

HOUSE OF ASSEMBLY

Wednesday 15 May 2013

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

SELECT COMMITTEE ON A REVIEW OF THE RETIREMENT VILLAGES ACT 1987

Mr SIBBONS (Mitchell) (11:01): I move:

That the Select Committee on a Review of the Retirement Villages Act 1987 have leave to sit during the sitting of the house today.

Motion carried.

PUBLIC WORKS COMMITTEE: ADELAIDE FESTIVAL CENTRE AND HER MAJESTY'S THEATRE SUSTAINMENT WORKS

Mr SIBBONS (Mitchell) (11:02): I move:

That the 476th report of the committee, entitled Adelaide Festival Centre and Her Majesty's Theatre Sustainment Works, be noted.

The committee has received a proposal from Arts SA, in collaboration with the Adelaide Festival Centre Trust, to carry out works on the Adelaide Festival Centre and Her Majesty's Theatre. The project has a cost of \$7.58 million. The AFC and HMT are premier arts performance venues, with an average attendance of 900,000 people per annum, and an annual revenue of approximately \$22 million.

The project will address matters identified as presenting safety hazards to people—patrons, hirers, employees, etc.—and risking the ongoing operations of the trust. The works at the Adelaide Festival Centre include: improve air-conditioning effectiveness and efficiencies; upgrade the main electrical switchboards; make emergency power systems safe; replace failing lifts in the Festival Theatre; patch and repair waterproof systems to roof shells; and replace carpet in the AFC foyer and Piano Bar foyer.

In Her Majesty's Theatre, it will: install a fire sprinkler system; improve access and egress paths; improve existing fire equipment and hardware; upgrade emergency lighting systems; resolve toilet amenity failures and odours—very important; replace electric switchboards and cabling infrastructure; improve auditorium seating; and replace carpets in public areas. The AFC works are scheduled to be completed by June 2014 and the HMT works by February 2014. Given this, and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public works.

Mr PENGILLY (Finniss) (11:05): As a member of the Public Works Committee, I rise to inform the house that opposition members support this project. We did not find it necessary to have a hearing on it. We had substantial hearings on and site visits to the Festival Theatre a couple of years ago, and we are pleased to support this.

Motion carried.

PUBLIC WORKS COMMITTEE: HAWKER DESALINATION PROJECT

Mr SIBBONS (Mitchell) (11:06): I move:

That the 477th report of the committee, entitled Hawker Desalination Project, be noted.

The committee has received a proposal to deliver a long-term, reliable and sustainable potable water supply to the Hawker community that meets the Australian Drinking Water Guidelines (ADWG) (2011) health and aesthetic requirements and SA Water targets and parameters, and addresses customer expectations. This project proposes to deliver a desalination plant to provide 500 kilolitres per day treated water supply with a target salinity of less than 600 milligrams per litre, including:

- an upgrade of the existing site power supply;
- installation of a one megalitre treated water storage tank; and
- associated site works, including pipework, cabling, security and civil works.

The total estimated cost of the project is \$5.75 million, including escalation and excluding GST. Hawker is located in the Flinders Ranges, approximately 100 kilometres north of Port Augusta and has a population of around 364, with growth experienced through tourism during holiday periods. Water supply to Hawker is sourced from groundwater characterised by high total dissolved salts and hardness. At present, the water is treated by an iron removal plant before being delivered to a concrete surface tank and then gravity-fed to the township.

While the current water quality complies with the Australian Drinking Water Guidelines (2011) health criteria, the Flinders Ranges Council and the community regard it as too saline for drinking purposes. The project will be completed by 2014, with the defect period ending in July 2015. Given this, and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public works.

Mr PENGILLY (Finniss) (11:08): As with the first report this morning, opposition members are totally in support of this project. It will be a good project. Interestingly enough, in the last day or two I have heard on the radio about problems at Orroroo as well, which is also suffering from severely saline water and badly in need of a further desal plant. My own electorate had the first desalination plant put in place in South Australia at Penneshaw on Kangaroo Island which certainly changed the lives of people in that area.

I just caution that there have been circumstances involving alkalinity which have put an enormous cost on residents. SA Water insofar as the hot-water systems and all the copper pipes have gone several times at some places. I think they may have learnt from their mistakes from that plant. I am hoping that, in the case of Hawker and Orroroo in the future, that will not be the case.

Desalination plants have been around for a long, long time. If we have the water under the ground that can be used, it seems a sensible way of dealing with it. So yes, we suggested we did need to hear about this project and wish it well in a rapid manner.

Mr GRIFFITHS (Goyder) (11:10): I also wish to comment on this one. It is not my area of responsibility, not being a member of Public Works. Whilst never having lived in Hawker, I did live in Orroroo for 5½ years, so I have some knowledge of the issues facing that community when it comes to water.

Mr Pengilly interjecting:

Mr GRIFFITHS: Yes, and it is very sympathetic to the Hawker situation. I did visit there quite a lot. I stayed in the caravan park, I stayed with friends, and the water is hard. There is no other way of describing it: it is terrible. The fact that an improvement has been put in place is a great bonus for that area and will hopefully make it a lot more attractive to people in the future who choose to live in that community.

It does give an understanding though of the fact that so many communities throughout the north are not connected to the main that comes from the River Murray. Therefore, they are totally reliant upon the groundwater situation and underneath. That in itself represents a great opportunity, but it comes at a cost.

I know—and the member for Finniss referred to this—the effort the Orroroo Carrieton council is making to try to improve its water supply, and that has been ongoing for about three or four years. It is an example of what the community want to see occur, but it is just a matter of convincing those who are involved in the decision-making and their preparedness to pay for it to actually get some improvements happening.

The fact that this project has come through and that Public Works has confirmed its support for it is only a good move. I do sincerely hope that other communities in regional South Australia that are not connected to the River Murray network have an equal opportunity to have an improved water supply, because many people have been very frustrated for a long period of time and it will be a good move.

Motion carried.

PUBLIC WORKS COMMITTEE: MOUNT BARKER DEVELOPMENT WATER SUPPLY SCHEME STAGE 1

Mr SIBBONS (Mitchell) (11:12): I move:

That the 478th report of the committee, entitled Mount Barker Development Water Supply Scheme Stage 1, be noted.

The committee received a proposal by the South Australian Water Corporation (SA Water) to provide infrastructure as part of Stage 1 of the Mount Barker Development Water Supply Scheme. The project is for the supply of potable water to approximately 2,400 allotments within the newly rezoned 1,265 hectares of land from rural to residential at Mount Barker based on Department of Planning, Transport and Infrastructure's long-term growth projections for the Mount Barker region.

