoided. All of the behaviour, and the damage and havoc that people who have acquired these injuries wreak on the lands has been avoided and the reason it has been avoided is because people no longer bring petrol into the lands.

They do not bring petrol into the lands because there is a fivefold increase in the penalties that were applied by this government in relation to the trafficking of petrol. Petrol is now a prescribed substance for the purposes of the legislation which allows us to pursue the people who run this foul activity. It is much more than that. There is now a point in intervening. In the past there was a view that there was just no point at all. There was a sense of utter hopelessness.

I am not suggesting that things are solved on the lands. The report that we tabled yesterday demonstrates that there is an extraordinarily long way to go, but there is hope. There are good leaders, and we are working with the good leaders. Frankly, there are bad leaders, and we will push aside the bad leaders. We will work with the good leaders to uplift these communities, because we actually have something that those opposite lack. We have a long-term commitment to these communities.

APY LANDS

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:24): I have a supplementary question for the minister. If the government is doing so well in relation to the lands, why is the government now refusing to publish last year's figures for marijuana cases on the lands, which were 519 in the year before?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Families and Communities, Minister for Aboriginal Affairs and Reconciliation, Minister for Housing, Minister for Ageing, Minister for Disability, Minister Assisting the Premier in Cabinet Business and Public Sector Management) (14:24): I will not dwell on the obvious point which is that, as appalling as marijuana use is, it is a different order of magnitude from the damage that petrol can do to a young person's brain, but this indicates how wrong the Deputy Leader of the Opposition can get her facts. It is important to go through the material here because it demonstrates the lack of attention to detail that the Deputy Leader of the Opposition pays, and she consistently comes in here and attempts to mislead the house and also those who listen to these proceedings.

Let us take you through the material. I cannot remember the precise year when Nganampa Health actually carried out its survey, but that organisation is, in fact, the independent community-run organisation that carries this out. I think we supply it with a little money, but we do not tell the organisation what to measure nor, indeed, how to measure it. It is an independent body and we rely upon the material that it puts out. When it carried out its survey for the first time, of its own volition, it decided to choose to measure marijuana use, in the process of measuring petrol sniffing (which is what it had been doing every year).

What it found, having measured petrol sniffing, was an extraordinary reduction in petrol sniffing, so much so that instead of waiting for the next annual occasion when it was to measure what it would usually measure, the organisation decided to do another measurement—an extraordinary measurement just of petrol sniffing. When it carried out that further survey of petrol sniffing it, in fact, confirmed the dramatic reduction in petrol sniffing. In fact, that is the reason why marijuana use was not measured; it was because the survey was specifically commissioned for another purpose.

So, the Deputy Leader of the Opposition comes in here and seeks to suggest that somehow we have bodgied up the survey results by suggesting to an independent organisation that never asked us anyway about what it was going to measure—

The Hon. P.F. Conlon interjecting:

The Hon. J.W. WEATHERILL: Exactly. I have always attempted to maintain in this place—or to use whatever endeavours I can to maintain (and it has often come with a lot of provocation)—some bipartisanship in relation to this issue because I believe it is absolutely critical that we do work together on this. There are ample opportunities for one or other of us to make political points about how awful things are—and things are awful, but let us not become paralysed by how awful things are. Let us work together, let us recommit ourselves to actually moving forward.

I remind members of the house that the reason we are even debating these points, the reason we are even asking these questions today, is not that an inquiry has been established off the back of some crisis: it is because we went to a summit and asked for this inquiry. We asked to know more about what we knew was going wrong in the lands. This is a government seeking to ask itself the hard questions. There was no call for this inquiry by those opposite, and that is completely consistent with their behaviour in relation to the APY lands.

I am content to stand here and be embarrassed about what is not going on in the lands, but I will do that day after day because we are concerned about getting results on the lands and we will continue to commit ourselves, just as we were last week up on the lands consulting about housing, and just as I will be up there with Jenny Macklin, the commonwealth minister for Aboriginal affairs, in a few weeks' time making further decisions and agreements with the community up there to make things better.

I invite those opposite, just as in the federal parliament they seem to have belatedly managed a modicum of bipartisanship, to join with us; not to climb on our back and make cheap politics out of what is a national tragedy.

SCHOOLS, ENVIRONMENTAL SUSTAINABILITY

Ms SIMMONS (Morialta) (14:28): My question is to the Minister for Education and Children's Services. What action is the Rann government taking to make our schools more environmentally sustainable?

The Hon. J.D. LOMAX-SMITH (Adelaide—Minister for Education and Children's Services, Minister for Tourism, Minister for the City of Adelaide) (14:29): I thank the member for Morialta for that tough question. She is right to ask about the environment because, like every

element of our government, we are focusing on sustainability in our schools as well as in our other departments. The Premier has made announcements about the wine industry and we are absolutely committed to improving our environmental footprint and making the whole government sustainable.

We are very proud that we have worked as part of an Australian sustainable schools initiative, a joint venture between the states and the commonwealth, to integrate education for sustainability into our whole school management processes. We are also well on the way to installing 250 solar systems within our schools and we aim that, by 2014, we will have that number. Already in this financial year, we will have reached 112 schools. As with all government agencies, we expect this to be part of our sustainable future.

Schools and preschools are required to reduce energy and water use by 25 and 10 per cent respectively, based on consumption in the 2000 and 2001 years. Rather than simply setting targets and walking away and leaving the problem to be solved locally, the Rann government is committed to assisting public schools to adapt to the future.

I am delighted to inform the house that further assistance will be provided by the latest round of 'green schools' grants. This is a $1 million initiative that will provide up to 100 schools and preschools with funding to reduce water and energy usage. Projects under this exciting initiative include: an energy audit and refitting program; automation of irrigation systems to allow school grounds to be watered at night; and connect the more northern schools in the northern suburbs to our northern Adelaide aquifer recovery and storage system. On top of this, DECS will continue to provide schools and preschools with advice on energy and water management strategies.

Schools certainly play an integral part in the Rann government's strategy for sustainability and this $1 million initiative will continue that program. On top of the water and electricity saved, the schools use these programs in their education systems as part of their curriculum to encourage young people to understand the importance of sustainability, and they take those programs and ideas home where they often teach their parents about these initiatives as well.

ATTORNEY-GENERAL'S OPERATING ACCOUNT

Mrs REDMOND (Heysen) (14:31): Did the Attorney-General and the government apply a double standard to the management of cash in the Attorney-General's bank accounts? Former CEO Kate Lennon was forced to resign for breaching a Treasurer's Instruction, yet when the Auditor-General discovered a $4 million discrepancy in the Attorney-General's operating account, which was also a breach of a Treasurer's Instruction, the Attorney-General appears to have taken no action at all.

The Hon. M.J. ATKINSON (Croydon—Attorney-General, Minister for Justice, Minister for Multicultural Affairs) (14:32): It is touching the way that the Liberal opposition rallies to the cause of Kate Lennon—

The Hon. R.G. Kerin interjecting:

The Hon. M.J. ATKINSON: No, I think you have the wrong case there, Kero. I think you are confusing yourself. The Auditor-General found that Kate Lennon had shifted millions of dollars of taxpayers' money into an account, an administered item account, where it was never going to be found in the normal course of audit. The money was carryover money that should have been returned to Treasury and spent in accordance with the priorities of the elected government. Kate Lennon and her co-conspirators ran a government in exile during the period of Trevor Griffin (the attorney-general of blessed memory), and when the government changed and they got the Labor government that they wanted—because let us not beat around the bush about Kate Lennon's political affiliations—they found—

Members interjecting:

The SPEAKER: Order!!

The Hon. M.J. ATKINSON: No, I do not think the member for MacKillop quite heard me correctly. Kate Lennon ran an administration in exile, a Labor administration in exile, during the period of Trevor Griffin's being the attorney-general which is why you got the criminal justice policy you got for eight years.

When the Labor government was elected, after a few months she decided she did not much like the look of it and it did not look socialist enough for her, so she decided to run her programs—not the government's programs—by putting money in the Crown Solicitor's Trust

Account, which is like putting it in the second-hand motor vehicle dealers fund. To compare that with an official during a period of staff transition failing to monitor an overdraft—there is no comparison at all.

ASSITEJ WORLD CONGRESS AND FESTIVAL

Mr O'BRIEN (Napier) (14:36): My question is to the Minister Assisting the Premier in the Arts. How will the ASSITEJ World Congress and Performing Arts Festival, commencing in Adelaide on 9 May, help cement Adelaide's place as Australia's heart of the arts?

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:36): I acknowledge the honourable member's great interest in the arts. ASSITEJ is the Association International du Theatre pour l'Enfance et la Jeunesse—the International Association of Theatre for Children and Young People. Founded in 1965, this global alliance of professional theatre has centres in 80 countries, and its members perform to millions of children and young people each year in Europe, Asia, Africa, the Americas and Australia.

Every three years ASSITEJ holds a prestigious world congress and arts festival for children and young people. It is the most important international event for arts practitioners working in the field of youth theatre. The festival is widely regarded as the most significant cultural event in the world for families and young audiences.

In 2005 I led a bid for Adelaide to be the host city for the 16th ASSITEJ World Congress and Performing Arts Festival. We were successful and the festival will open this Friday and run until 18 May. There will be 138 performances of 28 productions, involving around 230 performers. Companies and individual artists specialising in theatre for the young are coming from Sweden, Denmark, Israel, Japan, Korea, the USA, Germany, Thailand, the UK, Austria and South Africa—so the Minister for Multicultural Affairs should applaud this act of great multicultural celebration in South Australia—to perform at ASSITEJ in Adelaide.

As of Monday, 374 delegates from 43 countries had registered to attend ASSITEJ, and a total of 27,000 tickets have been either sold or allocated to disadvantaged students. Opening night of the festival at the Adelaide showgrounds this Friday will feature a performance of *Nyet Nyet's Picnic* by a Victorian puppet company called Snuff Puppets, working with indigenous artists to revive ancient dreamtime stories. I am also pleased to announce that arrangements are being made for several—

The Hon. K.O. Foley interjecting:

The Hon. J.D. HILL: We could arrange that if you are free on Friday night. Arrangements are being made for several festival artists to perform for patients at the Women's and Children's Hospital during ASSITEJ. Adelaide is the only city to have ever won the right to host the world congress on two occasions. This reflects the high quality and diversity of local artistic work, Come Out staff, the South Australian Youth Arts Board (SAYAB) and Carclew, and the commitment of the state government to the arts for young people.

The 2006-07 state budget committed total funding of $875,000 towards ASSITEJ. State government departments have assisted to provide free tickets for children from disadvantaged schools to attend. In addition, the federal government has granted $225,000 for ASSITEJ through the Australia Council. As a result of participating in the arts, young people are able to discover and connect with different cultures and to develop their creativity.

I urge all members to buy a ticket and take their children, grandchildren nieces and nephews to an ASSITEJ performance this month. In developing this bid, we were very much led and supported by Jessica Machin, Chief Executive of SAYAB and Carclew; and, today, her friends and colleagues will be celebrating her announcement of her move to Western Australia to take up a job with Country Arts in that state. I take this opportunity to thank her on behalf of all young people in South Australia and the people involved in youth arts for the great contribution she has made to our state.

ROYAL ADELAIDE HOSPITAL

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:40): Will the Minister for Health advise what action he proposes to take about the Royal Adelaide Hospital's failure to pass the WorkCover health audit as a safe place of work? Target 2.11 of the State Strategic Plan for greater safety at work provides a target to achieve the nationally agreed target of a 40 per cent reduction by 2012. The key measure shows an increase in injury since September 2005. Public

hospitals are now subject to a WorkCover health audit, and the opposition is informed that, to date, 70 per cent of those that have been tested, including the Royal Adelaide Hospital, have failed.

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:41): It is true that the hospitals in our state are now covered by WorkCover. It is true that a proportion of those hospitals (and it is greater than 50 per cent, so the honourable member might be right that it is 70 per cent) have not yet satisfied all the requirements. I want to assure the house that we are working to make sure that those requirements are satisfied.

I point out two things that we are trying to do, which, in the future, will make it easier for the health system to deal with WorkCover. Of course, the opposition opposed both those things. The first thing is the Health Care Act, which gives responsibility for all the things that happen in our hospitals to the CE and me, as minister. That is not the case currently, it has not been the case in the past, but in the future it will be. That responsibility will be ours rather than that of individual boards.

The second thing, of course, is that we want completely to recreate the central Adelaide hospital and build the Marjorie Jackson-Nelson Hospital, and, by building such a hospital, we will be able to create a very safe workplace for all the people who currently work in that hospital.

TAXATION

Mr GRIFFITHS (Goyder) (14:42): My question is to the Treasurer.

The Hon. K.O. Foley: Thank you.

Mr GRIFFITHS: I know he looks forward to it. How is it that, within the national economic context, the state government of Victoria has been able to deliver significant tax reform while he has not? The Victorian government handed down its 2008-09 budget yesterday, which included raising all land tax thresholds by about 10 per cent, raising all stamp duty thresholds by about 10 per cent, an unscheduled reduction in the payroll tax rate by 4.95 per cent, and reducing employer WorkCover premiums by 5 per cent to an average levy rate of 1.38 per cent.

The Victorian government has claimed that the tax cuts will save home buyers purchasing a medium home in Victoria over $3,600, while businesses in Victoria will see their state taxes and charges cut by up to 22 per cent.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:43): First, on the last Thursday in June I will rise in this place and present to the parliament the government's seventh budget.

The Hon. J.D. Hill: Hear, hear!

The Hon. K.O. FOLEY: Thank you.

The Hon. P.F. Conlon interjecting:

The Hon. K.O. FOLEY: Did I say the last Thursday?

An honourable member interjecting:

The Hon. K.O. FOLEY: No, you didn't hear properly.

An honourable member interjecting:

The Hon. K.O. FOLEY: I said the last Thursday in the first week of June.

The Hon. K.O. FOLEY: That would be 5 June. If you're not as quick on your feet as I am on mine, that's your problem, not mine.

Members interjecting:

The SPEAKER: Order!

Mr Hamilton-Smith: Thursday comes after Wednesday.

The SPEAKER: Order!

An honourable member interjecting:

The Hon. K.O. FOLEY: Yes, as we line up to greet the Governor. I quite like the member for Goyder: Steve is a good bloke. But I have to tell you, you have just got to be careful when the leader's office gives you a set-up question, because you have to have a look at it.

We have before the upper house of the state parliament a piece of legislation whereby, over a few years (and not very long), we will start to see a significant reduction in the WorkCover levy. And what are we seeing in the upper house? We are seeing an opposition playing blatant politics. We know that the opposition is happy to allow the unfunded liability of WorkCover to continue to blow out; it is marching towards $1 billion. The members opposite are happy to see business paying a 3 per cent WorkCover levy when they could be paying a lot less if they supported the government. But no, the opposition wanted to play with fire and put at risk—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: —a corporation set up under statute, with liabilities increasing to nearly $1 billion—

Mr Williams interjecting:

The SPEAKER: Order, the member for MacKillop!

The Hon. K.O. FOLEY: I never said that.

Mr Williams: You've been saying it for years.

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

The Hon. K.O. FOLEY: Unfunded liability: isn't that a liability?

The Hon. P.F. Conlon: Yes, a liability.

The Hon. K.O. FOLEY: Yes, it is a liability. The member might think it is just on paper; I am not quite sure where he gets his mathematics from. The opposition is prepared to have an institution continually head towards being financially crippled and for employers in this state to be paying almost three times the levy of Victoria, and not pass the legislation. If they have any decency after that question—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: —they should pass that legislation in the upper house this week. I make it very clear to business that, if they want to go along to the opposition's so-called tax summit next Monday, good luck to them. But the bona fides of the Liberal Party will be there for all to see (if members of the business community bother to turn up), that they refuse to make the one most significant business tax cut they can make, because they want that legislation to feed it. Come on, let's knock away the charade that is the Liberal Party on WorkCover. They want it sitting in the upper house for as long as they possibly can, because they are hoping that the Labor Party will have a meeting in which the opponents to WorkCover will be successful in—

The Hon. P.F. Conlon: He just said it.

The Hon. K.O. FOLEY: He just said it, did he?

The Hon. P.F. Conlon: Yes, he just said it.

The Hon. K.O. FOLEY: It has now been admitted, Mr Speaker, that he wants to play the politics of seeing the Labor Party, at a Labor Party meeting in the future, do something to make life difficult for the government and it somehow might lead—

Mr Hamilton-Smith: We might change our mind. Keep doing this, and we just might. Be careful.

The SPEAKER: Order!

The Hon. K.O. FOLEY: Oh, he is threatening me now.

Mr Hamilton-Smith interjecting:

The Hon. K.O. FOLEY: Oh, are you now? No, you are not supporting it.

Mr Hamilton-Smith: Don't overplay it, or you might shoot yourself in the foot.

The Hon. K.O. FOLEY: Oh, so now the Liberals are saying—

Members interjecting:

The Hon. K.O. FOLEY: You are playing games, Martin Hamilton-Smith. And don't you—

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

The Hon. K.O. FOLEY: The Leader of the Opposition (I think I am right in hearing this) just said that I have sunk the Labor Party. He did: he just said that I have sunk the Labor Party. So, the Leader of the Opposition has now said that he intends not to pass the legislation. That is what he just said.

Mr HAMILTON-SMITH: Mr Speaker, that is blatantly untrue.

The SPEAKER: Order!

Mr HAMILTON-SMITH: I ask you not to allow mistruths to be told.

The SPEAKER: Order! If the Deputy Premier has misheard something said by the Leader of the Opposition by way of interjection, the Leader of the Opposition has an opportunity to correct that by making a personal explanation.

The Hon. K.O. FOLEY: It is quite clear that the Leader of the Opposition is playing games with WorkCover, a deliberate move by the opposition. He has now said, 'Don't overplay your hand, because we just might take our bat and ball and go home and allow the Labor Party to continue to have internal tensions.' Make no mistake, we have shown political courage as a government. Yes, there have been tensions in our party; yes, there are people upset by it; that is the bleeding obvious. We have shown a strength in this government and, notwithstanding the internal tensions in our party, we are driving through this necessary reform.

I would have thought that a conservative opposition, a so-called business friendly opposition, would accept that, at the end of the day, this is the right thing to do for the health of the organisation, and to cut it, publicly.

Mr Hamilton-Smith interjecting:

The Hon. K.O. FOLEY: You just said that you might not support it. Will you pass the bill? Yes or no?

Mr Hamilton-Smith: Just answer the question.

The Hon. K.O. FOLEY: Will you pass it? Yes or no?

Members interjecting:

The Hon. K.O. FOLEY: Will you pass it? Yes or no?

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. Foley: I think you're losing it, Marty.

The SPEAKER: Order! The Deputy Premier will take his seat.

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. Conlon interjecting:

The SPEAKER: Order! When the Speaker comes to his feet members should become silent immediately. I should not have to damage my tonsils in order to bring the house under control. This is all rather unseemly. The Deputy Premier.