The project involves a capital expenditure for Stage 1 of the Mount Barker Development Water Supply Scheme at an estimated capital expenditure up to \$24.505 million nominal exclusive of GST. The main objectives of the project are to provide reliable supply of potable water to approximately 2,400 allotments initially as part of the MBDWSS Stage 1 works based on the Department of Planning, Transport and Infrastructure's long-term growth projections for the Mount Barker region.

Supply of water to the balance of 7,600 allotments to be provided under Stage 2 of the works, development infrastructure in line with the growth in the new development zone, and main security of supply to the customers in the existing Mount Barker network. Construction of Stage 1 is expected to be completed in 2013-14. Given this, and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public works.

Mr GOLDSWORTHY (Kavel) (11:15): I would like to make some remarks concerning the report that the member for Mitchell has brought to the parliament. Obviously, the report details what is necessary infrastructure in this particular part of South Australia and the Adelaide Hills, delivering an increased supply of potable water to cater for the demand created as a consequence of the government rezoning all that rural land to residential, a decision the government made back in December 2010. We have had considerable debate within this place and outside this place in relation to that decision. Obviously, issues are continuing and need to be addressed and this report looks at one of the specific areas of need in providing necessary infrastructure.

This report and the work that the Public Works Committee has done in relation to this matter goes to the broader context in relation to the provision of infrastructure and services in and around Mount Barker, not just to meet the increased demand from the land that has been rezoned but to meet the current demand placed on infrastructure and services as a consequence of residential development in that area over the last 10 or 15 years. Mount Barker has been known as being the fastest growing inland community in Australia.

I note for the house that I attended a meeting, or forum, last week hosted by the District Council of Mount Barker. The council is proposing to apply three separate rate structures to the new rezoned area (the 1,300 hectares of land that has been rezoned). The three separate rate structures are to fund transport and infrastructure requirements, a new wastewater treatment plant and to part fund sport and recreation facilities as a consequence of the rezoning decision. It was a very good meeting that the council hosted. There was a lot of information provided. As I said, they outlined the detail of the three separate rates they are looking to pitch.

It is worth noting that rates will only apply if a development application is lodged and that land is to be developed, or sub-divided, into housing allotments. So, if a current landowner owns, for argument's sake, 50 hectares of, to all intents and purposes, open farming land, even though it has been rezoned residential, those rates will not apply on that land until the trigger is pulled, if you like, and a development application is lodged and that land is subdivided into residential allotments. I think that is an important issue that current landowners are made aware of because there have been some concerns raised with me, as the local member, and within the community and the council that this rate structure will apply on every piece of land whether it is developed or not. So, I think that is an important point to make.

Also at the forum that I attended last week was a senior officer from DPTI (Department of Planning, Transport and Infrastructure) who spoke in relation to some proposals—nothing set in stone as such—for some improvements to the current freeway interchange, what we call the Adelaide Road interchange at Mount Barker, obviously on the exit and entry points. They also spoke about the proposed second freeway interchange, or what we call the Bald Hills Road site or the Bald Hills Road interchange. This person spoke about a two-stage work program, and I am very interested to understand more and seek additional information in relation to those specific pieces of infrastructure works.

The SPEAKER: Member for Kavel, the matter before us appears to be a water supply scheme.

Mr GOLDSWORTHY: Indeed, Mr Speaker. However, it has been the ways of the house that at times members are allowed to expand in relation to specific matters.

The SPEAKER: Then I hope from your side I will hear no points of order about relevance between 2 and 3 o'clock today.

Mr GOLDSWORTHY: Well, that may well be outside of my control, but I am actually coming to a conclusion in relation to my remarks concerning those two particular projects. This report that the Public Works Committee has considered does go to the whole issue of infrastructure and services in this particular region of South Australia, so I regard my remarks to be directly related to the issue that the member for Mitchell has brought to the parliament.

In conclusion, I am very interested to understand some more in relation to those proposed works on the existing freeway interchange and the proposed second freeway interchange. I will certainly be seeking a briefing from departmental officers in that regard. As I said earlier, this proposal, this \$24.5 million project to deliver an increased supply of potable water into the Mount Barker area, is necessary infrastructure and a direct result of the government's decision to rezone that vast tract of land.

Mr HAMILTON-SMITH (Waite) (11:23): I indicate that the opposition members of the committee fully support the recommendation. It is an important piece of infrastructure and we look forward to it being completed. I commend the comments of my friend the member for Kavel to the house.

Motion carried.

CHILDCARE SERVICES

Adjourned debate on motion of Mr Hamilton-Smith:

That this house establish a select committee to inquire into and report upon the availability and affordability of childcare services in South Australia and, in particular—

- (a) the types of childcare services presently available across the state;
- (b) the current and future need for childcare services in South Australia;
- (c) federal, state and local government capital investment, concessions, rebates, subsidies, means testing arrangements and out of pocket costs to families;
- (d) the impact of regulation, accreditation and other quality control arrangements across each level of government upon the quality and costs of care;
- (e) the impact of workforce management and remuneration arrangements;
- (f) training requirements and capabilities;
- (g) competitive neutrality issues between private and non-private childcare providers, including taxation issues, federal, state and local government charges and regulatory fairness; and
- (h) options within existing funding parameters for improving the choices available to families, reducing childcare costs and making more efficient use of taxpayer and private investment and funding.

(Continued from 1 May 2013.)

Mr BROCK (Frome) (11:23): I would just like to quickly talk on this select committee being proposed by the member for Waite. I think the select committee on childcare services in South Australia would be a great, advantageous thing to look at the whole system of childcare operations across the whole state.

In my electorate, we have various childcare centres, and some of them are operated by fairly large consortiums. Others are operated by small groups, which then makes it very hard because they are not on equal footing for funding and also there are issues with the cost factor for the people who have to put their children in those childcare centres. The select committee would also enable the media and the public to make some comments in regard to this. I think far too often in the parliamentary system we debate it within the chambers and we really do not go out and ask for public consultation and for the public to get involved and put in submissions.

I have been on a few select committees, and I have found them very advantageous. We get all the information from a wide range of sources—and I am talking about the Select Committee on the Grain Handling Industry, which was one of the greatest learning opportunities from my point

of view. We identified lots of issues we would not have discovered had we been debating it within this chamber, so I certainly endorse this committee.

Over the years, governments of all persuasions—whether it is the Labor side or the Liberal side—have also tied up childcare providers with wave after wave of regulations and red tape. This has been great, we need to have the red tape there, but I think we have gone over the fence with it, quite frankly. The aim has been to lift the quality of care, but the result has been to close down and make it very hard to operate some of the facilities out there.

In Port Pirie, for argument's sake, we have one centre which was the old ABC Learning Centre. They came in and decimated the private centre operating behind the Pirie West Primary School. They found it very hard to be able to operate and, as we all know, the ABC Learning Centres went into receivership, but it certainly did not make it very easy for the community itself. The other issue I have is the operating hours of some of these facilities and also the remuneration.

As to the impact of regulation, accreditation, and other quality control arrangements across each level of government upon the quality and the costs of the care, the more we have, the more the cost goes up. That is a big issue out there for people, especially in regional areas, who are struggling to be able to get employment for a start and, when they do get employment, they have to go out and work because they cannot afford to have only one breadwinner.

The other issue is that the federal, state and local government capital investment, concessions and rebates also need to be looked at, and it is a real issue for the communities out there. In relation to the impact of workforce management and remuneration arrangements, training requirements and capabilities, again we have heard in the media just recently about the issues that are confronting our children in schools.

These children who are left in the childcare centres are really very young, and we must ensure that we have the best people out there looking after them so that we can go to work with our minds at rest and certain that everything is fine. Also, as to the choices available for families, I have spoken to the member for Waite and I am fully supportive of having a select committee and, if the select committee ever gets up, I would certainly be putting my hand up or putting in a submission. I certainly will support this when it comes to a final decision.

Mr PEGLER (Mount Gambier) (11:28): I certainly support this motion. I believe that these parliamentary committees certainly do a great job for the parliament and for the people of this state. Through these committees, politicians can get a much better understanding of how various things work within the state. A committee investigating the availability and affordability of childcare services within the state is a great move forward, and I will certainly be supporting the motion.

When my children were in child care, I was on the board of that childcare centre, and I know that probably the two biggest issues always are the costs of the child care and the quality of the child care, and that is very much a balancing act. You can have childcare centres with all the bells and whistles, but nobody can afford them, or you can have childcare centres that provide adequate care for our children and are affordable. I think through a committee like this we can reach that balance within this state, so I certainly support the motion.

Mr GRIFFITHS (Goyder) (11:29): I also wish to support the member for Waite's motion and I recognise the morals behind it. Having previously been involved in a select committee that looked at family-friendly situations—and the Hon. Grace Portolesi (then as a backbencher) was the chair of that committee—you actually find out a lot of information. It is obvious to me, no matter where you are, whether regionally based or metropolitan based, that the ability to care for our children and still allow either a time out for a parent or a work opportunity for a parent is a really key thing for the future of the state's economy. From my point of view, I think the motion is quite detailed. It gives some very specific guidelines for a select committee to look at, and it is a good motion.

I will give an example of a local issue that has highlighted the need for this level of work to be undertaken, and it is in Kadina on northern Yorke Peninsula. There is a community-run childcare facility there, which has been in existence for about 30 years. It is operated absolutely and predominantly by the mums, who are volunteers, and most of them work obviously, which is why their child uses that childcare facility. They have had a lot of challenges financially over the years. They are very lucky to have a peppercorn lease from the Department for Education for the use of a facility, but it has been a great struggle for them to remain financially viable in recent years.

The challenge for them has come about from the fact that a private investor has come in and provided a facility on the other side of town, and I level no criticism at all at the private operators of that facility. Indeed, it is modern, up to date and provides good facilities for the children, and gives great confidence to the parents about the way in which those kids are cared and provided for. However, it has highlighted to me the challenges that exist when you have a town, which in this case has about 4,000 people, and two facilities that are structured very differently.

For the long-term group that has been there for 30 years, they have been in real financial difficulties, and it is not because they are poor managers, because they are actually quite good at this. I have had some good discussions with executive committee members and they held a public meeting in Kadina not that long ago where they tried to gather some support. They have had some challenges financially. Before the private provider was established they were receiving a grant of \$32,000 per year, which allowed them to partially subsidise some of the costs associated with the facility. When the private provider moved in that money was no longer available because there was competition in the community and it has put enormous pressure on them.

They have worked very hard to upgrade the facilities, keep the children safe, provide children with a balanced diet, rest opportunities and learning opportunities, so I would never level criticism at the community-run centre either, but it shows that the parliament requires information to be available to it to make the right decisions for the future. The only way to have a collective level of intelligence that is able to highlight the issues that exist, make some recommendations for some improvements, talk to operators and try to make some beneficial changes for the future is by the select committee.

It disappoints me, when I heard in a previous contribution from the government, that it is probably not going to support this, because I do not believe it is a political move from the member for Waite. This is an issue that he has a long-term interest in, having previously been a provider and an owner of these structures across two states. It shows that we have to forget the political stuff associated with things sometimes and do what is best for the state, and I do truly believe that this select committee, which will have representatives from all parties, will work diligently and try to only come up with recommendations that will improve the state. By doing so, we improve the quality of care for our children and the lives of people who live here, so I am fully supportive of this motion and I will be disappointed to hear of any other person who says no against it.

Debate adjourned on motion of Mrs Geraghty.

NATURAL RESOURCES COMMITTEE: BUSHFIRE TOUR 2012 CASE STUDY, MITCHAM HILLS

Adjourned debate on motion of Hon. S.W. Key:

That the 65th report of the committee, entitled Bushfire Tour 2012 Case Study, Mitcham Hills, be noted.

(Continued from 5 September 2012.)

The Hon. R.B. SUCH (Fisher) (11:35): I commend the Natural Resources Committee for their role in highlighting bushfire issues in the Mitcham Hills.

Mr Pegler: The best committee in parliament—hard working.

The Hon. R.B. SUCH: The member for Mount Gambier says it's the best committee in parliament. I think that is a conflict of interest. You're on it, aren't you?

Mr Pegler: Yes.

The Hon. R.B. SUCH: It highlights once again the importance of committees in our parliament. I think they do some excellent work and continue to do so. I live in the Mitcham Hills, and I have lived there all my life. The chaplain to the parliament (I did not realise that we had one) asked me yesterday whether I was born there. I told her that I was actually born at Walford. I am the only male to go to Walford, because that was the private hospital. That was the private hospital where I was born, but I have lived in the hills all my life. The reason I was not born in the hills is that we did not have a hospital then.