The Hon. K.O. FOLEY: That was one of the most bizarre things that I have seen in this house for many years. I think he is losing it. He just did the Marty shuffle. We just saw the Marty shuffle. It is the Marty shuffle you have when you are just completely losing it.

We want to see the cost of business inputs reduced in this state. That is why the single most productive measure in making this state a more business friendly, cost competitive environment is to reduce the WorkCover levy. In Victoria, they have taken it down, I think, to

1.3 per cent. We have before us in the upper house the one instrument that will deliver a tax cut to business well in excess of any other measure you may come out of your summit with.

Yet, what are they doing? The leader has made it very clear that I have apparently gone too far by saying, 'Pass the legislation' and that he may now not pass it. He is now saying that they may not pass it. I hope that somebody will put Mr Hamilton-Smith under some pressure—I would have thought from within his own party—to realise that, if it is your decision now not to pass the legislation, the $1 billion unfunded liability will be your fault. The 3 per cent levy paid by business will be your fault.

I will just ensure that every business person in this state understands that the reason they are paying three times the levy than Victoria is because of the Liberals. If we have a $1.5 billion unfunded liability, if we lose our credit rating, it will be the Liberals' fault. At some point you have to show some courage. It will keep growing. Unless we fix it, it will grow.

Mr Hamilton-Smith: Why didn't you bring the bill in last year?

The Hon. K.O. FOLEY: Oh, why didn't we bring it in last year? Martin, government is about tough, courageous decisions. Clearly, the pressure has got to the leader. I do not think that I ever saw you, premier, jump up and do a reel and a dance in your time in opposition. Marty, you are losing it. You are an embarrassment to your side of politics, but pass the legislation.

The SPEAKER: The Deputy Premier will now take his seat.

POLISH HILL RIVER CHURCH MUSEUM GIFT

Ms CICCARELLO (Norwood) (14:55): Can the Minister for Multicultural Affairs inform the house about the historic relics he presented to the Polish people during his recent trip to Poland? I am sure that the minister's natural reticence would also prevent him from telling the house what he received in Poland.

The Hon. M.J. ATKINSON (Croydon—Attorney-General, Minister for Justice, Minister for Multicultural Affairs) (14:55): I was pleased to lead a crossbench delegation that included the members for Norwood and Bright and the leader of Family First on an overseas trip to be able to present a special gift to the people of Poland. During my visit, I presented Jozef Cardinal Glemp, Primate of Poland, a gift from the government on behalf of the people of South Australia and the Polish-Australian community.

The gift was particularly significant to the descendants of the Silesian Polish settlers who arrived in South Australia in 1856 and settled at Polish Hill River in the Clare Valley. The item consisted of a piece of one of the original sandstone blocks and one of the handmade nails used to build the Church of St Stanislaw Kostka in the 1860s, accompanied by photographs and a brief history of the church and adjoining school which is now a museum. I wish to acknowledge and thank the Polish Hill River Church Museum Committee for making the historic articles available.

The Hon. M.D. Rann: Did you receive an honour from the Polish President?

The Hon. M.J. ATKINSON: I did, Premier, and I didn't need to assemble a crowd to receive mine.

The Hon. K.O. Foley: Can I get one too?

The Hon. M.J. ATKINSON: No. The mounted, framed montage of artefacts, plaques, photographs and text included the following information in English and Polish:

> Presented to the people of Poland by the Hon. Michael J. Atkinson MP, Attorney-General, Minister for Justice, Minister for Multicultural Affairs, the people of South Australia and the Polish immigrants who have settled in South Australia since 1856.

The gift included a brief history (in Polish) of the Polish Hill River Church Museum. The first large group of Polish immigrants to South Australia arrived on the barque *August* at Port Misery in 1856.

The Hon. K.O. Foley: Out my way.

The Hon. M.J. ATKINSON: Yes, Port Misery—aptly named. All 131 Polish men, women and children aboard immediately travelled to the Clare Valley, many settling at Hill River, which soon became known as Polish Hill River.

The Clare Valley Polish came from a region known as Dabrowka Wielko Polska which literally means Area of Dabrowka, West Poland. Almost all were from the townships of Zbaszyn and Zbaszynek about halfway between the city of Poznan and the modern border with Germany in

what was then Prussian Poland. Soon after arriving in the Clare Valley, they determined to bring a Polish priest from Europe and decided to build their own church and school at Polish Hill River.

In April 1870, the arrival of a Jesuit priest from Krakow, Father Leon Rogalski, spurred on the building program and, on 3 November 1871, the church named after St Stanislaw Kostka was consecrated. Soon after, the school attached to the back of the church was also opened. Despite suffering from rheumatism, Father Rogalski ministered widely in Polish, German and English, and he also taught Latin and French, and religion and theology in English. He tried without success to get another priest from Poland to continue his work. Sadly, by the time he died in 1906, many of the Polish families had left the district and the church then fell into disrepair. In 1971, the Polish community decided to rebuild the church and three adjoining school rooms.

The church, now a secular museum building where mass can be celebrated only occasionally with the permission of the bishop, and the school were fully restored by 1980. The Polish Hill River Church Museum was placed on the South Australian register of state heritage items. The museum was officially opened in October 1988, and is now open on the first Sunday of each month or by arrangement with the Polish Hill River Church Museum committee. Cardinal Glemp was overwhelmed by the historical articles and told us it will be mounted in a prominent place in a new cathedral being constructed in Warsaw.

VICTORIA PARK REDEVELOPMENT

Mr PENGILLY (Finniss) (15:00): My question is for the Treasurer. Is the South Australian taxpayer exposed to a risk that plans to erect the new $20 million temporary grandstand in Victoria Park may fail, and if so what backup plans does the government have to protect the Clipsal 500 in 2009 from failure?

In information received by the opposition today, Motorsport Board chief executive Andrew Daniels admitted that construction of such a large temporary grandstand had never been accomplished before anywhere in the world. He said that the construction was a trial and he did not know if it would be possible until all the components arrive from Europe.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:01): I tell you what, sir. I can make the opposition rest easy if they are concerned about whether the grandstand will stand or not. I am happy not to invite them to the government's facilities next year. If members opposite are concerned about whether or not it will collapse—

Ms Chapman: Are you going to get it up?

The Hon. K.O. FOLEY: I don't think Andrew Daniels has any trouble getting it up. I don't know. I don't think he will, but I have never actually had that discussion with him so I do not know. What I can say is that is why we are taking 11 months in the first year. The idea is to actually put it up well before Christmas so that—

Members interjecting:

The Hon. K.O. FOLEY: Well, if you've got a problem, I will give you this commitment: none of you need worry next March. You do not have to accept an invitation to come along. Then you will not have to be worried about it falling down.

The Hon. J.D. Hill: They'll be there.

The Hon. K.O. FOLEY: I bet you they will be. They'll be there. The reason we're putting it up before Christmas—

An honourable member interjecting:

The Hon. K.O. FOLEY: Yes, I know. Too much frivolity for you, Gunny, isn't it? The reason we are putting it up well before Christmas is so that they can spend time erecting the stand and the structures and allow it to stand for a period of time so it can be certified. That is why, prudently, we are not rushing it five weeks before the race starts. All the advice that I have been given is that the Motorsport Board and Andrew Daniels are very confident and the engineers and the constructors—

Members interjecting:

The Hon. K.O. FOLEY: If you want to criticise the Clipsal, don't turn up next year. I might make this a requirement of our invitations next year, that if you are critical of it, we will not invite you. Fair enough?

The Hon. P.F. Conlon: No, we'll invite them.

The Hon. K.O. FOLEY: We'll invite you. My colleague has counselled me. We will invite you. We do invite a lot of you. Mark, you like it, don't you?

Mr Williams interjecting:

The Hon. K.O. FOLEY: I am told—

The Hon. P.F. Conlon: Marty loves it.

The Hon. K.O. FOLEY: Marty loves it. Marty used to complain when we didn't invite him. I slipped him a couple of tickets. We are very confident that it will be a good structure, that it will stand. It will stand well before Christmas so that we can get it properly certified by the certifying certifiers and once they have certified it, it is certified and it will be hunky-dory.

INDUSTRIAL RELATIONS

Dr McFETRIDGE (Morphett) (15:04): My question is to the Minister for Industrial Relations. Why is Immigration SA insisting that some employers pay above award wages before they will recommend 457 visa holders for permanent residency? The opposition has been told of at least one case where Immigration SA has insisted that an employer pay above award wages to 457 visa holders before Immigration SA will recommend their permanent residency.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:05): I would be very surprised if the member's allegation is correct. I will take the question on notice. Immigration SA does an outstanding job in assisting a large multitude of companies throughout South Australia to attract skilled immigrants under visas such as 457—

Mr Williams interjecting:

The Hon. K.O. FOLEY: What are you shaking your head for?

Mr Williams interjecting:

The Hon. K.O. FOLEY: You don't think they do a good job?

Mr Williams: No, they don't.

The Hon. K.O. FOLEY: They don't?

Mr Williams: No, I have seen cases where they have taken many months.

The Hon. K.O. FOLEY: What, for your property in the South-East?

Mr Williams: No, for a good South Australian business.

The Hon. K.O. FOLEY: Right. I accept that the member for MacKillop is not across everything—in fact, it appears to me he is across very little. I do not think the problem, with all due respect, is Immigration SA. The problem is at the federal level. The federal Minister for Immigration said only this week that he is putting a lot of pressure on the immigration department to fast track a significant backlog of some 6,000 457 applications that have not been processed.

There is no doubt that the incredible popularity of 457s at a time of significant skills shortage has put an enormous strain on the federal department of immigration. That happened under the Howard Liberal government and it is happening under the early days of a Rudd Labor government. What is happening, Mr Speaker, is that—

Ms Chapman interjecting:

The Hon. K.O. FOLEY: What?

An honourable member interjecting:

The Hon. K.O. FOLEY: Well, just tell her to put a sock in it, will you? The 457 issue is one where we want to see a much speedier and quicker process at a federal level. However, as it relates to Immigration SA, I would be very surprised if that allegation is correct. I will get it checked out, but there are rules and requirements about wages. What we will not allow to happen in South Australia is to allow 457s to be abused, and that is to bring labour in at undercut awards, undercut

wages and conditions. As a government, we need to be extremely vigilant to the extent that we can that that is not occurring.

Ms Chapman: That's a different point.

The Hon. K.O. FOLEY: It may be a different point, but the point I am making is that we work in a situation where we employ all due diligence that we can to ensure that workforce wages and conditions are not being undercut and undermined. To suggest that we would impose a requirement that an employer pay above the award would be, if not illegal, very questionable, and I would be surprised that today would be the first time I would be hearing about it.

OFFICE OF THE NORTH

Mr PISONI (Unley) (15:08): My question is to the Premier. What action has the Premier taken to address the social and economic issues in the northern suburbs, and is the closure of the Office of the North an indication that he has given up on the northern suburbs? In May 2003, the government opened the Office of the North saying, 'The office is open for business and builds on the strengths of the northern suburbs and tackles the area's social and economic issues,' but the government closed the Office of the North in late 2006, only three years after it opened. Was Jimmy Barnes right when he said you have given up on the north?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (15:08): Given up on the north? Just think about the massive amount of activity, like Buckland Park, the lowest unemployment that we have seen in the north. Compare the unemployment rate in the northern suburbs under this government to under your government, when the Leader of the Opposition played such a magisterial role in cabinet.

Look at the Playford North development, look at what has happened at Salisbury North and the redevelopment there. Look at what has happened with the Lang Walker development for Buckland Park. Look at the Northern Expressway, look at Edinburgh Park's development rather than being some kind of Liberal mirage. Look at what is happening at Mawson Lakes with the defence contracts. I mean, are you serious, are you absolutely—

The Hon. K.O. Foley: New schools.

The Hon. M.D. RANN: New schools. We are seeing the Peachey Belt redevelopment and, because of the activity there, we have seen the massive refurbishment worth hundreds of millions of dollars of the shopping centre at Elizabeth. What we are seeing is billions of dollars worth of developments in the north, and, of course, coming soon—courtesy of our negotiations with the federal government—a giant redevelopment of the Edinburgh air base to be a superbase, with the relocation of a battalion from another state into this state—people spending money in the northern suburbs. Look at the range of developments that are going on in the northern suburbs and we will be asking you what you have delivered for Unley.

POLICE PLANE

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:10): I lay on the table a copy of a ministerial statement made earlier today in another place by my colleague the Minister for Police.

GRIEVANCE DEBATE

PREMIER'S COMMENTS

Mr WILLIAMS (MacKillop) (15:11): Today I rise to warn the house of what is impending over the next two years as we move towards the next election, because yesterday the Premier showed his hand. We are going to see a very dirty, grubby, negative campaign, and I will explain why. Yesterday, the Premier was asked a Dorothy Dixer in response to Mike Smithson's article in the *Sunday Mail* about his trip to the north. As the Premier rose to his feet, some in the opposition expressed a similar attitude to what Mike Smithson did, that is, 'Ho hum, here goes the Premier again with some TV cameras to try to get a bit of publicity. No new announcements, nothing new, just riding on the back of other people's efforts.'

The Premier immediately put a large folder on his desk, flipped through it and came to a particular folio, and started to talk about where members of the opposition have travelled. Obviously, the Premier has had someone in his office—someone being paid at the taxpayers' expense—going through members' travel reports and making notes so that he can run his dirty

campaign. I say to the Premier: we will play the same game. We will read every travel report of every member of this government—and we will go back a few years, too. If the Premier wants to get down in the gutter and play those sort of games, I am just issuing a warning.

Why would the Premier play this game? Because last election, all around Adelaide, we saw the posters: 'Rann gets results'. The reality is that chickens come home to roost. We are now seeing that Rann has failed to get results. There have been very few results. Where is the last refuge of the scoundrel? It is in the dirty tricks campaign, and that is where this government will go over the next two years. They will do everything they can to play the man because they do not have the results. This government does not have a record of which it can be proud. It does not have a record on which it can stand.

I was amazed at the Premier's ministerial statement yesterday when he tabled the Mullighan report. Fifteen years ago, this Premier was the minister for aboriginal affairs in a previous Labor government. For this Premier to make out that, in the past six years of his administration, he has done everything that he can is a nonsense. For him to make out that he was totally unaware of any of these goings on is a nonsense.

As a former shadow minister for Aboriginal affairs, I know that I have stood in this place and on numerous occasions raised issues in relation to the APY lands—and this government has been in denial. It is an outrage that members opposite stand in this place and shed crocodile tears. Having visited the lands, I can attest to the disgraceful turn of events that has happened up there for many years.

The Treasurer today accused the opposition of playing politics with this issue. It is shameful. I said publicly on ABC Radio on the Bevan and Abraham show a couple of years ago that if I leave this place and conditions have not improved on the lands, I will feel that it is my personal failure. I think every member of this house should share that because it is a disgrace. Any member who has not been there should go up there.

It is outrageous for the government to play politics with the issue and to do what it has done in last two days. It points to the fact that Rann does not get results—and I am pleased you have come back, Treasurer. In 2004 we had statements from the Premier and the Treasurer about what would happen on the lands, and not a hell of a lot has happened, to be honest.

We can go right across the portfolio areas—and I have a big list here—but I will get through only one or two of them. I am a former shadow minister for industrial relations. Since 2003—five years ago—the opposition has been asking questions about WorkCover, pointing out the problems, and this government has been in denial for five years. The Deputy Premier today had the temerity to say that we are holding up the bill and we will cost business a liability of up to $1.5 billion.

The DEPUTY SPEAKER: Order!

Mr WILLIAMS: They do not get results—

The DEPUTY SPEAKER: Order! The member for MacKillop's time has expired.

WINE INDUSTRY

Mr BIGNELL (Mawson) (15:16): I am glad the member for MacKillop raised the subject of overseas travel. We all get an allowance to travel, and I used mine earlier this year to go to Russia, a place in which I holidayed in 2006. I was very happy to see in March this year the amount of South Australian wine on the shelves in Russian supermarkets and wine shops and on wine lists in Moscow and St Petersburg—places that had no Australian wine, let alone South Australian wine, just two years ago.

They now have several different varieties of Wirra Wirra, Fox Creek and d'Arenberg wine, and other wines from the McLaren Vale region, as well as wines from the Barossa Valley and Clare. It is great to see that in an emerging market such as Russia, an economy that is now the ninth biggest in the world. It has the world's biggest gas reserves and the second biggest oil reserves in the world, and it is a $US1 trillion economy. It is an economy in which people are being paid more money, so we are seeing a growing middle class and a higher consumption of quality goods, such as wine.

Mr Pengilly interjecting:

Mr BIGNELL: The member for Finniss interrupts. I advise the member for Finniss to travel himself, instead of sitting there and throwing stones all the time at those who do travel. I know that there are people on Kangaroo Island who would like to see him spend some of his travel allowance

to promote that fantastic part of South Australia. It is about getting overseas and promoting this state and promoting Kangaroo Island.

The value of South Australian premium wines exported to Russia has grown 130 per cent from 2006 to 2007. The value of the South Australian wine sold was $6.29 a litre, putting it well ahead of the average for Australian wine exports overall and making Russia the second highest average unit price in our top 20 wine markets. Also, we are seeing a lot of the individual wineries, such as d'Arenberg, Wirra Wirra, Chalk Hill and Fox Creek, establish greater ties with not just their Russian wine distributors but also the owners of restaurants and bottle shops in Russia.

Two weeks ago I had lunch at d'Arry's Verandah Restaurant with Chester and d'Arry Osborn when they hosted their distributor from Fort, a company in Russia. They brought with them four restaurant owners, very powerful people in the industry in Russia. One of them said that Vladimir Putin really liked the d'Arenberg Dead Arm Shiraz. I said, 'How do you know that?' and he said, 'He was at my restaurant one night and he had a bottle of it, really enjoyed it and asked to take a bottle with him.' He did that and he drank it, and then he sent the restaurateur a letter saying how much he enjoyed the d'Arenberg Dead Arm Shiraz from McLaren Vale in South Australia.

Over the weekend, Igor Larionov visited South Australian. We hosted him at McLaren Vale, and he also went to the Barossa Valley. Igor Larionov won two Olympic gold medals with the ice hockey team from the Soviet Union. He also won an Olympic bronze medal, as well as five world titles with the Soviets. He did not get to go to the National Hockey League (NHL) in the United States and Canada until he was 29 because the communists would not let him out until 1989. Even after joining the NHL at such a late age, he is recognised as probably one of the best two or three ice hockey players of all time. We were very privileged to have him in this place last Thursday night. He now distributes wine under his Triple Overtime label, which he sells into the United States and Russia.

Mr Larionov intended to show off some of his ice hockey skills at the IceArena to students from 10 high schools who were taking part in the Ice Factor Program, which is run by a group of volunteers and the management of the IceArena. Judge Marie Shaw is one of the driving forces behind that program. Unfortunately, on Monday morning we had breakfast and we were about to go to the IceArena when we learnt that Mr Larionov's mother had died in Moscow. We had to get him to the airport, change his flights and get him back home for his mother's funeral. Igor did send me an email this morning thanking us for the hospitality he received in South Australia.