It is a very important issue, and, obviously, I do not think there is any way that you can completely bushfire-proof the Mitcham Hills; and there are a couple of issues that come to mind. One is road access, egress. If there was a significant, catastrophic, fire there is no way that anyone who was still hanging around would get out of parts of that area—no way in the world. The roads

could not cope and some of the roads are very narrow. The emergency services would have trouble accessing some of the roads because of the size of some of the vehicles they use and the narrowness of the roads.

Growing up as a youngster in Hawthorndene it was not uncommon to have the area full of smoke—you could hardly breathe. That was before the days of evacuation warnings and so on. I was a youngster in the Blackwood CFS which, ironically, is based at Hawthorndene. The CFS Blackwood started off with someone called Laurie Moore, who started off with a vanguard ute and 44 gallon drums in the back of a trailer, and it has progressed to what we see now, a much better equipped CFS.

However, even with the best intention and the best commitment of the CFS, there is no way that you could, in my view, contain a major fire in the Mitcham Hills area. It raises some issues. I believe that councils have been negligent in allowing people to build in certain parts of the Adelaide Hills, including the Mitcham Hills.

There are some areas where I think it is reasonably safe to build, but there are some areas, particularly parts of Upper Sturt—Ironbank and those areas—where there would be no way in the world you could defend a home in a significant fire. Yet we see even today—and it is not just the Mitcham Hills but further into the Adelaide Hills Council area—new homes going up where they would not have a hope in hell of saving the house, and if there was anyone in the house they would not be saved either.

I think the planning law as it exists has been lax in allowing people to put themselves in areas which in my view border on suicidal. I love the bush, I love bushland, but to allow people to build in some areas, some parts of Upper Sturt, is absolutely suicidal. My rellies back in the 1840s settled in Upper Sturt close to where the Evans clan has established itself. In those days, back in the eighteen hundreds, I think in some ways they were a bit more bushfire conscious and sensible than we are.

For example, the old Upper Sturt primary school, which is just on the border of the Mitcham council area and the Adelaide Hills, was a solid stone construction, whereas the newer (not brand new) Upper Sturt Primary School is essentially made out of tin and modern materials which would not last very long in any bushfire. They also often built away from the north face so that any buildings and houses were less likely to be burnt in a fire, yet we see that the Upper Sturt Primary School is right next to the Belair National Park, on the north face.

As a child, one of the things that impacted on me strongly was the death of two police officers in the Upper Sturt area. They were advised not to go down a gully to look at a fire, but they went down and never came out. So I am well aware of what can happen as a result of bushfires. I think anyone who lives in the Mitcham Hills and the rest of the Mount Lofty Ranges in particular should make sure that they take adequate precautions.

We have a new neighbour on the southern side, a lovely lady who is a midwife with a young son. When she bought the house it had branches on the roof and I said to her, 'Look up there; that's not a good idea,' so I removed them for her. Some people have no understanding, particularly people who come from interstate or overseas. They have no understanding of bushfires and how quickly they can spread and the fact that when a fire is really on you can barely breathe from the smoke.

People often put those sorts of issues in the back of their mind, especially at this time of the year. If you go up through the Mitcham Hills today, it will look lovely and wet and cool and calm, but in summer and parts of spring and autumn it can be quite different, as we saw recently up around Houghton and those places. The Mayor of Mitcham recently suggested that there should be mandatory inspections of properties leading up to the bushfire season and when a house is sold. I do not think we should have mandatory inspections.

I think if someone has a brain they should realise that you have to make sure your gutters are clean and that you do not have vegetation too close to your house. However, despite all those warnings, some people continue to ignore them and, as I say, are still building in areas which I regard as suicidal. What can be done about this? It is fine to have a study. I think the only way, if it is a significant fire, is not to be in that area. That is my approach. Do not hang around. If you are not there, you will not get burnt to death.

I have raised the issue of schools with the government in the past, not just the schools in that part, but also into the City of Onkaparinga. I do not think that the provision for minimising fire

risk is as good as it should be. With the new developments as a result of the Building the Education Revolution, I know that a lot of schools now have fire tanks and so on, but in a catastrophic fire that will not save the school. There are areas that are bushfire prone.

I think we have learnt now from what happened in Canberra years ago and elsewhere that a lot of so called urban areas are bushfire prone as well. The risk may not be as great as it is in some of the other areas, for example, in the Adelaide Hills, but fire could easily sweep through not only Blackwood, Belair and those areas, but also the adjoining Onkaparinga areas of Aberfoyle Park and Happy Valley, which are in the heart of my electorate.

I hope what has been highlighted in this report is that the advice and concerns should be taken note of. You cannot rely on the goodwill and the good effort of CFS people who put their lives at risk. They did a fantastic job last week in the Adelaide Hills, but people should not rely on them. The planning laws need to be sensible. I think the use of CFS experts in advising on bushfire prevention and assessing for property developments and so on should be continued and intensified.

I think there needs to be an even better defined approach to what to do if there is a significant fire in the Mitcham Hills because at the moment it would be a death trap. People are living in areas like Craighburn Farm where the council has decided not to allow them to leave that area quickly, and those people will be a sitting target for any fire that comes up the Sturt Gorge.

There is still a lot of work to be done to be done to ensure that the people who live in the Mitcham Hills—which is a beautiful area—can live there safely without not only the threat of bushfires but the actual bushfires themselves. I commend the committee for the work they have done.

Debate adjourned on motion of Mrs Geraghty.

ANTISOCIAL AND CRIMINAL BEHAVIOUR

Adjourned debate on motion of Hon. R.B. Such:

That this house establish a select committee to inquire into and report upon:

- (a) the causes of antisocial and criminal behaviour in South Australia;
- (b) the strategies that could and should be used to reduce and deal with offending; and any other matter.

(Continued from 11 July 2012.)

Mr GARDNER (Morialta) (11:46): I was potentially going to quote from a document, but I will make sure that I do not do that. The honourable member for Fisher moved to establish this select committee on 11 July 2012, and it is a pleasure, after a number of months, to have the opportunity to express my views on it. I am pleased the member brought the motion to the house, and I am pleased to indicate that the opposition intends to support this motion.

I understand the government has preferred that some of the matters that might have been encompassed by this select committee be dealt with by the Social Development Committee, those being mostly related to alcohol. But, for the benefit of members, I will remind them that the honourable member for Fisher's proposed select committee was to:

....inquire into and report upon:

- (a) the causes of antisocial and criminal behaviour in South Australia;
- (b) the strategies that could and should be used to reduce and deal with offending; and any other matter.