He promised that the first place he will visit when he is next back in South Australia looking to buy more South Australian wine will be the IceArena to show off his skills to the high school students who were taking part in the Ice Factor Program. That program is doing such a wonderful job getting kids back on the straight and narrow, helping them with their school work and wider community life.

Time expired.

MURRAY BRIDGE COUNCIL AWARD

Mr PEDERICK (Hammond) (15:21): Recently, one of the councils in my electorate received a very important award. At a gala dinner in front of 350 guests and dignitaries, the Rural City of Murray Bridge was presented with the Local Government Managers Australia Leadership and Management Excellence Award for its work focusing on engaging the community. This award, judged by an independent panel, is given by the Local Government Managers of South Australia and Northern Territory in recognition of excellent achievement by one of its member councils. This award acknowledges the endeavour of the Rural City of Murray Bridge and its success at building communication bridges, both with and among its community.

In presenting the award, LGMA President John Coombe, Chief Executive of neighbouring Alexandrina Council (itself an award winner in 2005 for excellence in council performance), said that the Murray Bridge council had undertaken major strategies to improve and extend its engagement with all sections of the community. Mr Coombe drew particular attention to the Murray Bridge council's aim to become the first refugee friendly city, which points to the ethnic diversity of the district's growing population. In accepting the award on behalf of the council, CEO David Altmann said that he did so on behalf of all staff and 'recognised the work undertaken by everyone for our community with the services, facilities and infrastructure provided'.

In crediting the whole team, Mr Altmann included not only the entire staff but also all elected members and the volunteers. He also acknowledged that the community itself is playing a part in the improved communication and participation with council. I would like to pay particular

tribute to the mayor, Allan Arbon. While I wholeheartedly agree with Mr Altmann's insistence that the award is the product of a team effort, I feel it must be said that any award alluding to leadership must also say something about the leadership of that team. Of course, many people are in direct leadership roles within the council, but, without strong and able leadership at the top, the rest of the team can only achieve so much.

Allan Arbon, whom I am proud to call a friend, has spent 31 years in local government across three councils, beginning with the old Karoonda council in 1969. He was elected mayor of the Rural City of Murray Bridge in 2000 at a time when the council was in need of firm but fair leadership. He has had numerous roles in local government at all levels, including local, regional and state bodies. The list of his community service activities and involvement, coupled with his commitment to personal development, would well and truly run me to the 'time expired' call. His pivotal role in RCMB's rapid progress since 2000 cannot be overstated.

To return to the award, I would like to detail some of the activities initiated by this council which have promoted and supported the engagement of its citizens and businesses, and which have centred largely around economic development. They include urban growth management strategies, riverfront development and improvement and a sensible and sensitive drought policy. They have also included a youth centre initiative known as Head Space, a skateboard park and a beach volleyball court.

Many of the council's economic development initiatives have resulted in new activities in the region. Working in tandem with industrial and manufacturing growth, they have provided new employment opportunities. Development in the region also includes such projects as the South Terrace retail precinct, the railway station precinct redevelopment, a major upgrade of the racing industry and the planned extension of the Mobilong Prison facility.

In saying this I must acknowledge, on behalf of the council, the support and contributions of the Minister for Transport and the Minister for State/Local Government Relations. Some of this activity attracted overseas migrants to the area, precipitating an influx of new residents. The response of the Rural City of Murray Bridge was to develop what Mr Altmann describes as a multicultural, friendly society. This, coupled with its good relationship and partnership with the indigenous Ngarrindjeri community, has given the district a strong multicultural and multinational presence.

It is apparent from the list of projects that the Rural City of Murray Bridge has sought to engage everyone in its community. It may well be that the Rural City of Murray Bridge becomes the reference point for other councils, regional and suburban, that wish to establish or develop their own community engagement programs, and I acknowledge David Altmann and Mayor Allan Arbon, who are here today.

ELIZABETH GROVE COMMUNITY CAMPUS

The Hon. L. STEVENS (Little Para) (15:26): The Elizabeth Grove Community Campus consists of the Elizabeth Grove Primary School, the Elizabeth Grove Children's Centre and the Kids N You Family Services Centre and is supported by a range of organisations including Good Beginnings Australia and the Women's and Children's Hospital. It has been clever enough to have received a Community Voices Grant from the Office for Volunteers to provide and put together a film focusing on the remarkable development of the campus over recent years. The film is being made in conjunction with Flinders University, which is providing the evaluation of the campus, and the South Australian Film Corporation. I was delighted to be asked there this morning to at least give my input, as the local member for the area and someone who has been around for all the years during which this remarkable campus has developed, over the last five or six years or so.

What has happened at Elizabeth Grove is that the primary school, through the leadership of its principal, Moya Wellman, has made links with a non-government organisation, Good Beginnings, and its CEO, Barbara Wellesly, and put together a whole range of programs to support early development of children in conjunction with their parents. That is how it began. The school also did this in partnership with the state government, and the state government has now responded by making Elizabeth Grove Primary School one of the sites for an early childhood development centre. I hope that we will then be able to interest the federal government in relation to the things that have happened there.

It really has been an amazing effort, and I think that there are three main things about the school that made these achievements a reality. First, it required vision. It required people in leadership positions—the principal of the school and the non-government organisation, Good Beginnings—to work with others, including me, as the local member and the then minister for

health, and also the Minister for Education and Children's Services here in South Australia. It took the vision of those people to understand and know that what was needed was something that the entire community could come to and partake in.

So, it is vision first and secondly, partnerships, and they have done this to the full. They have involved a whole range of people working together to provide supportive programs for families. Finally, it depends on the nature of the people providing leadership. I mentioned the principal of the school and also Good Beginnings, but I would like to pay tribute also to Flora McDonald who, as the key worker on the ground, really drove the grassroots participation in a whole range of programs.

Just today they provided me with the latest things that they are offering at that place. They have things going on Monday to Friday, morning and afternoon. They do a whole range of things from play-based learning to fathers' groups to special groups for communities with children with autism and Aspergers spectrum disorders. They have playgroups, 'play and learn', and a whole range of things. They told me that they are now having allied health workers and nurses through the Kids Anew program, which is auspiced by the Women's and Children's Hospital, based in that school. We have all these programs, all free, all available to any member of the community who has a young child, or supports a young child or children, mothers, fathers, grandmothers—everyone is welcome. It is a remarkable achievement, and I look forward to seeing their video.

LOCAL GOVERNMENT

Mr PENGILLY (Finniss) (15:32): Last week in this place I made some comments about the general meeting and showcase of local government in South Australia that was to take place last Thursday and Friday. Fortunately, I was able to spend a good part of Friday at the general meeting and at the lunch in discussion with local government friends from around South Australia who spoke about where they are going. I was left in no doubt about a number of concerns that local governments have about where the state government is taking them; in fact, more to the point, where it is not taking them.

They are saying that they were looking to the future, but they do not seem to be getting much ministerial direction or leadership on any potential changes on where they are going. They are most concerned about funding issues and where the money is coming from. They cannot rate their communities any higher, and that is tied in with the imposts that have been placed upon them in collecting both waste and NRM levies. Indeed, a motion about the issue of the NRM levies was put at the general meeting, as councils are quite concerned.

One council mentioned that the NRM board in its area had raised the levy by some 300 per cent; whereas, if they try to stick up their rates 1 per cent or 2 per cent, they get hounded. I acknowledge that the NRM levies were set by legislation in this place. Local governments are now saying that they were conned, and, unfortunately, they seek to redress this and have another look at it.

Those issues, the excessive bureaucratic imposts and demands from state government departments, and the extra load that is being required to be carried by local governments are really starting to make their impact quite heavily on the local government sector without any sort of recompense from the state government.

It is also interesting to note that it appears that the sticky fingers of the Labor Party are trying to get into local government, and they are trying to manipulate and push in no greater an area than that of the proposal for an ICAC. The Attorney-General is dead-set frightened poopless about this. He is trying to indicate to local government—

The Hon. M.J. ATKINSON: On a point of order, Madam Acting Speaker, my question to you is: is the term 'frightened poopless' parliamentary?

The ACTING SPEAKER (Ms Breuer): Perhaps the Attorney could give us a definition of what 'poopless' means.

The Hon. M.J. ATKINSON: I think the gravamen of the member for Finniss's allegation is that a proposal is so frightening for another member of the house that it causes him to evacuate his bowels.

The ACTING SPEAKER: I do not think there is a point of order. It is colourful but allowed.

Mr PENGILLY: It is interesting that the Attorney-General puts that connotation on it. I ask whether the Attorney-General believes in reincarnation, because it is highly likely he would come back as a sphincter.

These things are concerning to local government and they are looking for a way forward. What does this government propose in the way of reform? What does it propose in the way of change to accommodate the needs and requirements of local government in South Australia? I think it is most disappointing that we have seen nothing forthcoming from the current minister or the government, and I think it is a disgrace that we have seen nothing happen in six years.

I put the question: is it correct that the government is looking to delay the local government elections in 2010? That is something that has been thrown around the place in the local government sector. They have been treated with disdain and contempt; they are not getting any money; extra things are being thrown on them and, quite frankly, it is outrageous and it should not be allowed.

Time expired.

ROTARY CLUB OF ST PETERS

Ms CICCARELLO (Norwood) (15:37): Today I would like to speak about one of the Rotary clubs in my electorate which recently achieved an important milestone. We all know that Rotary has an outstanding worldwide reputation in carrying out a remarkable variety of humanitarian and educational activities. Currently, Rotary boasts 1.2 million members around the world who belong to 29,000 Rotary clubs.

On 29 April 1958, the Rotary Club of St Peters was granted its charter. Fifty years later, to the very day, I was privileged to attend the club's 50th birthday celebrations. The history of the Rotary Club of St Peters over the past half century is quite fascinating and a proud testament to the extraordinary level of service that it has provided to the community.

I must confess that I was amused when I read some of the items discussed at the first ever assembly meeting some 50 years ago, especially the suggestion that wives be prevailed upon to assist with a basket supper. I am not sure whether that would curry much favour these days, but even then their commitment to helping those in need was unswerving.

The first community effort ever of the Rotary Club was to assist the Spastic Children's Welfare Association which raised £148—quite fantastic for that time. I am not sure what that would be worth in today's money but I am sure it would be more than 10 times the value. This was achieved by holding a cabaret night, a cards night, a sportsmen's night and a picture evening. Perhaps some of us should contact the Rotary Club to get a copy of their fundraising policy, because it is quite effective.

The major fundraising activity for the Rotary club is the volunteer-run Rummage Shop which operates from Wednesday to Friday from 10am to 3pm and Saturday from 9am to midday in a shop at the rear of the Marden Shopping Centre. This rummage shop has consistently managed to achieve takings in excess of $65,000 a year and, over the past 14 years of operation, it has achieved in excess of $1 million. Donations of goods are most gratefully accepted and I encourage everyone to contact them if they have unwanted goods. I can say that I have spent many happy hours rummaging around in the shop and I have found a lot of interesting knick-knacks, particularly some books which I have been able to enjoy.

The Rotary club's other major fundraising activity is its annual jumble sale which is held on the first Saturday in March of each year and which has been operating for the last 48 years at Stepney. This too raises an enormous amount of funds as evidenced by this year's takings of $16,300. The theme for all the fundraising activities undertaken by the club can best be summed up as community, youth, vocational and international.

It is under this umbrella that the club distributes its money across a wide range of local and international projects. There are far too many for me to mention here but, just as a snapshot last year, a few of the projects it supported were: building a school on Tanna Island, Vanuatu; donating $25,000 towards youth opportunities and $3,200 to the St Peters Childcare Centre; sponsoring vocational and music awards; and providing ongoing support to many local community organisations such as Meals on Wheels, the Norwood Christmas pageant and the Hackney Mission. The very professional booklet presented at the dinner last year highlights the hundreds of projects that the club has been involved in.

I understand that the club will be concentrating even more on local projects in the future and I am delighted that the community will benefit from the club's dedication and hard work. The Rotary Club of St Peters has been a most effective contributor to human and community needs both locally and internationally over the last 50 years.

My heartfelt thanks go to everyone who has played a role in making the club the organisation it is today: to the president, Dick Hissey, and the secretary, Phil Smith, and to the many men and women who have given their time so selflessly to this fantastic organisation. Well done and congratulations again on the 50th birthday! It was delightful to see that some of the members who attended the dinner last Tuesday night—I will not mention all their names—had been attending the Rotary club meetings for the whole 50 years. So congratulations to them and their dedication to the community.

STATUTES AMENDMENT AND REPEAL (TAXATION ADMINISTRATION) BILL

The Hon. P. CAICA (Colton—Minister for Employment, Training and Further Education, Minister for Science and Information Economy, Minister for Youth, Minister for Gambling) (15:42) (for Hon. K.O. Foley): Obtained leave and introduced a bill for an act to amend the Emergency Services Funding Act 1998, the Land Tax Act 1936, the Pay-roll Tax Act 1971, the Stamp Duties Act 1923 and the Taxation Administration Act 1996 and to repeal the Taxation (Reciprocal Powers) Act 1989. Read a first time.

The Hon. P. CAICA (Colton—Minister for Employment, Training and Further Education, Minister for Science and Information Economy, Minister for Youth, Minister for Gambling) (15:42): I move:

That this bill be now read a second time.

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

Leave granted.

The *Statutes Amendment and Repeal (Taxation Administration) Bill 2008* makes amendments to a number of Acts which are consistent with the Government's target of a reduction of at least 25 per cent in red tape for business by mid-2008.

The Bill amends the *Stamp Duties Act 1923*, the *Payroll Tax Act 1971* and the *Land Tax Act 1936* to remove all redundant provisions.

The majority of the redundant provisions are being removed from the *Stamp Duties Act*, particularly in relation to provisions dealing with listed marketable securities. The changes will make the Act easier to read and reduce taxpayer confusion.

The Bill also amends the *Taxation Administration Act 1996* ('the TAA') to include provisions that provide an administrative framework to allow tax investigations to be conducted by taxation officers beyond State and Territory borders.

The streamlined and modernised reciprocal power provisions in the TAA will replace the provisions currently contained in the *Taxation (Reciprocal Powers) Act 1989* (the 'TRPA') and hence allow for its repeal.

The amendments will improve administrative efficiency for both industry and RevenueSA.

South Australia and Victoria are the only jurisdictions that retain independent reciprocal taxation powers legislation. Consolidating the provisions of the TRPA into the TAA is therefore consistent with the arrangements in place in other jurisdictions and will reduce the number of statutes with which practitioners are required to comply.

The benefits of the consolidation of investigatory powers in the TAA include greater inter jurisdictional consistency, modernisation of the language and structure of the provisions, and have provided the opportunity to review and update statutory requirements.

Whilst the TAA is being opened up for amendment the Government has also taken the opportunity to amend an obsolete provision in the TAA that relates to how the market rate of interest is set in the Act.

The market rate of interest set by the TAA is currently linked to the rate applicable under section 214(8) of the *Income Tax Assessment Act 1936* of the Commonwealth, but the Commonwealth ceased publication of a market rate of interest under that section in 1999.

It has therefore been necessary for the market rate to be specified each financial year by the Treasurer in the Gazette which is administratively inefficient.

It is therefore proposed that the market rate of interest will now be legislatively tied to the average rate of the 90-day Bank Accepted Bill Rate prescribed by the Reserve Bank of Australia for the month of May preceding each financial year.

The Treasurer will still have the power to specify a different rate of interest by publishing it in the Gazette. The proposed change will provide an efficiency benefit for Government and certainty for taxpayers.

The Bill also amends the *Emergency Services Funding Act 1998* (the 'ESL Act') to align the administrative processes under the ESL Act with those contained in the TAA.

The ESL Act provides for the collection of funds for the provision of emergency services in South Australia.

RevenueSA is responsible for the collection of the fixed property component of the ESL Act with TransportSA the levy collector for the mobile property component. The changes in the Bill relate only to the fixed property component of the levy.

The administrative provisions of the ESL Act are deficient in comparison to the administrative provisions contained in the TAA which is used by RevenueSA to administer the other laws for which it is responsible. This has resulted in administrative inconsistencies between ESL administration and the remaining taxation legislation administered by RevenueSA.

Due to the lack of rigorous administrative provisions in the ESL Act, many issues have had to be dealt with by administrative practice, which although workable, is not the optimum approach as it does not provide certainty and transparency for levy payers.

The addition of robust administrative provisions into the ESL Act modelled on those in the TAA will also provide consistency for taxpayers in the administration and collection of land tax and emergency services levy which are both calculated based on the value and use of land.

The Bill therefore amends the ESL Act to include comprehensive administrative provisions, similar to the equivalent provisions contained in the TAA.

I will summarise some of the main changes contained in the Bill in this area.

The responsibility for the administration of the ESL Act is now placed with the Commissioner instead of the Minister which will allow the Act to be administered in a more efficient manner. By way of example, this will remove the need for the Treasurer to formally delegate powers and functions directly to staff rather than the more efficient approach of the Commissioner having this responsibility.

General refund provisions have been added to the Act which will give a legislative basis to existing administrative practice in this area and allow for equitable and consistent treatment of levy payers.

The addition of secrecy provisions will provide protection of confidential information relating to levy payers and will provide further consistency with the management of information obtained in the administration of legislation for which the Commissioner is responsible.

The amendments will also align the method for setting the rate of interest under the ESL Act to the method that will apply under the TAA. The interest rate set under the ESL Act relates to both interest imposed on unpaid levies and interest paid in cases where a levy payer is entitled to a refund of levy after a successful objection or appeal.

The ESL Act does not provide for the charging of a penalty in relation to unpaid levy and does not have provisions that allow for the investigation of unpaid levies. The addition of these provisions will allow consistency with the administration of land tax and will provide a more equitable system in respect of persons who pay the levy when it falls due and those that do not.

The Bill makes changes which will have a significant impact on the red tape faced by business and taxpayers when dealing with RevenueSA and the legislation it administers. The amendments streamline administrative provisions in a number of areas and in relation to the ESL Act, provide consistency, transparency and a legislative backing to current administrative procedures.

I commend this Bill to the House.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause is formal.

2—Commencement

This clause provides that operation of the measure is to commence on a day to be fixed by proclamation. Section 7(5) of the *Acts Interpretation Act 1915* will not apply to the amending Act (in case it is necessary to delay the commencement of certain amendments beyond the second anniversary of assent).

3—Amendment provisions

This clause is formal.

Part 2—Amendment of *Emergency Services Funding Act 1998*

4—Amendment of section 3—Interpretation

This clause inserts three new definitions into the *Emergency Services Funding Act 1998*. An *authorised officer* is a person who is an authorised officer for the purposes of the taxation laws under the *Taxation Administration Act 1996*. This definition is required for the purposes of new investigation provisions to be inserted by clause 19.