When he moved the motion, the honourable member for Fisher made the specific point that 'the Social Development Committee has got enough on its plate to keep it going for many, many years', and consequently would not be an appropriate body to deal with these concerns. Indeed, the concerns he has raised in moving this motion are significantly broader than those encompassed by the Social Development Committee and what they are going inquire into if, indeed, they get around to doing so before the election.

While it is apparent that the government may well be planning on opposing this motion, and this select committee may never see the light of day—at least certainly not before the election—I think it would have been useful. I think it is worth the parliament's consideration, and I hope the government do indeed recast their position.

I have some specific concerns I think the select committee would find value in considering, but, just in terms of the broader issues the member for Fisher raised in July last year, he talked about the causes of crime, the way they are dealt with by the government, and how we might reduce related offending. He also identified that it is in the government's financial interest to do so, as each prisoner we have costs over \$70,000 each and every year—a significant saving if we can stop people from undertaking a life of offending behaviour, not only to the government's budget, of course, but significantly to the lives and lifestyles of those whom they offend against.

The member for Fisher referred to the Victorian Drugs and Crime Prevention Committee who—I was going to say 'recently', but I realise now it is probably over a year ago—tabled their report on their Inquiry into Locally Based Approaches to Community Safety and Crime Prevention. I think that is an example of the sort of recommendations that might well be considered by the select committee.

As I said, the motion is cast in broad terms. I think there is value for such a committee to pay particular reference to the harm caused by, and the causes of crime related to, illicit drugs in South Australia which is not being dealt with by the Social Development Committee's alcohol considerations. South Australia has the most permissive expiation regime for cannabis in Australia, allowing expiation for possession of up to 100 grams of cannabis. No other state or territory permits more than half this amount: in the ACT it is up to 25 grams, New South Wales is up to 15 grams, and Western Australia is up to 10 grams.

At the same time, the number of people caught driving under the influence of illicit substances has jumped from more than 1,000 in 2011 to 2,767 at the time these notes were written (which may possibly have been before the end of 2012, when I first planned on speaking on this motion), and 527 of that 2,767 (approximately 20 per cent) tested positive for THC, which is, of course, the significant chemical found in cannabis. One in every 16 South Australian drivers randomly screened for drugs returned a positive result for a proscribed drug in the year to July compared to the rate of one in 26 the previous year and one in 40 for the 12 months to July 2010, police say.

In 1998 Australia was at a high point in use of illicit drugs. Cannabis use was far more broadly accepted than it is now, and other illicit drugs were far more broadly accepted and more widely used than they are now. Over the course of the Howard government's Tough on Drugs approach there was a tripartite focus: on education of the community through broad-based advertising and direct marketing to parents to encourage them to discuss issues with their children as well as education campaigns through the schools; there was a focus on health and rehabilitation, which saw the greatest expansion in support for non-government organisations providing drug treatment in Australia's history; and there was a focus on law enforcement, with the broadest expansion of funding for Customs, border protection and policing of drugs in Australia's history. So through education, enforcement and treatment, that three-focus attack on drugs was significant and by 2007, when I was last working in the area, the rate of drug use had gone down significantly.

It is very concerning to me to find that in South Australia, between 2009 and 2012 at least, the rate of people caught driving with cannabis in their system has gone up so much. Clearly it is something that warrants consideration, and I think it is the sort of thing that this committee would be able to investigate. Illicit drug use is a significant cause of antisocial and criminal behaviour both in terms of the lack of judgement and ability of people to control themselves when they are under the influence of illicit substances as well as the crime that comes from finding the money to support one's addiction when that addiction makes lawful enterprise and employment so much harder to hold down.

I think this committee would be valuable in approaching those issues, so I hope the government has a 'road to Damascus-like' conversion in its view on this select committee. I commend the member for Fisher for bringing the motion to the house, and commend the motion to all members.

Debate adjourned on motion of Mrs Geraghty.

NATURAL RESOURCES COMMITTEE: ADELAIDE AND MOUNT LOFTY REGION NATURAL RESOURCES MANAGEMENT LEVY

Adjourned debate on motion of Hon. S.W. Key:

That the quantum of the Regional NRM Levy as proposed in the Integrated Natural Resources Management Plan for the Adelaide and Mount Lofty Ranges Region made under the Natural Resources Management Act 2004 and laid on the table of this House on 12 June 2012, be disallowed.

(Continued from 12 June 2012.)

The Hon. S.W. KEY (Ashford) (11:54): I would like to withdraw this motion, because the Natural Resources Management Committee is now considering the next round of levies. This is superfluous.

Notice of motion withdrawn.

STATUTES AMENDMENT (DANGEROUS DRIVING) BILL

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (11:57): Obtained leave and introduced a bill for an act to amend the Criminal Law Consolidation Act 1935 and the Road Traffic Act 1961. Read a first time.

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (11:59): I move:

That this bill be now read a second time.

The bill amends section 19A and section 19AC of the Criminal Law Consolidation Act 1935 (CLCA) and section 46 of the Road Traffic Act 1961 (RTA). A key element of section 19A and 19AC offences is proving that the accused drove in a manner 'dangerous to the public'. Judicial consideration of this phrase has led to a very limited interpretation of who constitutes 'the public'.

The courts in South Australia have held that, in some circumstances, a death caused by dangerous driving on private property will not fall within the circumstances contemplated by section 19A and section 19AC. This is not good enough. I seek leave to have the remainder of the second reading explanation inserted into *Hansard* without my reading it.

Leave granted.

In *R v Palmer* [2008] SADC 122 the accused was charged with the offence of aggravated causing death by dangerous driving under section 19A of the CLCA.

The charge arose out of a motor vehicle accident that occurred on a private property. The accident occurred as a consequence of the accused performing dangerous manoeuvres in his motor vehicle. Those manoeuvres caused the vehicle the accused was driving to fall onto its side, crushing the skull of a passenger.