A definition of *Commissioner* is inserted because the Commissioner of State Taxation is to be given a number of functions in relation to the administration of Part 3 Division 1 of the Act, which relates to the levy in respect of land.

Non-reviewable decision is defined by reference to new section 4, inserted by clause 5.

5—Insertion of section 4

This clause inserts a new section. Proposed section 4 explains the meaning of the term 'non-reviewable'. A number of new provisions to be inserted into the *Emergency Services Funding Act 1998* as part of this measure will include a statement that a decision under the provision is a non-reviewable decision. This means that no court or administrative review body has the jurisdiction or power to entertain any question as to the validity or correctness of the decision.

6—Insertion of heading to Part 3 Division 1 Subdivision 1

This amendment is to be made because it is proposed to divide Division 1 of Part 3 of the *Emergency Services Funding Act 1998*, which relates to the levy in respect of land, into five Subdivisions. Provisions in the first Subdivision will deal with the imposition of the levy.

7—Amendment of section 5—Land that is subject to levy

Section 5(1) states that an emergency services levy may be assessed by the Minister against all land in South Australia in respect of each financial year. As a consequence of the amendment made by this clause, responsibility for assessing the levy will be vested in the Commissioner for State Taxation instead of the Minister.

A reference to the *Local Government Act 1934* is updated so that the section refers instead to the *Local Government Act 1999*.

8—Amendment of section 5A—Application for aggregation of non contiguous land

The amendments made by this clause to section 5A are consequential on the Commissioner becoming responsible for assessment of the levy in respect of land.

9—Amendment of section 8—Land uses

This clause updates a definition of Local Government Regulations.

10—Amendment of section 12—Commissioner to keep assessment book

11—Amendment of section 13—Alterations to assessment book

12—Amendment of section 15—Liability for levy

The amendments made by clauses 10 to 12 are consequential on the Commissioner becoming responsible for assessment of the levy in respect of land.

13—Amendment of section 16—Notice of levy

Section 16 currently requires the Minister to serve a notice of the amount of the levy payable in respect of land for a financial year on the owner of the land. The section as amended will require the Commissioner to perform this function.

Section 16(2) lists matters that must be dealt with in the notice. Because provisions relating to interest and payment of a penalty levy are to be inserted into the Act, this clause amends subsection (2) by making it a requirement that the notice state the amount of any interest or penalty levy payable by the person.

14—Substitution of section 17

This clause deletes section 17 and substitutes a number of new clauses.

17—Refund resulting from assessment

Under this proposed section, the Commissioner is required to refund the amount of any overpayment that is revealed by an assessment of a person's liability to pay a levy or other amount under Division 1.

17A—Cancellation of assessment

This section authorises the Commissioner to cancel an assessment that has been made in error.

17B—Payment of levy into Fund

Section 17B is the same as current section 22, which is repealed by clause 19. The section has been moved so that it appears in new Subdivision 1 of Part 3 Division 1. The section as recast refers to interest and the penalty levy as well as the levy. The new section also provides for payment of any refund payable under the Division from money received in payment of the levy, a penalty levy or interest.

Subdivision 2—Refunds

17C—Right to apply for refund

Under this new section, a person may apply for a refund of an amount overpaid by the person. An application cannot be made more than five years after the person made the payment to the Commissioner.

If the result of determination of an application is that there has been an overpayment, the Commissioner must refund the amount of the overpayment.

17D—Form of application for refund

This section provides that an application for a refund must be made to the Commissioner in a form approved by the Commissioner.

17E—Commissioner may refuse to determine application until information etc provided

If a requirement has been made of an applicant for a refund under new Subdivision 5, which includes provisions relating to investigation, the Commissioner may refuse to determine the application until the applicant complies with the requirement. Such a refusal is a non-reviewable decision.

17F—Offset of refund against other liability

The whole or a part of an amount required to be refunded may be applied to meet an amount payable by the applicant or credited (with the applicant's consent) towards his or her future liability.

A decision under section 17F is non-reviewable.

17G—Windfalls—refusal of refund

Under this section, the Commissioner may refuse to make a refund if the amount of the levy, penalty levy or interest to be refunded has been passed on to some other person and the applicant has not reimbursed the other person for the amount passed on. A decision under the section is non-reviewable.

Subdivision 3—Interest and penalty levy

17H—Definition for Subdivision

This section provides a definition of deliberate default, a term used in new sections 17K and 17L. A deliberate default is a default to which Subdivision 3 applies (see below) that wholly or partly consists of or results from a deliberate act or omission by the person liable to pay the levy or a person acting on his or her behalf. The term includes a default to which the Subdivision applies where the person liable to pay the levy, or a person acting on his or her behalf, deliberately failed to provide information to the Commissioner, or deliberately misinformed or misled the Commissioner, in relation to the person's liability to pay the levy.

17I—Defaults to which Subdivision applies

Subdivision 3 applies to a default consisting of a failure by a person to pay the whole or part of a levy that the person is liable to pay under Part 3 Division 1.

17J—Interest

Section 17J provides for the payment of interest where a default to which the Subdivision applies occurs or a person fails to pay a penalty levy.

If the amount of interest payable for the time being would be less than $20, no interest is payable. The section authorises the Commissioner to remit interest payable by any amount. A decision of the Commissioner to remit an amount of interest is non reviewable.

The applicable interest rate is the sum of the market rate and 8 per cent per annum. The market rate is defined in section 26 of the *Taxation Administration Act 1996*.

17K—Penalty levy

Under this section, a penalty levy is payable when a default to which Subdivision 3 applies occurs. The penalty levy is payable by the person in default in addition to the amount of the unpaid levy.

If the Commissioner is satisfied that the default was not a deliberate default and did not result, wholly or partly, from a failure by the person, or a person acting on his or her behalf, to take reasonable care to comply with the requirements of the Act, a penalty levy is not payable.

If the amount of a penalty levy payable would be less than $20, no penalty levy is payable. The Commissioner may remit a penalty levy otherwise payable by any amount. A decision to remit a penalty levy is non-reviewable.

17L—Amount of penalty levy

The amount of a penalty levy payable in respect of a deliberate default is 75 per cent of the amount of the levy unpaid. The amount of a penalty levy in any other case is 25 per cent of the amount of the levy unpaid.

17M—Notification of penalty levy and interest and time for payment

Section 17M requires the Commissioner to serve notice of any interest accrued and any penalty levy payable on the person liable to pay the interest or levy. A penalty levy is to be paid by the person within a time specified in the notice. If the person fails to pay the whole or a part of a penalty levy within the specified period, the Commissioner may then serve on the person notice of interest accrued in respect of the failure.

Subdivision 4—Collection of levy

17N—Definition for Subdivision

In Subdivision 4, *levy* includes a penalty levy and interest.

17O—Recovery of levy as debt

Under section 17O, the Commissioner may recover the amount of an unpaid levy as a debt from the person liable to pay the amount.

17P—Joint and several liability

If two or more persons are jointly or severally liable to pay a levy, the Commissioner may recover the whole of the levy from them, or any of them, or any one of them.

17Q—Collection of levy from third parties

This section authorises the Commissioner to require the following third parties to pay an unpaid levy:

- a person from whom money is due or accruing or may become due to the person in default;
- a person who holds or may subsequently hold money for or on account of the person in default;
- a person who holds or may subsequently hold money on account of some other person for payment to the person in default;
- a person having authority from some other person to pay money to the person in default.

The section sets out requirements in relation to the written notice to be served on a third party required by the Commissioner to make a payment under the section.

17R—Duties of agents, trustees etc

Section 17R sets out a number of provisions that apply in relation to a person who has possession, control or management of a business or property of another person as an agent or trustee (or in any other capacity) if obligations under Division 1 remain undischarged by the other person or will arise in relation to the business or property. The provisions that apply are as follows:

- the person must, as soon as and so far as is practicable, ensure that the obligations of the other person that remain undischarged are discharged;
- the person must, as soon as and so far as is practicable, ensure that all further obligations that arise under Division 1 in relation to the business or property are discharged while the person continues to have possession, control or management of the business or property;
- for those purposes the person must set aside (and, so far as necessary, liquidate) assets of the other person (or the other person's estate) to the value of any levy that has become or becomes payable and employ those assets in payment of the levy;
- if the person fails, without the Commissioner's written permission, to set aside, liquidate and employ sufficient assets for that purpose, the Commissioner may recover from the person as a debt the whole or a part of an amount that is assessed as being payable under this Division in relation to the business or property and remains unpaid, but the person will not otherwise be personally liable for the payment of the levy;
- the person is entitled to be indemnified by the other person (or out of the other person's estate) in respect of payments made or action taken under section 17R;
- nothing prevents the making of a payment to the person out of the assets, in priority to a levy, of any reasonable remuneration, charges and expenses to which the person would, apart from section 17R, be entitled in respect of the performance of the person's functions.

15—Amendment of section 18—Levy first charge on land

This amendment is consequential on the insertion of section 17N, which includes a definition that applies for the purposes of Subdivision 4.

16—Repeal of section 19

Section 19, which authorises the Minister to require a lessee or licensee of land to pay rent or other consideration to the Minister in satisfaction a liability for the levy in respect of the land, is redundant because of the insertion of section 17Q and is therefore to be repealed.

17—Amendment of section 20—Sale of land for non payment of levy

The amendments made by this clause are consequential.

18—Amendment of section 21—Recovery of levy not affected by objection, review or appeal

Section 21 provides that the right to recover a levy is not suspended by an objection, review or appeal in respect of a valuation or the attribution of a particular land use to land.

The section currently provides that interest accrues on an amount to be refunded, and on an unpaid amount, in accordance with the regulations. The section as amended will set out the manner in which interest accrues and the interest rates applicable in respect of refunds and amounts payable.

19—Substitution of section 22

This clause repeals section 22, which is recast and inserted into Subdivision 1 as section 17B, and substitutes a number of new provisions. The clause adds two new Subdivisions to Division 1. The first relates to investigations while the second includes secrecy provisions.

22—Arrangements for payment of levy

Under new section 22, the Commissioner may extend the time for payment of a levy and may accept the payment of a levy by instalments. A decision of the Commissioner under the section may be subject to conditions.

22A—Decisions non reviewable

This section provides that a decision under Subdivision 4 is non reviewable.

22B—No statute of limitation to apply

This section provides that actions and remedies for recovery by the Commissioner of amounts assessed as being payable under Division 1 are not barred or affected by any statute of limitations.

Subdivision 5—Investigation

22C—Power to require information, instruments or records or attendance for examination

Under this new section, the Commissioner may, for a purpose related to the administration or enforcement of Division 1, require a person to provide information, attend and give evidence or produce an instrument or record. The Commissioner's request must be made by written notice.

A person who, without reasonable excuse, refuses or fails to comply the requirements of a notice, or to comply with any other requirement of the Commissioner as to the giving of evidence, is guilty of an offence. The maximum penalty is $10,000.

A requirement under the section is a non-reviewable decision.

22D—Powers of entry and inspection

This section sets out a number of powers that may be exercised by authorised officers for purposes related to the enforcement of Division 1. An authorised officer may—

- enter and remain on premises; and
- require a person on the premises to answer questions or otherwise furnish information; and
- require a person on the premises to produce any instrument or record in the person's custody or control (including a written record that reproduces in an understandable form information stored by computer, microfilm or other means or process); and
- require the owner or occupier of the premises to provide the authorised officer with such assistance and facilities as is or are reasonably necessary to enable the authorised officer to exercise powers under the Subdivision; and
- seize and remove any instrument or record on behalf of the Commissioner.

22E—Use and inspection of instruments or records produced or seized

An instrument or record produced to the Commissioner or seized and removed by an authorised officer may be retained for the purpose of enabling the instrument or record to be inspected and enabling copies of, or extracts or notes from, the instrument or record to be made or taken by or on behalf of the Commissioner.

An instrument or record required as evidence may be retained until relevant proceedings are finally determined.

22F—Self incrimination

Section 22F provides that a person is not excused from answering a question, providing information or producing an instrument or record, when required to do so under Subdivision 5, on the ground that to do so might tend to incriminate the person or make the person liable to a penalty.

However, the section also provides that if the person objects to answering the question, providing the information or producing the instrument or record on that ground, the answer, information, instrument or record is not admissible against the person in criminal proceedings. The exceptions to this rule are proceedings for an offence with respect to false or misleading statements, information or records and proceedings for an offence in the nature of perjury.

22G—Hindering or obstructing authorised officers etc

Section 22G makes it an offence for a person to hinder or obstruct an authorised officer in the exercise of a power under Subdivision 5. It is also an offence for a person to, without reasonable excuse,

refuse or fail to comply with a requirement of an authorised officer under the Subdivision. The maximum penalty is a fine of $10,000.

However, for a person to be guilty of an offence arising from the entry of an authorised officer onto premises, it must be established that the officer identified himself or herself as an authorised officer and warned the person that a refusal or failure to comply with the requirement constituted an offence.

Subdivision 6—Secrecy

22H—Relevant persons

Section 22H provides a definition of relevant person that applies for the purposes of Subdivision 6. A relevant person is a person who is or has been engaged in the administration or enforcement of Division 1.

22I—Prohibition of certain disclosures by relevant persons

This section prohibits a relevant person from disclosing information obtained under or in relation to the administration or enforcement of Division 1 except as permitted by Subdivision 6. The maximum penalty for a breach of the section is a fine of $10,000.

22J—Permitted disclosure in particular circumstances or to particular persons

Section 22J provides that a relevant person may disclose information obtained under or in relation to the administration of Division 1 in the following circumstances:

- with the consent of the person to whom the information relates or at the request of a person acting on behalf of the person to whom the information relates;
- in connection with the administration or enforcement of Division 1, a taxation law (within the meaning of the *Taxation Administration Act 1996*), the *Petroleum Products Regulation Act 1995*, the First Home Owner Grant Act 2000 or a law of another Australian jurisdiction relating to taxation; or
- for the purposes of legal proceedings under a law referred to above or reports of such proceedings; or
- to the holder of an office or a body prescribed for the purposes of section 78(d) of the *Taxation Administration Act 1996*.

22K—Permitted disclosures of general nature

This section authorises the Commissioner to disclose information obtained under or in relation to the administration or enforcement of Division 1 that does not directly or indirectly identify a particular person.

22L—Prohibition of disclosures by other persons

This section prohibits the disclosure of information by a person other than a relevant person. The person cannot disclose information obtained from a relevant person that the relevant person obtained under or in relation to Division 1 unless—

- the disclosure is of a kind that a person engaged (whether as an officer or employee or otherwise) in the administration or enforcement of this Act would be permitted to make under Subdivision 6; or
- if the person is the holder of an office or a body prescribed for the purposes of section 78(d) of the *Taxation Administration Act 1996*—the disclosure is made in connection with the performance of functions conferred or imposed on the person under a law of this jurisdiction or another Australian jurisdiction (including for the purposes of legal proceedings connected with the performance of such functions); or
- the disclosure is made with the consent of the Commissioner.

22M—Restriction on power of courts to require disclosure

This section provides that a court does not have power to require a disclosure of information contrary to Subdivision 6.

20—Amendment of section 27—Payment of levy into Fund

Section 27 provides that money received in payment of the levy in respect of vehicles and vessels must be paid into the Fund. The section as amended will add an exception so that money received in payment of the levy can be applied towards payment of any refund required to be paid under Division 2 instead of being paid into the Fund.

21—Substitution of section 31

This clause deletes the existing delegation provision and substitutes a new section that refers to the Commissioner as well as the Minister. The new section also authorises the subdelegation of a delegated power, function or duty.

This clause also inserts a new evidentiary provision. Section 31A applies section 115 of the *Taxation Administration Act 1996* for the purposes of the *Emergency Services Funding Act 1998*.

22—Amendment of section 32—Service of notices

23—Amendment of section 33A—Recouping money lost on aggregation of non contiguous land

The amendments made by clauses 22 and 23 are consequential on the Commissioner being given administrative functions in relation to the levy on land.

Part 3—Amendment of *Land Tax Act 1936*

24—Amendment of section 11—Minimum tax

Section 11 of the *Land Tax Act 1936* currently provides that if the total amount of land tax payable by a taxpayer in respect of a year would, apart from the section, be less than $10, no land tax is payable. This clause amends section 11 by changing the relevant amount to $20.

Part 4—Amendment of *Pay-roll Tax Act 1971*

25—Amendment of section 9 —Imposition of pay roll tax on taxable wages

This clause amends section 9 of the *Pay-roll Tax Act 1971* by removing references to rates of pay-roll tax that no longer apply.

26—Amendment of section 11A—Deduction from taxable wages

This clause amends section 11A of the *Pay-roll Tax Act 1971* by removing references to prescribed amounts in respect of taxable wages that no longer apply.

27—Amendment of section 12—Exemptions

Clause 27 amends outdated references and removes some obsolete provisions.

28—Amendment of section 13A—Meaning of prescribed amount

The definition of financial year in section 13A is replaced so as to remove redundant historical information. Other redundant provisions are also deleted by this clause.

29—Amendment of section 18K—Interpretation

This clause substitutes a new definition of financial year so as to remove redundant historical information. Other provisions that no longer have any application are also removed by this clause.

Part 5—Amendment of *Stamp Duties Act 1923*

30—Amendment of section 2—Interpretation

This clause deletes a number of redundant definitions and amends other definitions to remove redundant references. The definition of adhesive stamp is to be removed by this clause.

31—Amendment of section 6—Denotation of duty

This clause removes a provision that refers to the denotation of duty by an adhesive stamp and is therefore no longer required.

32—Amendment of section 11—Appropriate stamp to be used

This clause removes a provision that relates to the denotation of duty by an adhesive stamp and is therefore no longer required.

33—Repeal of section 12

Section 12 deals only with adhesive stamps and is therefore repealed by this section.

34—Amendment of section 20—Time for payment of duty and stamping

Section 20(5) of the *Stamp Duties Act 1923* is recast so as to remove a redundant paragraph.

35—Repeal of section 29

Section 29, which provides that duty on an agreement not under seal may be denoted by an adhesive stamp, is repealed by this clause.

36—Amendment of section 60B—Refund of duty where transaction is rescinded or annulled

This clause removes a redundant provision from section 60B of the *Stamp Duties Act 1923*.

37—Amendment of section 71—Instruments chargeable as conveyances

This clause removes a reference in section 71 to section 90D because that section is to be repealed by clause 39.

38—Repeal of section 81A

Section 81A is another section that is relevant solely in relation to adhesive stamps and is therefore repealed by this clause.

39—Substitution of Part 3A

This clause repeals Part 3A, which consists of special provisions relating to financial products, and substitutes a new Part that retains only those sections of the existing Part that continue to be relevant.

Part 3A—Special provisions relating to financial products

83—Interpretation

New section 83 is based on current section 90A, with all redundant definitions having been removed.

84—Share buy back

New section 84 is in the same terms as current section 90AB.

85—Exempt transactions

Section 85 provides that no duty is payable under the Act in relation to an exempt transaction. *Exempt transaction* is defined in section 83 to mean a conveyance (including a sale or purchase) of a quoted financial product made after 30 June 2001.

86—Financial products liable to duty

This section is in the same terms as current sections 90T and 90U.

Section 86 applies to a conveyance or conveyance on sale of a financial product only where—

- the financial product is—
  - a financial product of a company that, under the *Corporations Act 2001* of the Commonwealth, is taken to be registered in South Australia; or
  - a financial product of a foreign company; or
  - a unit of a unit trust scheme; and
- the conveyance is not an exempt transaction.

Section 86 provides that a conveyance or conveyance on sale of a financial product to which the section applies is only liable to duty if the financial product is—

- a financial product of a relevant company; or
- a unit of a unit trust scheme the principal register of which is situated in South Australia; or
- a unit of a unit trust scheme in relation to which no register exists in Australia and—
  - having as the manager of the scheme a relevant company or a natural person principally resident in South Australia; or
  - not having a manager but with a trustee that is a relevant company or a natural person principally resident in South Australia.

87—Proclaimed countries

Section 86 operates subject to this section. Under section 87, no duty is payable in respect of a conveyance or conveyance on sale of a financial product that is registered on a register kept within a proclaimed country. The section further provides that the Governor may, by proclamation, declare any country to be a proclaimed country.

Section 87 does not operate to exempt a transaction from duty under Part 4 of the Act (Land Rich Entities).

88—Transfer of financial products not to be registered unless duly stamped

This section is in substantially the same terms as current section 106A (to be repealed by clause 41), though certain changes have been made to take into account amendments made as part of this measure.

The section provides that a transfer of a financial product to which section 86 applies must not be registered by the corporation, company or society by which the financial product was issued—

- unless a proper instrument of transfer has been delivered to the corporation, company or society in which, in the case of a transfer by way of sale, the consideration for the financial product is expressed in terms of money and the actual date of sale and the date or dates of execution by the transferor and transferee are set out; and
- unless the instrument is duly stamped under this Act or is taken to have been duly stamped.

If financial products are transferred pursuant to a takeover scheme, the Commissioner may, on payment of the duty payable in respect of the instruments of transfer, denote payment of the duty on a statement in the approved form. If payment of duty is denoted on a statement, each instrument of transfer to which the statement relates will be taken to have been duly stamped.

After a transfer of a financial product has been registered by the corporation, company or society in this State, the instrument of transfer must be retained in this State by the corporation, company or society for a period of not less than five years.

If a corporation, company or society contravenes or fails to comply with a provision of the section, the corporation, company or society is guilty of an offence and liable to a maximum penalty of $10,000.

40—Amendment of section 106—Spoiled or unused stamps

This clause amends section 106 by inserting definitions of *stamp* and *stamped*. These definitions are necessary to make it clear that those terms when used in section 106 refer to unused adhesive stamps issued before the commencement of this measure.

41—Repeal of section 106A

Section 106A is repealed. New section 88, to be included in Part 3A (inserted by clause 39), is in substantially the same terms as section 106A.

42—Repeal of section 109

Section 109 prescribes a penalty for offences relating to misuse of adhesive stamps. The section also imposes a penalty in respect of fraudulent acts committed with the intention of evading duty payable under the Act.

The section is redundant because the offences relating to adhesive stamps are no longer required and it is an offence under section 59 of the *Taxation Administration Act 1996* for a person to evade or attempt to evade tax by a deliberate act or omission.

43—Amendment of section 112—Regulations

This clause revises and updates the regulation making power of the Act. Subsection (3), which requires regulations under the Act to be laid before Parliament immediately or within 30 sitting days, is removed so that section 10 of the *Subordinate Legislation Act 1978* applies. That section requires that regulations be laid before each House of Parliament within six sitting days.

44—Amendment of Schedule 2—Stamp duties and exemptions

Schedule 2 of the *Stamp Duties Act 1923* sets out rates of duty and lists some exemptions from specific types of duty. This clause amends Schedule 2 by removing exemptions that are no longer required and updating obsolete references.

Part 6—Amendment of *Taxation Administration Act 1996*

45—Amendment of section 3—Interpretation

This clause inserts a number of new definitions into the interpretation provision of the *Taxation Administration Act 1996*.

Recognised jurisdiction means the Commonwealth, another State or a Territory. *Corresponding Commissioner* is defined in relation to a recognised jurisdiction in which a corresponding law is in force and means the person responsible for administering the corresponding law or a person holding a position in the administration of that corresponding law which corresponds to the position of the Commissioner of State Taxation. A *corresponding law* is a law of a recognised jurisdiction that—

- corresponds to a taxation law; or
- is declared by the Governor to be a law corresponding to a taxation law.

46—Amendment of section 26—Interest rate

This clause amends the definition of market rate in section 26 of the Act. The definition currently refers to the rate applicable from time to time under section 214A(8) of the *Income Tax Assessment Act 1936*. As amended, the definition will refer, in relation to interest accruing at any time during a particular financial year, to the average rate of the daily 90-day Bank Accepted Bill Rate prescribed by the Reserve Bank of Australia for the month of May preceding the financial year (rounding up 0.005 to 2 decimal places).

47—Amendment of section 63—Commissioner may perform functions under laws of other jurisdictions

Section 63 as amended by this clause will authorise the Commissioner to perform functions on behalf of a corresponding Commissioner.

48—Amendment of section 66—Delegation by Commissioner

This clause amends section 66 to authorise the Commissioner to delegate any of his or her powers or functions under the *Taxation Administration Act 1996* to a corresponding Commissioner for the purposes of a corresponding law. The section as amended also provides that a corresponding Commissioner may make a further delegation if the instrument of delegation so provides.

49—Repeal of section 69

Section 69 of the *Taxation Administration Act 1996*, which deals with the personal liability of taxation officers, is no longer required and is therefore repealed by this clause. The section is not required because section 74 of the *Public Sector Management Act 1995* provides an immunity from civil liability for public sector employees.

50—Insertion of Part 9 Division 2A

This clause inserts a new Division dealing with investigations under corresponding laws.

Division 2A—Investigations under other laws

76A—Investigations for the purposes of corresponding laws

Section 76A authorised the Commissioner, by agreement with a corresponding Commissioner of a recognised jurisdiction, to—

- authorise the corresponding Commissioner to perform or exercise a function or power under the Division of the Act relating to investigation (Part 9 Division 2) for the purposes of a corresponding law in force in the other jurisdiction; or
- perform or exercise a function or power under that Division on behalf of a corresponding Commissioner for the purposes of a corresponding law in force in the other jurisdiction.

The new section also includes necessary interpretation provisions.

76B—Investigations in other jurisdictions for the purposes of taxation laws

Under new section 76B, the Commissioner may enter into an agreement or arrangement with a corresponding Commissioner to enable the performance or exercise, by or on behalf of the Commissioner, of investigative functions and powers conferred under a corresponding law for the purposes of a taxation law. The Commissioner may also authorise a person who is authorised to perform or exercise a function or power under Part 9 Division 2 to perform or exercise investigative functions or powers conferred on the person by a corresponding law for the purposes of a taxation law.

76C—Instrument of delegation to be produced

This section imposes a requirement on a person exercising a power under the Division under delegation to produce a copy of the instrument of delegation if requested to do so.

51—Insertion of section 76D

This clause amends Part 9 Division 3 of the *Taxation Administration Act 1996* by the insertion of a new interpretation provision. The new section provides that a reference in Division 3 to a *taxation law* will be taken to include a reference to a *corresponding law*. The purpose of the amendment is to ensure that the secrecy provisions apply in relation to corresponding laws in addition to taxation laws.

52—Amendment of section 78—Permitted disclosure in particular circumstances or to particular persons

This clause makes a some consequential amendments to section 78. The clause also updates an incorrect reference.

53—Amendment of section 80—Prohibition of disclosure by other person

The purpose of this amendment is to make it clear that section 80(d) refers to offices or bodies prescribed for the purposes of section 78(d).

Part 7—Repeal of *Taxation (Reciprocal Powers) Act 1989*

54—Repeal of Act

This clause repeals the *Taxation (Reciprocal Powers) Act 1989*.

Debate adjourned on motion of Mr Griffiths.

TRAINING AND SKILLS DEVELOPMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 3202.)

Mr PISONI (Unley) (15:45): As I was saying before the lunch break, the apprenticeship system was certainly seen as a way forward in my family. My older brother became an electrician and I ended up in the furniture industry. I think it is interesting to compare where we who started our lives as tradesmen have ended up today. I started my apprenticeship at a very small family-type business—a business that did not have any union influence. There was no need for that, I imagine, because the boss was working alongside me and everyone knew each other, and it was a great family atmosphere in which to learn a trade and to enjoy the work that we did. And, of course—

The Hon. M.J. Atkinson interjecting:

Mr PISONI: Who was that?

The Hon. M.J. Atkinson: John Ballantyne.

Mr PISONI: John Ballantyne? I don't even know a John Ballantyne. On the other hand, my brother accepted an apprenticeship at the very large organisation of SA Brewing (which is now, of course, Lion Nathan), joining a large workforce where trade union membership was, of course, second nature. So, his views on the world are different from mine. I have a very good understanding of small businesses and family businesses and what affects decision-makers, whereas it would be fair to say that my brother has a good understanding of larger workplaces and

the politics that happen within them, and what is required to get results for employees in those situations.

The point I make about this bill is that I do have some concerns about the fact that we have introduced matters into the Industrial Relations Commission, involving a situation where there is a breakdown in the relationship between the trainee, if you like, or the apprentice and the boss. I am concerned that our biggest potential for growth in taking on trainees and apprentices involves the sole traders, or the small family husband and wife type of proprietary limited companies out there who are plumbers, electricians, carpenters, brickies, chefs (where the husband might be the chef and the wife is the front-of-house person).These sorts of people are not in the industrial relations system. They may very well be ready and confident now to take on an apprentice but, by doing so, the government has automatically roped them into the Industrial Relations Commission.

My biggest concern about this is that it will have the reverse effect that the minister expects it to have. It may well not affect medium and larger businesses and experienced employers, but it will have a very significant put-off factor for that very target group—that group that is not employing apprentices at the moment but may be thinking about doing so. Often the first employee that a tradesman will take on will be an apprentice.

A classic example could very well be when a tradesman is in his 50s and is thinking about retirement. He has been a sole trader all his life, doing the work and earning a good living, and his wife does the books. I know that one of my clients in my business was a plumber and his taxable income was $250,000 in one particular year. He may have been boasting about that at the time, but he was certainly earning a good living. May not necessarily have a superannuation entitlement. He may not have investment properties. Such a person may have some money in the bank; he has a good business with a loyal clientele that, once he retires, is really only suitable for someone else like him to buy. So, someone like him would walk in, take over the business and work with those clients, but they would need time to build up and understand the culture of that business and its clientele. A perfect way to do that is to have an apprentice, take him on for a four-year apprenticeship period—

The Hon. M.J. Atkinson: Or her.

Mr PISONI: Or her; and I did have a female apprentice in my business for a while. Take them on, get them to learn the trade and the business, and then offer them the sale of that business when the time is right for the boss to retire. It is a perfect scenario for both. An unexperienced young person gets a great trade and also learns a whole lot of life experiences from working side by side with the boss, which he can then develop and use to take that business to the next stage. And who knows, knowing how entrepreneurial young people are today, when he gets hold of that business, he may use that as a basis to grow that business and employ staff and apprentices—and perhaps even one day end up wearing a tie to work instead of the greasy old overalls. That may very well be an aspiration of the new apprentice. I know it certainly was one of my aspirations.

The Hon. M.J. Atkinson interjecting:

Mr PISONI: I will put my tie collection up against the Attorney-General's any day. I emphasise the fact that I am very concerned about the introduction of the Industrial Relations Commission. There is a different culture in the training commission compared to the Industrial Relations Commission. In my experience, I have had situations where things have not worked out with apprentices. For instance, they have stopped turning up or, alternatively, they may have gone down the wrong path during their youth. They may have mixed with the wrong crowd and, consequently, started smoking dope in the car park and all sorts of things which are just not suitable to an employer. When those sorts of situations arose in my business, we were able to sort that out with the training commission without any intervention from any heavy-handed Industrial Relations Commission.

No-one had an agenda: all they wanted was to achieve the best result for the employer and the employee. Of course, they understand that, once an employer has a record of regularly training apprentices, they are a valuable person and organisation to keep on side, because they know that, as that business grows and one apprentice completes his apprenticeship, another one will start. They understand what is required because they are very close to the situation. As I say, that is a very strong concern of mine.

The member for Fisher, for example, said that he did not really experience much in the way of union power in the TAFE system, but I remind him of the industrial dispute that happened amongst TAFE teachers when he was minister. I am not sure whether it was about terms or

conditions or whether it was about pay. I had an apprentice at trade school at the time. This was after new reforms were introduced by the new Liberal government and it was not compulsory to be a union member in the TAFE system. A group of TAFE lecturers were determined to strike and others were determined to keep working and hold classes for apprentices.

The unfortunate thing about that situation was that my apprentice was told that, if he turned up at trade school the next day, his union member lecturer would fail him. That was the threat. It ended up on page 1 of *The Advertiser* because it was such an outrageous story. Of course, they had to back down very quickly. I must say that the member for Fisher handled that situation very delicately and very well. It is not right to say that there is not a lot of union influence in the TAFE system. I cannot let this debate go by without reminding the house that it was Mike Rann, the member for Briggs (I think it was then) between 1989 and 1993, who introduced TAFE fees into the South Australian TAFE system. Mike Rann was the minister for further education, training and employment, and the introduction of TAFE fees on apprentices in South Australia is a legacy of Mike Rann.

Mr Goldsworthy: Rann gets results!

Mr PISONI: That is exactly right, as the member for Kavel reminds me. I wrote to the minister at the time to express my concern that this was a disincentive for kids to become apprentices and an initial burden that kids did not need. A first-year apprentice gets paid around 40 per cent of the adult wage and a lot of travel is involved with TAFE. While one is doing an apprenticeship, the on-the-job training might not be far from home, but it is generally always a bus trip to TAFE. For example, I had to travel from Salisbury to Marleston every day when I was at TAFE, so it was quite a burden for apprentices. A lot of apprentices did not live at home. They might have had troubles at home, so decided to move out of home.

This additional burden was a concern to me. I wrote to the then minister and his reply was something along the lines, 'Well, you pay it then. If you don't think the student should pay, you are the employer so you pay it.' That was the amount of interest shown by Mike Rann, the then minister for employment and further education, in that period between 1989 and 1993. He introduced fees and, if it was too hard for the student to pay, then the boss could pay it.

One can understand why there is cynicism in the small business community when a Labor government says that it will improve things and make it easier to take on apprentices. One can understand why people are concerned. I have raised my concerns and there are questions I will probably ask during the committee stage. We support the bill, but we have concerns which the member for Goyder has raised. I have also raised them and, obviously, we will look at the measure between the houses.

Mr GOLDSWORTHY (Kavel) (15:55): I, too, am pleased to make a contribution on the legislation before the house. While I understand the opposition is prepared to support the bill, it has a couple of concerns about it. Our shadow minister has eloquently outlined those concerns in his contribution.

I would like to speak a little more broadly about the training and skills requirements existing in this state. I had the pleasure of attending a business breakfast on Monday at 7.30am in Mount Lofty House, which is a very vice venue overlooking lovely Piccadilly Valley, out to the east of Mount Lofty Ranges. It was, as always, a spectacular panorama to the east. The breakfast was hosted by the Adelaide Hills Regional Development Team, who do a tremendous job in their role developing all those things concerning economic activity throughout the region.

Mr Venning interjecting:

Mr GOLDSWORTHY: I will not respond to interjections from the member for Schubert. We had a very interesting guest speaker at that breakfast, and the topic related specifically to this very issue we are debating, namely, training and skills development. The guest speaker was Mr Alan Tidswell, the Human Resources Manager for OneSteel. We are all aware that OneSteel took over BHP's operation in Whyalla in terms of the mining and processing of iron ore and the exporting of product from the ports on the Spencer Gulf. Mr Tidswell communicated some very interesting information to the gathering.

If you talk to anyone directly involved in the mining industry they will tell you that what the state is experiencing at the moment is a mining exploration boom not, as the government would have us believe, a mining boom. Apart from the existing operations, not a lot of new holes are being dug on the surface of or into the earth in relation to new mining activity. What is taking place

is a mining exploration boom. A lot of exploration is taking place in terms of drilling, sampling and the like. However, there is not a lot of actual new mining activity.

Mr Bignell interjecting:

Mr GOLDSWORTHY: Okay, Russia. Don't worry, mate. We'll come to you in a minute.

Mr Bignell: Yes, no worries.

Mr GOLDSWORTHY: Come on, Russia. You'll be right.

Mr Bignell interjecting:

Mr GOLDSWORTHY: Sure, Russia. No worries, mate. You'll be right. I just want to put that on the record.

Mr Bignell interjecting:

Mr GOLDSWORTHY: Have a listen to it. Who got you in here? The Minister for Infrastructure, that's who got you in, mate. If you want to start throwing dirt, you will get plenty back with interest. So, just settle down, Russia; just settle down. I just want to make the point that it is an exploration boom, not a mining boom. The information the Human Resources Manager for OneSteel provided was that his company has undertaken some quite innovative measures in meeting the company's human resources needs in the skills area. OneSteel has a project called Goal 100, where 100 people are put through a relatively intensive skills training process. The company looked to take people from the Whyalla community, obviously, because that is where its operation is located.

It has had some quite outstanding success in taking 100 people from within the community and training them, and those people have gone onto bigger and better things in terms of their employment opportunities. However, after undertaking that particular initiative, OneSteel was finding it difficult to access people they believed had the skills which they could further develop. So, it looked outside the square, it put on its lateral thinking cap, and, knowing that there is a reasonably high level of unemployment in that region, it went to the unemployed people to provide them with an opportunity to improve their life.

Historically, companies such as OneSteel never touched the long-term unemployed. According to the company, OneSteel never thought about training and upskilling unemployed people. However, it realised that there was a shortage of people accessible for training so it went to the unemployed and, to the company's surprise and to the surprise of the community in general, it has had some success in training those people to take on full-time employment. Obviously, it did not meet everyone's needs. However, it had some quite good success in assisting the long-term unemployed into full-time employment, and that is a benefit for everyone.

It is a benefit to the Treasury, particularly the federal Treasury, so that social security payments do not have to be made. People are earning a wage and they are paying tax. They are making a contribution in that way in terms of benefiting society, and the member for Goyder is quite correct in making that statement. It is a win-win-win. It is a win for unemployed people gaining employment, it is a win for the company and it is a win for the community.

The Hon. M.J. Atkinson interjecting:

Mr GOLDSWORTHY: Exactly.

The Hon. M.J. Atkinson interjecting:

Mr GOLDSWORTHY: He was a very successful premier. I think it is important that these issues are highlighted in the house. There are companies out there thinking in an innovative way to meet the skills needs at present and into the future. Those initiatives will be rolled out into the broader regions. They are looking at Port Augusta and Port Pirie, and even embarking on partnerships with smaller businesses in the northern suburbs, which is encouraging.