The trial judge in this case directed the jury to return verdicts of not guilty to the offence of aggravated causing death by dangerous driving and the alternative non-aggravated offence because:

- The relationship (of friendship) between the three passengers and driver negated the view that the passengers were to be regarded as members of the public;
- The activities in question took place on private property and away from any road;
- The accused and his three passengers were all, knowingly, engaged in a form of skylarking;
- The four willingly got into the vehicle in question together for the purpose of amusing themselves by a particular, and somewhat dangerous, form of recreational activity directly connected with the driving of the vehicle (in tight circles with the steering wheel on full lock and the accelerator applied);
- The activity constituted a danger to all four of them, but to nobody else;
- In circumstances where it is proper to regard the activity as a part of a joint escapade on the part of the accused and the passengers—they being the only persons endangered by the activity—then it was not proper to characterise the passengers as 'the public'.

The trial judge further stated that his conclusion might well have been different if the relevant words of section 19A of the CLCA had read driving in 'a manner dangerous to any other person' rather than 'a manner dangerous to the public'.

In reaching the decision, the trial judge applied the decision of the NSW Court of Appeal in *R v S* (1991) 22 NSWLR 548. The facts of *R v S* were similar to *Palmer*, in that the death of a passenger was caused by dangerous driving on private property. As a result of *R v S*, the NSW Parliament passed the *Crimes (Dangerous Driving Offences) Amendment Act 1994* to replace the words 'the public' with 'another person' in the relevant section of the Crimes Act.

This Bill will make an identical amendment to the relevant sections in the CLCA, namely sections 19A and 19AC. The words 'the public' will be replaced with the words 'any person'. A similar amendment will be made to section 46 of the RTA because it is the alternative offence to sections 19A(1) and 19A(3) of the CLCA. It is important

to note that the RTA only applies to offences committed on roads (see section 5A), so will not capture an offence committed on private land.

The limitation on the offences set out in sections 19A and 19AC ought to be removed given the very serious subject matter involved, namely dangerous driving that causes the death of another.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Criminal Law Consolidation Act 1935*

4—Amendment of section 19A—Causing death or harm by use of vehicle or vessel

This clause amends section 19A to replace the reference to the public with a reference to 'any person'.

5—Amendment of section 19AC—Dangerous driving to escape police pursuit etc

This clause amends section 19AC to replace the reference to the public with a reference to 'any person'.

Part 3—Amendment of *Road Traffic Act 1961*

6—Amendment of section 46—Reckless and dangerous driving

This clause amends section 46 to replace the reference to the public with a reference to 'any person'.

Debate adjourned on motion of Hon. I.F. Evans.

STATUTES AMENDMENT (GAMBLING REFORM) BILL

Adjourned debate on second reading.

(Continued from 14 May 2013.)

The Hon. I.F. EVANS (Davenport) (11:59): I will continue my remarks from last night. I was talking about the lack of consultation by this government with the industry groups. By way of example, I will go through the attempts that Clubs SA made to consult with the government about this matter. They wrote to the government on 31 May 2011 to Treasurer Snelling seeking a meeting for discussion before finalising the approved licence agreement with the Casino. They wrote again on 16 September 2011 to Treasurer Snelling seeking a meeting for discussion before finalising the approved licence agreement with the Casino.

They received a letter from the Treasurer on 17 November 2011 saying that he had referred the request for discussion to the chair of the Casino task force. On 5 January 2012, Clubs SA wrote to Treasurer Snelling seeking a meeting for discussions on proposals by Clubs SA. On 18 April 2012, they received a letter from Treasurer Snelling which repeated the advice that he had referred the request for discussion to the chair of the Casino task force. On 6 June 2012, Clubs SA wrote to Treasurer Snelling seeking a meeting to discuss the proposal. On 6 September 2012, Clubs SA wrote to Treasurer Snelling seeking a meeting to discuss the proposal.

On 16 November 2012, Clubs SA wrote to Treasurer Snelling seeking a working group to discuss proposals for changes to the club industry. On 16 November 2012, they also wrote to Premier Weatherill, the Deputy Premier and ministers Kenyon, Hill, Hunter and Wortley—I do not know their portfolios at that time; I apologise—with a copy of the letter that Clubs SA had sent to the Treasurer seeking support for a working group to discuss proposals for changes to the club industry. On 5 December 2012, they put a phone call in to the Department of Treasury and Finance and asked if the government was preparing a white paper, as indicated by the Premier, and a meeting was arranged for 20 December.

On 20 December, in the meeting with the Department of Treasury and Finance, it was acknowledged that the government was working on a white paper but no details were to be released until early 2013. On 25 January 2013, they wrote to Premier Weatherill seeking an urgent dialogue with the government on changes to the club industry. On 4 February 2013, there was correspondence from the Department of Treasury and Finance, with the draft bill and explanatory paper provided, but it was embargoed until further notice.

On 12 February, they wrote to the Deputy Premier re the draft bill expressing concern over the absence of consultation between Clubs SA and the AHA; that is, both Clubs SA and the AHA wrote to the minister expressing concern over the absence of consultation. On 26 February 2013, they wrote to the Deputy Premier re the draft bill expressing concern over the absence of consultation. On 27 February 2013, there was a letter from the Deputy Premier to Clubs SA acknowledging receipt of the letter of 26 February. On 2 March 2013, there was a letter received by Clubs SA from the Deputy Premier acknowledging receipt of the letter of 12 February giving more time frames for submissions.

On 27 March 2013, there was a letter from Clubs SA to the Deputy Premier re the draft bill, the submission of Clubs SA outlining other changes sought for the club industry. On 2 April, there was a letter from the Deputy Premier acknowledging receipt of the letter dated 27 February. On 5 April, there was a letter to the Deputy Premier re the draft bill, noting changes and outlining other changes sought for the club industry. On 9 April, there was a letter from the Deputy Premier committing to work with Clubs SA and Sport SA to address industry change.

That is the process since 31 May 2011 until today that Clubs SA has made in its attempts to consult with the government about the bill. So, it is basically two years. It started in May 2011, and it is May 2013 now, so it is near enough to two years since Clubs SA approached the government saying, 'Why won't you sit down and talk to us?' The government eventually gave them the bill. It was embargoed; they could not consult with their club members until a couple of days before the bill was introduced, so I think it is fair to say that this whole process has been a bit of a shambles.

Part of the deal the government has announced in this legislation is to do with the Adelaide Casino. The Liberal Party supports the Casino development, but it is unfortunate that the government has embroiled it in a whole range of other issues by putting it in this legislation, but they have. They could have easily introduced a separate bill regarding the Casino but, for whatever reason, the government has chosen not to do that.