We have had a fair bit of debate recently about economic activity and, arguably, the depressed socioeconomic situation in the northern suburbs, but companies such as OneSteel, in partnership with smaller businesses, are providing opportunities for people in our community who would not have had those opportunities if that company had not embarked on this activity.

I want to touch on some initiatives that we have seen, particularly in the Mount Lofty Ranges district. I invite the member for Mawson, who was extremely derogatory earlier in his comments in the house, to come to the Adelaide Hills and see what is taking place. I refer, in

particular, to the partnership between Mount Barker High School and Mount Barker TAFE College. That partnership has come about because of a situation that arose involving students in years 10, 11 and 12 who, for one reason or another, had disengaged themselves from the mainstream school environment. So, the community, the principal of the high school and the manager of the TAFE college have come up with the innovation of creating the Adelaide Hills Vocational College. I am sure the minister would be aware of that initiative.

The college has achieved outstanding results in re-engaging those teenagers or young adults who would have fallen by the wayside if the initiative had not taken place. I regard it as somewhat of an honour to have been invited to sit on the board of the college, and I obviously accepted. I do not regard it as a conflict of interest. As the local member of parliament, it is a positive thing to sit on that board.

The excellent work that the college has undertaken has seen an increase in demand from people who have disengaged from mainstream education and engaged with the vocational college to a point where we were physically running out of space. We have had to look for additional teaching space and a building has been purchased and located on the TAFE site. So, again, that is a win-win-win outcome: it is a win for those individuals who had disengaged from the education system, a win for the community and a win for the education system as a whole.

I want to talk about vocational education and training programs. A number of years ago under this government we saw a fairly significant restructure of the way in which VET was administered and handled out in the community. I do not know whether any real advantages have been achieved from that restructure. In the Adelaide Hills, in particular, we had a very successful vocational education and training program in which the high schools were all actively engaged. Obviously, students were actively engaged as a consequence of the participation of their schools, and it was working very well. However, under the then minister for further education and training (I think the member for Taylor) a review was undertaken and the region was restructured and expanded; two regions were combined into one.

Reasons were put forward in relation to the benefits of the consolidation of those areas. However, anecdotally, there have not been significant improvements in the outcomes of that restructure. I have a reasonable amount to do with training providers, particularly the private training providers in my district, and I know the people involved quite well. So, change for the sake of change obviously does not bring about successful outcomes. I just wanted to raise the point that restructuring does not necessarily bring advantageous results.

I would like to speak about an issue that was raised by the shadow minister (the member for Goyder) in relation to our concerns about the Industrial Relations Commission as the agency or organisation (whatever you like to call it) for dispute resolution, particularly with respect to apprentices in businesses, and its being the first port of call for the dispute resolution process. We know that, if things track along and cannot be resolved, the IRC may well be the last port of call, but we certainly do not support its being the first port of call. We believe—and it has been articulated by the member for Unley, who has had first-hand experience in this situation—that the Training and Skills Commission provides a more than satisfactory performance in the dispute resolution area. In relation to the fees that are payable and the 100 per cent increase in the charges that are to be levied, we certainly have some concern with that. Obviously, the member for Goyder will expand on that in the committee stage.

By and large, the opposition is prepared to support the legislation. The minister has put forward his reasons for it. If it does not work, obviously we will we will have to come back to revisit it, but, on the basis of the information that the state Liberals have received, we are prepared to support the legislation, keeping in mind the concerns raised.

Dr McFETRIDGE (Morphett) (16:16): The Training and Skills Development Bill is an important piece of legislation. I will read a little from the second reading explanation that the minister provided. It states:

> The Training and Skills Development Bill 2008 provides a legislative framework for our training system, higher education and community learning, and includes the provision of advice on workforce development, the registration of training providers, course accreditation, arrangements for traineeships and apprenticeships, and protections for students.

It is about this particular emphasis on what the bill is supposed to do that I need to raise a very important issue that has come to my attention. It involves people coming from overseas to Australia, particularly South Australia, to take up opportunities to help fill our skills shortage. This is a very pertinent example of what can happen if things go awry, if people are not given the right

information before they embark on what is a life-changing experience in emigrating from, in this case, England to Australia.

This is about the Hobin family. Jeff and Tracey Hobin will not mind my using their names at all; in fact, they are encouraging me to speak today about this issue because it very important. The Hobin family migrated from England in August 2005 after seeing adverts in the paper for opportunities to get new skills in Australia. The company that organised this is called the Immigration Unit. It has a webpage and it is a registered training organisation in Australia but operates out of London. It advertises that it will find jobs, 'You learn a trade, enjoy a good income and become a citizen. Already qualified, we can help you find a job and become self-employed.'

I understand that Mr Ryan Kroonenburg in London is the man behind all this. The information that was given to the Hobins was absolutely atrocious. This man charged £5,000 to arrange the migration visas and I am reliably informed by people in South Australia that the fee should be about $A1,500. Not only did this man charge an excessive amount, he also gave the wrong information and completely misled the Hobins. This is not an isolated issue.

The Hobin family with their three young children (14, 12 and 11) came to Australia. They sold their house in England, and we know how expensive it would be for them to go back there. They immigrated in August 2005. This was with all the purported opportunities of doing a training course, in this particular case, as a hairdresser. I do not know a lot about the hairdressing industry, but I would have thought that a training course really would not endear you to many people out there wanting to get their hair cut; it is normally an apprenticeship. This is what I am told, particularly with people who are Mrs Hobin's age.

They were desperate; they wanted to come out here. They wanted better opportunities for their children. Who can deny them that? They came out here, but before they did they paid $15,000 for the first year of the training course as a hairdresser. They also paid $18,500—this is the bit that really amazes me—for public school education, which they believed covered two years schooling in the South Australian state school system. In the event, this covered only one year, which was $12,500 and the balance of $6,000 was for administration fees. I do not think that that was in DECS; I hope not.

I have spoken to the minister, who has been very cooperative in assisting the Hobin family to cope with the fees that have to be paid under this visa system. This visa system was changed by the former Liberal government. Why, I have no idea. It was a stupid thing that they did then. Chris Evans knows about this because he has been contacted by me and the local federal member, Steve Georganas, who has been very helpful in this episode, and I just hope that he continues. I just hope that Chris Evans does something about correcting the situation. The South Australian connection is Immigration SA. Immigration SA is aware of what is going on. The minister, the Hon. Paul Caica, is now aware of the predicament that people like the Hobins are in, so he can investigate the situation and hopefully get the federal people to change the legislation.

When the Hobins came out here, they paid all this money upfront. They paid the £5,000 to this bloke in England when normally it would be $1,500. They paid a $15,000 upfront fee for one year of a two-year course at a hairdressing academy. They then paid $18,500 to the education department, $6,000 of which is supposed to be administration fees. They are then allowed to work only 20 hours of week between them, and they have three kids.

I would just like to acknowledge a couple of people in my electorate who have bent over backwards to help this guy. One is David Hamilton from Hamilton Holden. That bloke has a heart of gold, and he has helped Mr Hobin, who is a qualified truck driver but who is now working as a car detailer for a few hours a week to try to earn some money for the family because they are desperate to stay here. The other is a real estate agent down there, who does not want to be named, but who has assisted in keeping the rent down for this family.

The principal and staff of St Leonards Primary School and Plympton High School have assisted in making sure that the kids are fitting in well at school. This situation is something that should not have come about. The family should not be in a position where they may not be able to pay the fees to the training academy—some of these have been paid on their behalf by one of the benefactors—or the fees to the state school system. I thank the minister again for allowing some leniency there and not putting too much pressure on the family. If they cannot pay those fees, they will be in breach of the visa and they will be deported back to England.

Here we have a woman who is a qualified childcare worker. That is not on the skills list here; only chef and hairdresser are listed. Her husband is a heavy truck driver, and we need those, but you cannot work for more than 20 hours a week, so he is working as a car detailer at the

moment, and I understand that he is very good at his job. Changes need to be made so that these people can get out there, earn a living and be given the opportunity that they expected when they were first introduced to the opportunities here in Australia. It is a disgrace.

The people behind this organisation need to be deregistered. This fellow is registered in Australia. I have spoken to the Migration Agents Registration Association about this and we are working on that. This fellow needs to be thrown out of the association. He is not being honest. People like the Hobin family are being put in a totally untenable situation. Mr Hobin phoned my office yesterday. He is at the end of his tether because he just does not know what to do. They have three children aged 14, 12 and 11 and they have settled here in Australia. They want to work here, and they can work here, but unfortunately what was presented to them has not worked out. It has been nothing like it was presented to them, so it is a complete disappointment.

They are not alone. I am told that numerous families have come in, perhaps with rose-coloured glasses, who did not listen to all the information that was given to them but, at the same time, they wanted to take this opportunity and they wanted to give their kids an opportunity. It has not happened that way. Many obstacles have been put in their way, so I ask the minister, the Hon. Paul Caica, whether he can contact his federal counterpart, the Hon. Chris Evans, to look at this. I ask that he speak to the Premier who is the minister responsible for Immigration SA to see what it can do, and I ask that the Minister for Education and Children's Services continue to be as considerate as she has been in the past.

Never mind all the other families that are involved; to lose this family from Australia would be a disgrace when we are so lacking in young families like this (who are willing to work hard and expect nothing from the government other than a fair go) coming to Australia. Unfortunately, because of the changes that were made by a Liberal federal government last year, they have not been given a fair go. The goal posts were shifted, and I think that it is a travesty that this situation can occur. The Training and Skills Development Bill provides for a stronger role for training schools in establishing a Training and Skills Commission and in consulting with industry. Also, this will help to develop the workforce and look at the registration of training providers.

I hope that the minister can look at this situation. We need to encourage not only our local workforce and students and our local populace to look at training, retraining and staying in the workforce—because we need everybody we can working at the moment—but also people from overseas. If they want to come here, the second verse of the national anthem says it all:

> For those who've come across the seas
>
> We've boundless plains to share.

We should be sharing these opportunities, particularly with people like the Hobins. I wish Tracey and Jeff well because they have been put in a situation which should never have happened. With those remarks, I commend the bill to the house.

Mr PEDERICK (Hammond) (16:27): I rise today to make a few comments in regard to this bill. I would like to expand on some concerns that the Liberal Party has with the bill and I also indicate that, although we support the bill, we will clarify certain matters during the committee stage. One of those parts of the bill that we will clarify is the Training and Skills Commission to make sure that we get the right representation across industry, the union movement and others, so that whatever we do we get the right representation on this commission to make sure that we get the outcomes for the people being trained.

We also have some concerns with training contracts. Those employing trainees must ensure that those trainees are under a training contract, but it could be by other means as approved by the minister. This would add a bit more flexibility in regard to future training needs in this state. Due to the skills shortages we have now, and any future shortages, we will certainly need flexibility in this area.

I acknowledge a scheme that has been undertaken at the Australian Zircon mine at Mindarie in my electorate that is just firing up. If it is not at full production, it is very close. Its objective is to put farmers into mining but keep them at home on the farm. There is a lot of potential in this state.

We have already seen in many areas of the state, because of the ravages of drought and other situations, farmers who might have had one son at home on the farm and, when the other one needed to do something when he came home from school or university or other work, he decided to get an occupation in the mining sector, which could be at Roxby Downs.

There are also people in the position where they would like to stay at home and operate the farm but do not have enough income. In light of these trying times over the past five years, I think it would be a positive step to have programs where we can have people in like-minded occupations. I acknowledge that, for quite a long time, Roxby Downs has been labelled 'Kimba North' which symbolises the impact of farmers from the west coast heading to Roxby to make their fortunes, I guess.

It has certainly happened locally in my area. There was a particular case of a bulldozer operator who, with flexibility from the mine operations people, could do his major functions on the farm and then operate one of the D11s when he was able to, and it shows great flexibility. I think we will see more of this flexibility in the future. I think we will have to see it if we are going to not only have a suitable mining workforce (and we do know miners love hiring people from rural areas), but also sustain regional communities. We really need to look at that to ensure that we do not just suck people from one sector into another, and I think it can be done in a balanced way.

It certainly needs some flexibility on all sides and I recognise the difficulty in that. As I have said in this place before, having worked for a couple of years in the mining industry in the fly-in fly-out options, obviously you have to have plenty of flexibility engaged. Also, there are some concerns about the approval of training contracts and the time lines. If you do not get the contracts classified in four weeks, if there is a hold-up in the approval, then the employer can be hit with a fine. In these days of bureaucracy and red tape this can happen. I do not want to see people unduly fined in this process.

I note that employers will have to be registered under guidelines approved by the commission, and I just wonder whether that could be managed in a better way so that we just have a filtering mechanism to ensure that we do not have (let us say) fraudulent employers getting in on the scheme but have people connected in the appropriate way. If there is to be registration, I hope that it is not too rigorous a process because the red tape that employers have to go through is phenomenal, and people have to realise that it is a two-way street out there as far as employing people, whether they be trainees, apprentices, or even full-time workers.

We have seen a boom in people on contracts and this includes people working in government sectors. I have seen ridiculous cases where people have been employed for 12 month contracts because people are worried about all the industrial relations carry-on if they want to get rid of someone. When someone is on a 12 month contract, they spend three months getting into the job, six months doing the job and three months finding the next job. You are basically down to about 50 per cent productivity.

Also, I want to see that compliance is handled effectively and that there is not too much rigorous activity placed on employers. I note that there is some flexibility in the bill for serious misconduct of an apprentice or a trainee and it gives some flexibility for the employer, but obviously they have to report to the commission. I think it is important that employers and employees have the capacity to be represented by their respective associations in industrial hearings. I note that the government believes that the hearings will be a formality and lawyer-free. I believe that we will need some clarification on that.

As far as disputes going before the Industrial Relations Commission, I hope that there is some independence in this and perhaps (whether there is another tribunal before it gets to commission level or whether it is part of the same process—the government can clarify that I guess during a committee hearing) there should be an independent training disputes tribunal, so that we make sure everyone gets the right outcome there.

I just note that there are also some industry organisations concerned with the increase in penalties, the doubling of penalties from a maximum of $2,500 to a maximum of $5,000. We need to outline when these penalties will apply.

I would like to acknowledge some of the training providers that operate in my electorate of Hammond. We have Murraylands Training and Employment Association of South Australia, WorkSkill Recruitment and Training, MADEC Jobs Australia, TAFE (conducting quite a lot of training in my area especially based out at Murray Bridge), the Australian Apprenticeships Centre, MASS National who operate out at Mount Barker, Skilled, Business SA and Statewide Group Training.

With all our training, we need to make sure that local training and apprenticeship agencies get equal opportunity whether they be big or small contracts to supply apprentices or trainees, especially in their own local areas, but even if there is potential to go outside. As I have said before, I am very passionate about regional employment and I acknowledge that we are on the cusp of a

mining boom which will take people out of regional communities, and I think we have to make sure that we pair people up from regions with the mining sector. With those few words, I conclude my remarks.

The Hon. P. CAICA (Colton—Minister for Employment, Training and Further Education, Minister for Science and Information Economy, Minister for Youth, Minister for Gambling) (16:36): I thank members for their contributions. Debate during the development of the existing act reflected a high degree of bipartisanship, and I am grateful for the indications of support for this bill from the shadow minister and all the speakers of the opposition.

The bill forms part of a significant strategy to strengthen the VET system in South Australia. The shadow minister has quite rightly identified that this bill supports the broader skills strategy that is being implemented to ensure that our state has a 21st century training system. It meets the skills requirements that will help us achieve our goals of sustained economic growth and social inclusion. The bill contributes to this by allowing a refocusing of the role of the Training and Skills Commission to provide high-level strategic advice about our skills needs and workforce development.

Under the bill, the commission has very broad powers, as opposed to the claim by the shadow minister about its capacity being restricted. The changes in this bill facilitate the injection of high levels of expertise in relation to the skills development and workforce development. The bill also recognises the important role played by ISBs (industry skills boards) in providing industry and enterprise specific advice about skills needs and the kind of training that is required. Importantly, too, the bill ensures that there are adequate protections for participants in our training system, as well as quality assurance processes while, at the same time, allowing for the efficient and effective administration of the system.

The shadow minister is correct in pointing out that an exhaustive consultation process has been held with Business SA, amongst the general processes of consultation, with all key stakeholders. So it is a little surprising to hear the shadow minister focusing much of his contribution on some of the misunderstandings of Business SA, most of which, I believe, were cleared up in the early stages of the consultation process. But I will touch upon a few points raised during the debate, and I will be happy to pick up those points, if not at this stage then when we are dealing with the more detailed aspects during the committee stage.

I note the shadow minister's view about the purpose of laws made in this place, and that is they are intended to target those who choose not to obey them. I have a rather more positive view about the purpose of legislation, although I acknowledge that most legislation does contain provisions directed at people who disregard the law. In my view, legislation can play an even more powerful role by encouraging people and organisations to use initiative and be innovative, to work collaboratively, and to ensure that there is equality of opportunity, and that is what this bill sets out to do.

I will not go into the details of the South Australian Industrial Relations Commission, and the process in resolving disputes and grievances under this legislation. I, too, along with the member for Mitchell, would like to congratulate the participants and those who have been part of the grievance dispute process and mediation committee, and thank them for their role to date. But, with respect to the Industrial Relations Commission, I point out that the government did listen very carefully—as you would expect it to—to the views of stakeholders about this particular issue.

In fact, it is interesting to note that the position the government has arrived at is not very distant from that view proposed by Business SA in its original submission on the 2003 act, where it asserted its view that disputes and grievances should be referred to an independent training disputes tribunal, chaired by a South Australian Industrial Relations Commissioner, with representation from both employer and employee bodies. That was their position then; I presume it is their position now and, in fact, it is what is in the act.

Far from great concern being expressed about the involvement of the Industrial Relations Commission in dispute resolution under this bill, the process has been one of growing understanding of how this measure will add to the value of our training system. The model that the government is proposing here takes the best elements of the process under the GDMC and uses the resources of the South Australian Industrial Relations Commission to improve aspects which were less effective under the GDMC process.

With respect to disputes—and I know this will come up during the committee stage—this is about a timely way in which disputes can be settled. What we need in place and what we are

committed to is having a system that actually prevents disputes from occurring and, indeed, where they do, having early intervention in such a way that they can be resolved through mediation at the very earliest stages, so that there is no breakdown of trust and relationship between employer and employee.

The suggestion of the shadow minister—which was regurgitated by the member for Mitchell (and that is about finding another role for the South Australian Industrial Relations Commission)—I find pretty insulting and a slur against the good work carried out by the SAIRC. It is a comment that might also be construed as perhaps trivialising the need for the key participants in the training system to have a more efficient and effective disputes resolution process—something they, indeed, deserve and have every right to expect.

I thank the shadow minister for noting this government's commitment to reducing red tape and bureaucracy. Indeed, that is a key reason that we have made provision in this bill to draw upon the existing resources and the expertise of the Industrial Relations Commission, rather than establish another body to provide fair outcomes in a timely manner in relation to disputes about training contracts. I also find it rather confusing where the shadow minister has relayed Business SA's apparent concern, as I said, about the stifling effects of that act when, in fact, that was not necessarily the case.

In rejecting some of the suggestions made by the shadow minister, I do want to acknowledge the role that he has played in a bipartisan way in getting us to where we are at today. I acknowledge his willingness to be part of that process to work things out, and I thank him very much for that. But having said that, I certainly reject the view—and I presume it was a view that was expressed to the shadow minister by Business SA—that this bill is driven by ideology. Its development has certainly been driven by strong ideas, ideas about ensuring that South Australians have the opportunity to participate in high quality training and within a high quality training system, and a system that supports employers and employees, as well as all the other participants in the process.

But the assumption underlying the shadow minister's view is that the legislation itself can achieve a strengthening of our training system. That is not so. It can guide and assist processes, but the key responsibility for making it work lies jointly with employers, with industry, with governments, of course, and the learners themselves. It takes a commitment from each and every one of these particular parties. Legislation itself will not achieve this.

The other point that was raised not just by the shadow spokesperson but, indeed, by others is the issue of employer registration under the bill. I will leave a detailed response to the committee stage, but I think it is important for me to point out that this is not an additional step in the process of approving training contracts as claimed.

The bill brings this element of the current system forward to assist employers to better understand their obligations under a training contract, and I note again the shadow minister's quote from Business SA indicating that employers' understanding of the obligations is still a concern and, of course, their lack of understanding is still a concern for me. I will continue to work with all the people involved in the system to ensure that we achieve a far lower attrition rate throughout the training process than that which we have today. This bill sets up mechanisms which, at the very least, we can collectively work towards ensuring that those entering the system come out of the system qualified in the field for which they have been trained.

In finishing, I make the general assurance that in developing most of the processes around the administration of the provisions of this bill, key stakeholders will be engaged (as they have been). I can confirm that the acting chief executive of DFEEST and other officers met with Business SA on 29 April to work through this process and communications have been ongoing. In concluding my remarks, I again thank the opposition for its support of this bill. I thank each of the members for their contribution and, indeed, thank them for any future involvement in undertaking work that still needs to be done in the areas which I highlighted during my remarks.

Bill read a second time.

In committee.

Clauses 1 to 3 passed.

Clause 4.

The Hon. P. CAICA: I move:

Page 5, line 29—Delete 'occupation or non-trade occupation' and substitute:

or declared vocation

Page 6—

After line 22—After the definition of declared institution insert:

declared vocation means an occupation declared under section 6 to be a declared vocation for the purposes of this act;

Lines 35 and 36—Delete the definition

Page 8—

Lines 3 and 4—Delete the definition and substitute:

trade means an occupation declared under section 6 to be a trade for the purposes of this act;

This matter certainly created a great degree of debate amongst the people with whom we consulted. The purpose of the amendments is to delete 'occupation or non-trade occupation' and substitute it with 'or declared vocation'. The point which won me over is that we want people training within the system to train towards a vocation; that is, a vocation that will give them ongoing employment and sustain them for the rest of their life. In fact, while it might seem just a small word, there is a significant difference between 'occupation' and 'declared vocation' in this context because it is training towards a career and a vocation.

Mr GRIFFITHS: I will discuss amendment No. 1, given that it sets the tone for everything which occurs later. I note that in the 2003 bill under the interpretation of 'apprentice' or 'trainee', it uses the term 'trade declared vocation or other occupation under a contract of training'. In the bill it talks about 'trade occupation or non-trade occupation', but the amendment deletes 'occupation or non-trade occupation' and uses the term 'declared vocation' again. I appreciate the fact that the minister has just given some reasons for that, but I know that, in the submissions I received, the advice was that Business SA had lobbied for the exclusion of 'declared vocation' as it bears no real benefit and requires no effort or time to process.

They believe that there is already an established list of occupations endorsed by the industry at the national level that could be used in lieu of declared vocations to ensure national consistency exists. I am certain that the minister would like to see consistency across all the states. Although we are not moving an amendment, the suggestion is that national consistency takes place. I do acknowledge the fact that the government has been prepared to consider this. However, it is highlighted in the information that I have received that discussions were continuing. I am seeking a very firm explanation, which, hopefully, I can understand, concerning the choice of terms.

The Hon. P. CAICA: I reinforced the point earlier about the declared vocation, and I acknowledge the understanding of the opposition in that regard. That particular focus of the honourable member's question was removed following a fairly significant consultation. The other occupations component, in essence, was the opportunity to set up a second tier of alternative pathways for training. We believe that this best covers the areas in which people will be trained and stand by these particular amendments.

Mr GRIFFITHS: It is interesting that the original bill uses the term 'occupation' and 'non-trade occupation', but within six weeks of its being introduced there has been a change of focus back to the original terminology used in the 2003 bill. Can the minister explain that?

The Hon. P. CAICA: It is specifically about traineeships, which is the other area about which you are inquiring. While there is, and will continue to be, a place for traineeships within our particular system, this bill will focus on the skill needs of the state. There is a mechanism for traineeships to continue and, indeed, we will be broadening the relationship between vocational education and the continuum that exists. A person cannot and should not necessarily commence vocational education after leaving school; it is embedded within the system. The revision back to that occurred as a result of the consultative process, to which I was won over, based on the focus of orientation for the individuals within the training system. The focus was to be on giving the person who completes that training course the opportunity to uptake into that vocation and, indeed, sustain themselves in related employment.

Amendments carried; clause as amended passed.

Clause 5.

Mr GRIFFITHS: My question, which relates to a lot of clauses throughout the bill, concerns the inclusion of maximum penalties and expiation costs. In reviewing the 2003 act, I noted that the

maximum penalty was $2,500 but I cannot remember an expiation fee being provided for in the 2003 act. I would like to hear the reasoning behind the increase and whether the minister has any statistics that indicate the number of times where successful action has been taken under the 2003 act against any person (be it an employer or employee) which has resulted in penalties being imposed upon people.

The Hon. P. CAICA: The purpose of this clause is to give effect to the national protocols for a higher education approval process, which was agreed at the Ministerial Council on Education, Employment, Training and Youth Affairs in mid-2006. The authority to declare the range of institutions introduced under the revised national protocols—that is, the Australian universities, university colleges and specialised universities—is not contained in the 2003 act.

With respect to the specific question, I do not have any information about institutions that have been subject to the penalty that existed previously, or indeed the expiation fees under the process, bearing in mind this protocol was not in place under the previous legislation. While I expect that the matter of expiation fees and penalties will be the subject of discussion during the committee stage, certainly the purpose behind this is to ensure that all learning institutions—and I will be more general in this sense—and all those providing education and training to people in South Australia (whether that be universities or other private and vocational providers) actually provide what they purport to provide.

We heard the example given by the member for Morphett earlier about what was more than a tale of woe for those individuals, but I expect that when we drill down into some of the fees and costs and take into account those things involved in the delivery of certain aspects of training that are not providing what they are purported to provide, it ought to be the subject of penalties. That is a more general remark in the context of questions I am sure the honourable member will raise.

Specifically, in answer to the question, I do not have any information relating to any penalties imposed previously on higher education institutions in the context of the 2003 act, and not in the context of the new protocols which have been introduced to bring the act into line with what are the Australian protocols in this area.

Clause passed.

Clause 6.

The Hon. P. CAICA: I move:

Page 10—

Line 5—Delete 'occupation'

Line 6—Delete 'non-trade occupation' and substitute 'declared vocation'

Amendments carried; clause as amended passed.

Clause 7.

The Hon. P. CAICA: I move:

Page 10, line 25—Delete 'functions (if any) contemplated by' and substitute:

as the State Training Authority under

Mr GRIFFITHS: I indicate our support for the amendment.

Amendment carried; clause as amended passed.

Clause 8 passed.

Clause 9.

The Hon. P. CAICA: I move:

Page 11—

Line 13—after 'associations' insert:

, including the South Australian Employers' Chamber of Commerce and Industry Inc (Business SA)

Line 15—after 'Council' insert:

(SA Unions)

This clause deals with the establishment of the Training and Skills Commission. A question was raised by the member for Mitchell earlier about taking membership of the commission up to 11 members. I pointed out to the honourable member during the luncheon break that it would consist of not more than 11 members, and he was happy with that. These two amendments are about ensuring that we have in place a minimum representation of one from an employer association and one from an employee association. The amendments make specific mention of the SA Employers' Chamber of Commerce and Business SA. We have added SA Unions after 'UTLC', and assurances were provided to SA Unions and Business SA that the nominated representatives would reflect the nature of those organisations.

Mr GRIFFITHS: I know there has been considerable debate amongst various groups about the make-up of the Training and Skills Commission. Certainly, I respect the fact that the nine members who have made up the Training and Skills Commission to this time have done a good job, and I am sure the minister would commend them also. I know that in my discussions with him, the minister has given me some details about who he may appoint to make up the 11 members. I know that the representative bodies were rather concerned about the fact that they are now down to one representative from the previous two representatives; and, in discussions with me, they indicated that they would have liked to have a greater guarantee on that matter.

It was certainly part of my comments in the briefing paper to the Liberal joint party room that, like the minister, I feel it is important that the absolute best people are appointed. On that basis, I indicate that the opposition is prepared to accept both amendments and, indeed, the clause.

The Hon. P. CAICA: I know that the shadow minister is aware that this is not an industrial representative body, because we have discussed it and we have also discussed it with SA Unions and Business SA. What we hope to have, without breaking any confidence about who might be the representatives, are the peaks of the peaks, so to speak. Certainly, it is our view that if those people from Business SA or SA Unions cannot represent their broader constituency, perhaps they should not be there in the first place. It is about a commission that will be able to provide strategic advice and direction through to government, via me, on the training and skills needs of this great state of ours.

Mr GRIFFITHS: Given the skills strategy the minister has released and the requirements with respect to the Training and Skills Commission, it is critical that we develop a training plan for the state which will be in place for the next five years—was it not the purchasing plan as it relates to contestability and VET training opportunities? Once appointed, the new Training and Skills Commission will have many challenges. In many ways probably the next five years will be the crunch time in terms of skills development needs within South Australia as it goes forward into the next decade. I look forward to a positive relationship with them also. I hope that, if I continue to have the opportunity to represent this portfolio area in whatever level of responsibility, I can work with that group, too.

Amendments carried; clause as amended passed.

Clause 10.

The Hon. P. CAICA: I move:

Page 12—

Line 14 [clause 10(2)(b)(iv)]—Delete 'trade occupations' and substitute:

trades

Line 15 [clause 10(2)(b)(iv)]—Delete 'non-trade occupations' and substitute:

declared vocations

Amendments carried.

The Hon. P. CAICA: I move:

Page 12, after line 17 [clause 10(2)(b)]—After subparagraph (v) insert:

(vi) on the minister's role as the State Training Authority; and

Amendment carried.

The Hon. P. CAICA: I move:

Page 13, line 13 [clause 10(6)(a)]—After 'industry' second occurring insert:

Skills board and other

Mr GRIFFITHS: I want to make a statement of support. This is an important inclusion and it was probably an oversight in the original drafting. I know that, in his briefing to me, the minister talked about the review that was undertaken of the industry skills boards and the fact that he is supportive of their future and, subject to budgetary constraints, his intention is to support them financially—to a greater degree, we would hope. I met with each of the nine industry skills boards about six months ago, and I was very impressed by the dedication of the executive officers in the roles they undertake. I recognise the important role they take in providing support to the specific industries they represent.

The Hon. P. CAICA: I thank the member for Goyder for his comments. One can see from the amendments that, in essence, they are recognising the industry skills boards in this legislation. It was no drama whatsoever.

It was not necessarily, in the first instance, reluctance about the role they might play; it was just in the context that, in the ever-changing system (and we are changing it this time around), the ITABs changed their name. So, it was really more about how to create terminology that has more life beyond what that terminology might refer to.

Certainly, I am very pleased to hear the shadow spokesperson's recognition of the role and function of the industry skills boards. We have announced that they will have an ongoing role, and the resources required by those boards are currently being reviewed to ensure that they have that enhanced role into the future.

Amendment carried; clause as amended passed.

Clauses 11 to 14 passed.

Clause 15.

Mr GRIFFITHS: This clause relates to the staff who will work under the Training and Skills Commission. As part of the consultation that I undertook I received a comment that I would like to discuss to determine the minister's position. It related to the fact that it does not appear as though external consultants can be appointed. The clause certainly talks about staff and public servants and new employees not being members of the Public Service. I have not done a lot of work on this, but one of the comments that came back to me was that it appears as though the clause no longer allows external consultants to be engaged by the commission. I seek some comment from the minister in that respect.

The Hon. P. CAICA: From my perspective, it was to provide whatever resources were necessary for the very important task to be discharged by the Training and Skills Commission. In regard to the specific question that relates to external consultancies, budget permitting, they can engage external consultants.

Mr GRIFFITHS: Clause 15(4) provides:

The terms and conditions of a person appointed under subclause (3) will be determined by the Governor and such a person will not be a Public Service employee.

I am intrigued as to why they are not a Public Service employee.

The Hon. P. CAICA: Clause 15(4) needs to be read in the context of clause 15(3), which provides:

The Commission may, with the consent of the minister, appoint staff for the purposes of this act.

That means those outside the Public Service, if it makes that approach to me and if I wish to consider that request. However, the terms and conditions of the person who will be employed under that subclause will be determined by the Governor, and such a person will not be a Public Service employee. It seems to me to be some form of contractual arrangement that might be entered into by the commission so that it has the ability to engage people with skills that might not necessarily be provided by the staff who will be available throughout the Public Service.

Clause passed.

Clauses 16 to 20 passed.

Clause 21.

The Hon. P. CAICA: I move:

Page 17, line 28 [clause 21(2)(f)]—After 'on behalf of' insert:

an employer or

Amendment carried.

Mr PISONI: Clause 21(2)(e) relates to the functions of the training advocate to speak for and negotiate on behalf of education and training providers and clients of education and training providers in the resolution of a matter. In the case of an apprenticeship, would the training provider be the employer or would it be, for example, Marleston college?

The Hon. P. CAICA: That would relate to a registered training provider (RTO).

Mr PISONI: It has nothing to do with on-the-job training?

The Hon. P. CAICA: No.

Mr PISONI: So, the training advocate cannot speak for the employer in that instance?

The Hon. P. CAICA: I understand that it would be speaking on behalf of the registered training provider, and not necessarily the employer. Clause 21(2)(f) allows for the training advocate to speak for and negotiate on behalf of an apprentice/trainee in the resolution of matters arising under part 4. However, as I understand it, that refers to training providers and that is specifically those registered training providers that exist.

Mr GRIFFITHS: I have a question, and again this is based on consultation that I have undertaken. I have had only good feedback about the training advocate and the role it has undertaken, but there was a concern that the training advocate role has been relegated to a somewhat token function, and I hope that that is not correct. I would like to hear from the minister on this. Clause 21(2), paragraphs (b), (e) and (f), provides that the training advocate's responsibility is to consider grievances. Subclause (2) provides, 'The charter may (but need not)', and I think the concern arises from inclusion of the words 'but need not'. Is it the charter of the training advocate to be involved in that or is it not? I am wondering if the minister can give a determination.

The Hon. P. CAICA: I would certainly advocate that the charter include those particular words, because the charter will be a living, breathing document, to a great extent, that may need to be varied from time to time, given the circumstances of the changing world in which we live. Before answering the question, I will just go back to David's question about employers. Paragraph (f) was amended it to include 'employer', so that the training advocate could negotiate and attempt to settle on behalf of the employer in that circumstance.

In regard to the honourable member's specific question, I will deal with the matter of tokenism. I would like to know who said that, but, be that as it may, there is certainly no intention of that. This is actually a strengthening of the role of the training advocate in the areas that are detailed within this particular clause.

Certainly, our view to give it a statutory authority is certainly something that has been supported across the board. I have heard no adverse reaction to this whatsoever. It is far more a formalisation of the role. I see the role of the training advocate as being extremely important in a variety of areas, not simply in the resolution of disputes. Certainly, I spoke earlier about the success of the skill strategy, and this particular bill is a component of that strategy to minimise the amount of disputes through mediation, education in the first instance, and conciliation at the very earliest stage when disputes arise.

The training advocate will be a body through which we can assist that particular process. The success of the training advocate of the day will be dependent upon the early antenna that exists out there, so that disputes can be nipped in the bud. The other very important role of the training advocate that we see is that it actually fills a bit of a vacuum that exists in the area of international students and, indeed, relating to matters that were raised by the member for Morphett earlier about people from overseas who are here on training and study visas; so, we see a prominent role there.

Certainly, by no means could it be construed as some form of tokenism. The training advocate and the office of the training advocate have a significant role to play in our way forward with respect to the skills strategy upon which we are embarking, and, indeed, under the Training and Skills Development Act in which it is brought up.

Mr GRIFFITHS: I think it is fair to say that in the information provided to me the word 'token' was a poor choice. However, I can confirm, even though I will not advise the minister as to who made the comment, that it is a person who has had substantial involvement in the industry and

just wanted to make sure that the recognition of the need for the training advocate was still there. So it was well intentioned but poorly expressed.

Clause as amended passed.

Clauses 22 to 25 passed.

Clause 26.

Mr GRIFFITHS: As with the member for Morphett's contribution, in which he gave an example of a disgraceful arrangement that appears to have been in place for a family with very good intentions of emigrating to South Australia but who were disadvantaged, in my own office a staff member of another Liberal member of parliament spoke to me about a concern about a taxi driver of Indian descent, who was convinced to come to South Australia to undertake accounting studies in a second-storey room in the Rundle Mall somewhere, I think. I must admit that this chap was very hard to understand, so it was quite difficult to understand his real concern.

This, however, has been a concern of mine, too, because I know that there are 280 private RTOs out there in the field. The overwhelming majority of those RTOs are reputable people who are very focused on ensuring that there is a quality training outcome, but there is, unfortunately, a minority who ruin it for everybody else. In that regard, I must admit that the requirement for registration for training providers does have some bad examples that enforce the need for the registration to ensure that there are some controls on it. In that regard, I want to confirm that the opposition is supportive of clause 26.

The Hon. P. CAICA: I certainly acknowledge and thank the opposition for its support. This is about ensuring that we have the highest quality vocational education and training and higher education available not only to our people in South Australia but also to overseas students, and that there are obligations to deliver at a high standard. Certainly, I am pleased to have bipartisan support from the opposition on this particular clause.

Clause passed.

Clauses 27 to 37 passed.

Clause 38.

Mr GRIFFITHS: Again, in consultation that I have undertaken, a concern was raised about whether the commission will actually have appropriately qualified staff who would be able to assess competence and issue a qualification or statement of attainment when required.