The Casino has for years been lobbying and consulting with the government about an opportunity to expand and provide more of an entertainment complex, rather than a majority gambling complex. They think there is an opportunity to adopt what has been adopted in many world-class facilities around the globe, that is, a whole range of entertainment venues within the Casino complex proper, backed up by a world-class range of restaurants that can offer local South Australians, and indeed international visitors, an improved experience of tourism in South Australia.

The Liberal Party supports the Casino expansion. We note that, as part of this particular deal, the government is going to gift the Casino individual entitlements on 995 existing machines within the Casino. These machines were bought by the Casino when it was originally sold to SkyCity back in the early 1990s, if my memory serves me right, when they paid I think from memory around \$185 million for the Casino, and that included a level of poker machines that is now around the 995 number.

The government intends to gift the Casino 995 individual entitlements. Currently, the Casino does not have an individual entitlement for those 995 machines. What the government is proposing under this deal is that the Casino gets individual entitlements for those 995 machines and that they be available for trading in the market. If you multiply the market value of, say, \$50,000 or \$60,000 to each one of those entitlements, that is a substantial capital gift the government will making to the Casino for machines they have had in place for many years.

The Liberal Party cannot see why the government is doing that, and the Casino's advice to us is that they did not seek it, that it was offered by the government, and naturally the Casino said, 'Well, if you are going to offer us 995 entitlements for nothing,' and because they have a market value and that will impact their balance sheet, 'naturally, we will take them'.

The Casino's advice to the opposition is that they did not seek them, that they were offered by the government and that, on the basis they were offered by the government, the Casino is taking them. The opposition in another place—

The Hon. J.R. Rau interjecting:

The Hon. I.F. EVANS: Well, that might be right. I will not put that on the record in fairness to the Attorney. The opposition will be moving an amendment in another place to oppose that particular provision.

The Hon. J.R. Rau interjecting:

The Hon. I.F. EVANS: Do you want me to put that on the record?

We intend to move that the 995 entitlements not be gifted to the Casino and therefore it will remain as it is under the current licence arrangement which means they will not be available to trade. We think that the Casino purchased the entity when it did back in the early 1990s knowing that those machines were not able to be traded and we cannot see the justification for that decision. If the government wants to put on the record why it made that decision then we are happy to listen to the argument, but in all the briefings that we have had we have not been able to work out what is the purpose of gifting 995 entitlements to the Casino if the Casino did not ask for them, so we will be moving amendments in another place to deal with that particular issue. Our advice from the Casino is that that is not a deal-breaker as far as the development going ahead, so that decision will not impact whether the Casino's development goes ahead or not.

As part of the Casino deal the government is increasing taxation in some areas, that is in what I would call the non-VIP areas of the Casino. The gambling tax is increasing from the low 30s to the low 40 per cent (I think from memory 34 per cent is the current tax rate which is being increased to the new tax rate of 41 per cent) and the taxation on table games in the non-VIP areas is also being increased. This is offset by a substantial decrease in the tax rate in what is going to be known as the VIP area, where the tax rate on gaming machines is going to be around 10.91 per cent, so a significant reduction on taxation in that particular area and there is a different charge, as I understand it, on the table games.

If you add up that formula and look at the Casino as a trading entity, the average tax rate across their new business model will be less, and even though it is a lesser tax rate for the whole entity, the Casino's modelling—and I can only assume the government's modelling because the government signed off on it—shows that the state will collect more tax because the Casino will grow its business. By lowering the tax rate, the Casino is going to grow its business and that will bring more revenue into the state government coffers.

My understanding is that the advice from the government is that \$60 million extra will be brought in by the new Casino redevelopment over the forward estimate periods. I think that \$60 million includes the \$20 million upfront payment, but I will ask the Attorney a question about that in due course during the committee stage. My understanding of the Casino's modelling and, indeed, the government's modelling through Treasury, is that there is a \$60 million increase in revenue to the state out of the proposed Casino development once the Casino is up and running.

This is an interesting example of what happens when you cut taxes on business. The Casino has been running around saying to the government for some years that they were paying the highest tax rate of any casino in Australia; I think it might have been the highest tax rate of any casino in the Southern Hemisphere. What the Casino argued was if the government reduced its tax rate they would be able to reinvest in their business and they are going to reinvest about \$300 million to \$350 million into the Casino complex, making it a world-class entertainment centre. They will be able to increase tourists to the state, principally out of the Asian market—primarily I suspect China—and really give the people of Adelaide and the visitors to Adelaide another tourism experience.

By growing those numbers, even though the tax rate is less, the turnover through their entity will be such that they will be able to deliver \$60 million extra over the forward estimates period into the state budget. This is a good example of what the Liberal Party have been talking about for 11 years, and that is that you can actually cut taxation and increase revenue into the state budget. That is one of the reasons we are supporting this particular announcement about the Casino, and some of this legislation that we are debating relates to that very redevelopment.

As part of that redevelopment the Casino seeks to increase the number of poker machines from 995 machines to 1,500 machines, so there will be an increase of 505 gaming machines within the Casino complex. The government's legislation demands that they go to the market and buy those machines. That means that more than 505 machines will have to come out of pubs and clubs, because we all know in the trading rounds, when gaming machines are sold by hotels, if they sell four machines then three machines go to the new owner and one machine is taken to the scrap heap as a way of reducing the number of gaming machines in the state. So, to get 505 machines there will have to be more than 505 trades in the future for the Casino to get their 505 extra gaming machine entitlements.

Obviously that is going to be difficult, because the gaming machine trading rounds do not produce 505 sales in any one round, so the Casino is going to be locked in to possibly trying to buy

those machines over a number of trading rounds. The Casino obviously cannot wait forever for that number of machines to become available, because the development is being undertaken based on a certain business model that delivers a certain amount of revenue by a certain time.

So, to offset any unfair risk to the Casino the bill states that if the Casino has not reached its extra 505 gaming machines by a certain date, which is known to the government and the Casino—and the opposition do not need to know it because it is commercially confidential—then the Casino will buy up to 300 machines from the government at a price that has been established within an agreement between the government and the Casino, as we understand it. Obviously that price is not going to be made public because that would impact on the trading rounds proper and influence the market.

At some point in the future, if the Casino has not been able to get its 505 machines through the trading rounds, the government will intervene and say, 'You can buy the balance of new entitlements off the government,' and they will be issuing new entitlements to make up that balance. I know both the government and the opposition are aware that that means we could actually end up with more gaming machines in the state than less because, if there are not enough trading rounds to get the 505 machines to the Casino and there are up to 300 machines issued to the Casino, that could increase the number of gaming machines within the state. That is the nature of the agreement the government has with the Casino, and that matter is outside of this act. That is in a written agreement that we are not seeking to override by way of amendment; we just note the agreement.