If a person's current provider is in a position where they are unable to issue the qualification or statement of attainment, the commission should refer that person to another training provider. But really it is about the appropriate number of skilled and qualified people out there, and I would like some comments from the minister on this matter.

The Hon. P. CAICA: The purpose of this is to empower the commission to issue a qualification or statement of attainment under the Australian qualifications framework in a specified higher education or VET course, provided that the commission is satisfied that the learning outcomes and competencies have been met and that the current provider is unable to issue the qualifications or a statement of attainment. That refers, as much as anything, to a registered training organisation becoming insolvent. It is about protection of the persons within the system should something untoward happen in that area and the ability to be able to issue that certificate of attainment or qualification, irrespective of the demise of that RTO.

Clause passed.

Clauses 39 and 40 passed.

Clause 41.

Mr GRIFFITHS: This causes a bit of concern and it relates to a comment I received from a very informed person I spoke to about a week ago. The intention of the bill is in some ways to increase competition in the sector with the intention of increasing the quality of service and reducing the cost to users. In a competitive environment, intellectual property and processes can be (and usually are) a very competitive advantage.

The comment I received was that it is not reasonable for training providers to be open to being required to provide the commission with unrestricted information and then allowing the commission unrestricted rights to share that information. I asked the minister to consider the

situation where a private RTO and TAFE were each awarded a contract to provide a training service. If the private provider is more successful than TAFE in delivering the contracted outcomes, or vice-versa—and I know that TAFE is very competitive—because they have developed a better process for the achievement of set outcomes, it can be assumed that they have developed a competitive advantage.

In order to discover what process was used, TAFE, if it was successful, would only need to lodge a complaint with the commission which could request that all information be provided by the competitor and that information could be passed on to TAFE or any other provider and, therefore, the competitive advantage is lost. Obviously, this would stifle innovation. Organisations will not invest in improved processes if that investment cannot be protected in any way. Training providers and employers may be required to supply the commission with very sensitive and confidential information about their business operations, and it would not be appropriate for this information to be compromised.

The Hon. P. CAICA: The effect of this provision, as has been indicated, is for the commission to provide information to another registering body or course accrediting body as it sees fit. I inform the committee that there has been no change from the 2003 training skills development act in this area. It is not an area that has come to notice during the consultative process. The clause protects the integrity of national modifications systems and employers who rely on qualifications as evidence of competence. I am advised that we have provisions in place in the system that protect commercial sensitive information. In respect of the government, we have a code of conduct relating to that matter.

Clause passed.

Clauses 42 to 44 passed.

Clause 45.

The Hon. P. CAICA: I move:

Page 28—

Lines 24 and 25 [clause 45(1), definition of probationary period]—Delete 'occupation or non-trade occupation' and substitute:

or declared vocation

Lines 27 and 28 [clause 45(1), definition of standard conditions]—Delete 'occupation or non-trade occupation' and substitute:

or declared vocation

Line 34 [clause 45 (2)(b)]— Delete 'occupation or non-trade occupation' and substitute:

or declared vocation

Line 36 [clause 45(2)(c)]—Delete 'occupation or non-trade occupation' and substitute:

or declared vocation

Page 29, lines 2 and 3 [clause 45(2)(c)(ii)]—Delete 'occupation or non-trade occupation' and substitute:

or declared vocation

Amendments carried; clause as amended passed.

Clause 46.

The Hon. P. CAICA: I move:

Page 29—

Line 9 [clause 46(1)]—Delete 'occupation'

Line 16 [clause 46(3)]—Delete 'non-trade occupation' and substitute:

declared vocation

Line 34 [clause 46(6)(b)(ii)]—Delete 'occupation or non-trade occupation' and substitute:

or declared vocation

Line 36 [clause 46(6)(b)(iii)]—Delete 'occupation or non-trade occupation' and substitute:

or declared vocation

Page 30—

Lines 10 and 11 [clause 46(7), penalty provision and expiation fee]—Delete the penalty provision and expiation fee

Lines 16 and 17 [clause 46(9), penalty provision and expiation fee]—Delete the penalty provision and expiation fee

Amendments carried.

Mr GRIFFITHS: I wish to raise a few points relating to this clause based upon comments received from Business SA. Concerns have been expressed that it is an offence not to train a person in a trade occupation except under a training contract. This excludes the ability to train in a trade through alternative pathways. At a time of critical skills shortages, when accelerated skill development is crucial to survival and sustainability of major projects in the state, as part of its consultation with the minister, Business SA suggested that the inclusion of the words 'or by other means as approved by the minister' be included here. My understanding is that the minister was not supportive of that. I am wondering whether the minister believes there will ever be a scenario where it is important to have some degree of flexibility that may require him to have the inclusion of those words.

The Hon. P. CAICA: I am reluctant, as a minister, to determine outside of the current arrangements what level of flexibility ought to occur within training. It is my view that there is still a bit of water to go under the bridge. I think it is important that, if we say that training is a whole of community, whole of state, in fact, whole of nation responsibility, it is critical that the unions, training providers, those masters to apprentices, the group training schemes, Business SA and SA Unions to agree on that level of flexibility. I do not think that it is right for any single individual to determine that.

In fact, we are moving towards more flexible arrangements of delivery of training. We only need to look at the advent of school-based apprenticeships, and there is still some discussion to occur in a couple of those areas on school-based apprenticeships about the award provisions and the protections that need to be in place for them to be successful. But, yes, in answer to your question, I can see that day, but at this time it would be premature to put that in there because I want that to be developed collectively by those who are collectively responsible for the training and the upskilling of people in this state.

Clause as amended passed.

Clause 47 passed.

Clause 48.

The Hon. P. CAICA: I move:

Page 30, line 38—Delete 'occupation'

Page 31, line 33—Delete 'occupation'

Amendments carried.

Mr PISONI: Regarding approval of training contracts, there is a penalty of $5,000 for an employer who does not within four weeks apply to the commission for approval of a contract. Can the minister explain how big a problem that has been in the past and why it is necessary to have a $5,000 penalty? My understanding is that generally, particularly with smaller employers, when they have decided to take on an apprentice, they tend to get things done quite quickly because they want the financial incentives that come with it. Why does the minister feel it is necessary to have a $5,000 fine, and what sort of history is there in employers not actually doing this?

The Hon. P. CAICA: The member for Unley is quite right, as was the member for Goyder, in indicating that employers did not particularly support the range of penalty, the expiation fee or the very need for there to be registration before entering into a training contract.

There have been significant delays in the process of registering training contracts. That has created some problems in the past because, as the member knows, not everyone got on as well as he indicated earlier that he did with his apprentices. We want this to be an understanding and an education process about the obligations that are imposed upon each party when entering into a contract of training. We see the registration process as significantly important.

Certainly in regard to the honourable member's specific question, the department has always taken a flexible approach to the administration of this section of the act, and it will continue to do so. However, there have been exceedingly lengthy delays in the lodgment of training contracts and that poses a risk to all parties in my view. We want people to finish their contract of

training, and one mechanism by which we can improve that retention and completion rate is to ensure that there is an understanding of the obligations of each other upon entering that training contract, so that all the i's are dotted and the t's crossed and we understand what is required of each other.

The four-week lodgment is designed to reduce the time taken to identify what training contract issues might exist, and to minimise the potential impact on the employer and the apprentice or trainee should these issues result in a declined contract. We want people to be sure that the decision that they are making is correct before they enter into that contract of training, and, the longer the time taken to lodge a training contract for approval, the greater the wages entitlements impact upon the parties.

What I would say to the member for Unley is that we view this as a very important component of this bill. We have increased the penalty from $2,500 to $5,000 and we have introduced expiation fees, but it is also going to be the case that a process of education will need to be undertaken. From my perspective, we have given an assurance to Business SA that, in the explanatory notes and guidelines, it will be suggested that employers be the last person to sign the training contracts. My department, DFEEST, has a representative on the national officers group that deals with the nature of training contracts and they will raise that matter in that forum.

I support all employers who want to take on apprentices and trainees, and I encourage them to do that, as I have many times before, but we also want to ensure that this process is not a disadvantage or a deterrent for anyone to take on a trainee or apprentice; in fact, it is part of an integrated system that results in better outcomes than would otherwise be the case. I have given Business SA an undertaking that, with respect to the four-week time frame, if there is any delay from any other area before that documentation is sent through, the employer has to be the last person to sign it. That is a protection, and that will be in the explanatory notes as agreed in my undertaking with Business SA.

Mr PISONI: What have been the delays in the past?

The Hon. P. CAICA: I do not want to take up too much of the committee's time, but we know, as the honourable member knows—and it has been mentioned—about single person operators, contracts get put in the glove box of the car, there may even be occasions when there have been delays from my department's end, and far be it from me to say that my department is without fault. It is safe to say that the processes can only be documented when that documentation arrives, and in the past there have been significant delays.

It is certainly my view, and the view of others to whom I have spoken, that those delays have often resulted in the verbal contract that had been entered into not necessarily being fulfilled. This is about ensuring that there are protections in place for both the employer and the employee, but more importantly about the ability to undertake an educative process that understands mutual obligation.

Clause as amended passed.

Clause 49.

The Hon. P. CAICA: I move:

Page 32, line 3 [clause 49(1)]—Delete 'occupation or non-trade occupation' and substitute:

or declared vocation

Mr PISONI: I require some clarification on subclause (3), which provides:

If a conflict occurs between a determination of the commission under this section and a determination of the Industrial Relations Commission, the determination of the Industrial Relations Commission prevails.

Can you give some examples of where you would expect that to happen?

The Hon. P. CAICA: I do not have any specific examples, but I can tell you that there may be occasions in the future when a determination made by the Training and Skills Commission might be challenged by an employer or, indeed, someone else affected by that term of the contract of training, and there needs to be a mechanism by which that can be resolved. Certainly the view is that the best way for that to be resolved is by reference to the Industrial Relations Commission through the processes that we are implementing.

Mr PISONI: Is it then the intention that the emphasis shifts from the matter being a training issue to one involving an industrial relations issue? Is that the intention of the clause?

The Hon. P. CAICA: No, it is not.

Amendment carried; clause as amended passed.

Clause 50 passed.

Clause 51.

Mr GRIFFITHS: I might have the wrong end of the stick here, but I know that people to whom we have been speaking are concerned. I hope that all training contracts work out and the completion rates are 100 per cent, but the facts of life are that that is not achievable, and the facts are also that sometimes, for example—through either serious or wilful misconduct, or personality clashes—it is almost impossible for small organisations to continue to have a working relationship between the boss and the staff. If it is necessary for the training contract involving the employee concerned to be terminated, is this applicable in clause 51, and will it suddenly involve the employer in a penalty of $5,000?

The Hon. P. CAICA: No; the legislation is certainly clear about who has the ability to terminate a training contract, and it seems to me that an important step here will involve the timeliness of that suspension in terms of its referral through to the appropriate body in the first instance for some form of conciliation. But certainly resolution will be referenced through to the South Australian Industrial Relations Commission.

It is certainly the intention that no person other than the commission may terminate the contract of training. As I understand it from my discussions with Business SA, it was more worried about the fact that after a period of time there was a requirement for a trainee or apprentice to return to work. Whilst part of me certainly supports that approach, I know that the resolution of any dispute will not be helped if the relationship is so fractured that it would be difficult for the person concerned to return to the work site that has been at the centre of that particular fracture.

So, the IRC itself has the ability to extend that suspension to a four-week period, to ensure that any delays are dealt with in such a way that it does not require that person to return to work. We have a process in place whereby no-one, other than the commission, may terminate or suspend or purport to terminate or suspend a training contract. It is a contract between the individual employer and the employee and it needs to be dealt with on that basis.

The Industrial Relations Commission does have under section 65 the power to terminate in its own right but, again, the thrust of this legislation is to have built-in mechanisms providing protection for the employer and the employee. It is about protecting each other's rights.

Mr GRIFFITHS: I can understand the intent of the legislation and support that, but the facts of life are that people that I know, and presumably you know also, who are employers have very much an old-style attitude to being the boss and to their rights involving an employee. There is a potential there that, while these people may have entered into a contract of training with very good intentions, if they get upset they are just going to crack a wobbly and say, 'You're out of here. Don't come back again.' On behalf of smaller employers who probably are not members of Business SA and, therefore, not able to refer such issues to that organisation, I want to clarify just what would occur there. I hope it does not happen but the odds are that it will.

The Hon. P. CAICA: There would be an educative process because we want to educate people about their collective and individual responsibility. In the first instance, that would include a warning and then we would expect that, irrespective of who that employer might be, as a result of that educative process, they would understand the obligations that exist. Certainly every aspect of this bill is not about whacking people over the head: it is about setting up a system that will deliver better outcomes in the area of training.

Clause passed.

Clause 52.

The Hon. P. CAICA: I move:

Page 33—

Line 27—Delete 'to another' and substitute:

(the former employer) to another (the new employer)

Lines 28 and 29—Delete 'the employer to whom the contract is transferred or assigned' insert:

both the former employer and the new employer

Mr PISONI: I need some clarification in relation to the change of ownership. Is a change of ownership, as outlined in subclause (1), considered a transfer as outlined in subclause (2)?

The Hon. P. CAICA: We have had a significant amount of debate in this particular area. I will give the honourable member one example of where we have been looking at the transfer of training of contracts to a new employer. An example which came to the fore quite recently was that of a hairdresser who bought a business. The 21 year old person who purchased this beauty salon or hairdressing salon—like the honourable member, I am not necessarily in need of hairdressers—did not want to take on the apprentice. I can understand that. Among other things, the amendments which I have just moved make it the responsibility of both the existing employer and the new employer to notify the Training and Skills Commission about a transfer of contract.

In relation to the specific question asked by the honourable member relating to a change of ownership, it is my understanding that subclause (2) refers to change of ownership of a business, or part of a business, that does not result in the termination of a contract. Subclause (2) refers to the process of transferral, bearing in mind that we did move an amendment which takes into account the obligations of the two parties. I do not know whether I have answered the honourable member's question specifically.

Mr PISONI: What I am trying to determine is when the ownership changes. Let us say it is a proprietary limited company and they are buying the business and the brand name. The new company comes in and the apprenticeship is transferred to the new company. If that is not registered as per this clause, are they at risk of a $315 expiation fee or a $5,000 penalty? I am trying to determine whether a change of ownership involving new owners or new employers under the same business will have to go through this process.

The Hon. P. CAICA: Certainly they will have to go through a process of notifying the Training and Skills Commission, and that is why we are putting the obligation on both the buyer and the seller of a business to notify the Training and Skills Commission. Certainly, notification is required and, quite rightly, because the contract of training that was entered into with an employer has changed and there is a new owner, and hence a new employer who is responsible for the training contract. Quite rightly, there is an obligation on them to inform the Training and Skills Commission to ensure that the contract is then ratified and the training requirements of that individual are continued and transferred through to the new employer.

Mr PISONI: I will put another scenario. If it is the same company but different directors, will that require a notification?

The Hon. P. CAICA: I do not have the background necessarily in business that the honourable member does, but I am advised that it would be the same company that would be employing the person, so there would not be the requirement.

Amendments carried; clause as amended passed.

Clause 53.

Mr PISONI: This is a point of clarification. Subclause (1) provides:

A person must not exert undue influence or pressure on, or use unfair tactics against, a person in relation to entering into a training contract.

Can you define who that person is, minister?

The Hon. P. CAICA: It is a person who attempts to exert undue influence and so on in relation to training contracts. Subclause (1) refers to the employer, as I understand it. Of course, it could relate to the apprentice or trainee if, indeed, they were to exert undue influence in relation to the obligations of that training contract.

Mr PISONI: What about a parent who was dead keen for their child to have an apprenticeship but the child could not see the value of that apprenticeship, as often happens with kids of that age? Would that parent be subject to a penalty if that child (whether they be 18 or under) said, 'Look, I have been put under enormous pressure to take on this apprenticeship'? Often parents do know best, despite what their kids think at that age.

The Hon. P. CAICA: The parent would have to be a party to the contract.

Clause passed.

Clause 54 passed.

Clause 55.

The Hon. P. CAICA: I move:

Page 34—

Line 14—Delete 'occupation'

Line 16—Delete 'occupation or specified trade occupations' and substitute:

or specified trades

Line 18—Delete 'non-trade occupation' and substitute:

declared vocation

Lines 20 and 21—Delete 'non-trade occupation or specified non-trade occupations and substitute:

declared vocation or specified declared vocations

Mr GRIFFITHS: The requirement for registration of employers has been a bone of contention for some time. I have received very detailed submissions from Business SA. The need for employers to become registered is an onus which it does not support. However, I recognise that those currently in training contracts will automatically roll over and that the registration contract will be for a period of five years.

As a result of comments made to me by the minister and his staff during briefings, I know that there will be an education exercise to ensure that employers, who do not currently have a training contract in place, are aware of their requirements. I know that there will be electronic opportunities in order for registration to occur.

It is a real concern, and Business SA has been quite strong on this matter. No doubt the minister has had discussion with representatives from Business SA, and the information I have received indicates that it is one of its main focus areas. Its request was that clauses 55 to 62 be removed because they relate to registration. I know the practicalities of the numbers in this place will not allow that to occur.

It is important that we put on the record the fact that the position held by many is that the requirement to register employers is an onus which is not warranted and not required and that they would prefer it not to be in place.

The Hon. P. CAICA: I thank the honourable member for echoing the well-known views of Business SA in relation to this clause. We have had the debate. In fact, we have discussed in this place my view of the importance of the registration process and what will result from it. Certainly, I have given assurance to Business SA that it, along with other key stakeholders, will be engaged in the development of employer registration processes and that the process will be made as simple as possible.

From a government perspective, I do not favour a 12-month review of the employer registration process, but I have given assurances that the process will be monitored on an ongoing basis and include opportunities for input from all key stakeholders. It also includes a great obligation and responsibility upon my departmental officers to get it right at their end. It would be easy for us to include some transitional arrangements, but we do not intend to do that because we want the department to be working towards getting it right.

Some 8,000 employers will get automatic registration and there are roughly about 2,600 new applications a year. It is about educating those people, and we will not whack them for mistakes made at our end. We will ensure that they, along with all parties to this registration, understand their obligations.

Mr GRIFFITHS: I seek clarification on the resources to be devoted to the registration process. Will it be handled by staff currently within the department or is there a need to appoint additional staff? If they are additional staff, does the minister have preliminary budget figures and information on what the cost will be to service that need?

The Hon. P. CAICA: I remind the honourable member that we are not in estimates. Certainly, it has resourcing implications. In the initial stages it will have resource implications. As we transition through to processes that will make it more accessible and flexible for organisations to register, it will have resourcing implications, but those resources will be found within the existing resources.

Amendments carried; clause as amended passed.

Clause 56.

The Hon. P. CAICA: I move:

Page 34, lines 35 to 38—Delete subclause (2)

Amendment carried; clause as amended passed.

Clauses 57 to 62 passed.

Progress reported; committee to sit again.

At 17:58 the house adjourned until Thursday 8 May 2008 at 10:30.