If the government does sell to the Casino up to 300 machines as a result of the Casino not being able to obtain them in the trading rounds then it is the opposition's understanding that those machines must go into the VIP area, will not be issued an individual entitlement and will not be available for trading back into the market. So, although there will be more machines, they will be locked away in the VIP area and will not be available to be traded back out to pubs and clubs.

There is no doubt that some people have some contention about the VIP area. It has always amazed me, but there are some people in life with a lot of money who want to go and put it into poker machines at a faster rate than you or I might care to. The VIP area will be established under strict rules about who can enter that particular area. That way the clientele of the VIP area will be properly managed through rules established, from memory, by the Independent Gaming Authority. There will be rules around who can go into the VIP area. That is all well known to the Casino. If we look at the way these models operate around the world, they could generate enough revenue to provide the state with extra money, provide for the expansion of the Casino and provide what will be 1,000 extra jobs ongoing for South Australia. I think that covers reasonably well the Casino agreement. As I say, the South Australian opposition supports the Casino's expansion.

In relation to the issue of the trading rounds and my comment that the Casino may not be able to source its 505 machine entitlements out of the trading rounds, I just want to go through the summary of the trading rounds of gaming machines since the trading system was established. The first trading day was on 11 May 2005. This is when the legislation had a fixed price trading round of \$50,000 per gaming entitlement. That was in the legislation, so it was not a market-based mechanism. Venues could voluntarily sell their gaming entitlements for that amount if they wished to get out of gaming or reduce their gaming options.

On 11 May 2005, there were 169 offers to sell and 127 entitlements were purchased. Out of that, 27 were cancelled and 15 were transferred to an entity known as Club One. On 21 September 2005, the second trading round, there were 75 offers to sell, 56 entitlements were purchased, seven were cancelled and 12 were transferred to Club One. On 16 April 2007, there were 64 offers to sell, 48 were purchased, 16 were cancelled and none were transferred to Club One. Then the system changed and the trading rounds then went away from a set fee of \$50,000 to a market-based mechanism. So whatever the purchaser wanted to pay, if the seller was wanting to sell, they could reach agreement and the entitlements sold.

On 14 June, there were 472 offers to sell, 61 were purchased, 13 were cancelled and seven were transferred to Club One, and they were actually transferred out of a community hotel out of the Riverland; not actually out of a club as we know it but a not-for-profit community hotel. On 31 January 2013, there were 429 offers to sell, 87 were purchased, 26 were cancelled and three were transferred to Club One.

What is interesting about that is that when we went from a \$50,000 cap on the price to a market price, the level of interest in selling went from around 60 to 75, which was happening under

the fixed-price mechanism, to 472 and 409. So there are venues out there that wish to sell their gaming entitlements for whatever reason. So when we say that the Casino needs to get 505 entitlements out of the market, in the last two trading rounds, there were 472 and 429 up for sale.

The Hon. J.R. Rau: The problem was buyers, not sellers.

The Hon. I.F. EVANS: The Attorney says that the problem might be the buyers, not the sellers. The Casino is entering the market and now the market knows that the Casino has to buy 505 to reach its number. I think some people in the market will think that this is going to be a bonanza for those who wish to sell. I beg to differ. The Casino is not that stupid. In its agreement with the government, which already has a set price, I suspect that the Casino is aware of the sales price of previous market rounds. I am not sure it is going to be the bonanza for sellers that some people who are selling may well think.

The reality is that, since the parliament introduced this trading mechanism, there have been 1,209 offers to sell and 379 have actually been purchased (only 25 per cent, or roughly a third in round numbers), so two-thirds have not been purchased. That has resulted in 89 gaming machine entitlements being cancelled out of hotels and 37 gambling entitlements being transferred to Club One. I think there is probably enough flexibility in the system for the Casino to have a reasonable chance of securing a large proportion of their requirement of 505 entitlements.

The other aspect of the bill is that it seeks to allow venues outside the Casino to increase the number of poker machines from a maximum of 40 to a maximum of 60. This is because the government has the view that having fewer venues with a larger number of poker machines ends up getting a better problem gambling control mechanism.

In other words, what they are saying is: currently, the limit is 40 machines per venue and they are going to lift the maximum number of machines to 60. That will allow clubs and pubs to sell—and, as we know, there were well over 400 entitlements up for sale for the last two rounds. They will then either go to the Casino or they will go into venues that want to go from 40 to 60.

I have a different view on this particular measure; in fact, the Liberal Party has a different view, and we will be moving amendments not to allow venues to go from 40 to 60. We think 40 is about the right number. There are many venues now that do not have 40 machines but have the capacity to go up to 40.

In 2004, the parliament had a very long debate about whether we should force venues to reduce the number of machines from 40 down to 32, and the parliament decided that would happen. A lot of venues offloaded eight machines—not the entitlements, the machines—from 40 down to 32, and they could then trade back up if they wanted to. What has actually happened is that a lot of the clubs have put their machines, through Club One, back into hotels. So, hotels that had 32 machines now have 40.

If you look back at the trading rounds, there were 472 entitlements in the second to last trading round and 429 entitlements in the last trading round, and they did not sell. So, all those venues that are currently under 40 and have the capacity to go up to 40 chose not to do so. If you lift it to 60, if they do not want to go from 32 to 40, who then will want to go from 32 to 60?

The opposition's view is that there are only three groups that will want to go from 40 up to 60: Coles, Woolworths, and the big end of town hotels (the 'pokie barons', as the former treasurer used to call them). They are the three groups that will ultimately control more and more of the poker machines and more and more of the pokie venues.

The other point I make to the government is: look at gaming machine net gambling revenue since the parliament introduced the reform to reduce the number of poker machines. In 2004-05 the net gaming revenue was \$749.25 million; that was the year the parliament introduced reforms to reduce poker machines. The following year net gaming revenue was \$751 million; in other words, net gaming revenue went up even though there were fewer machines. The next year, 2006-07, it went up to \$792.62 million; so it went up another \$40 million that next year. The only time it reduced after that was the next year, 2007-08, when the smoking ban was brought in, and it went back to \$758 million.

My point is simply this: when the parliament decided to make venues go from 40 down to 32 machines it did not affect net gaming revenues and it did not affect gambling. As I think the honourable member for MacKillop said in his contribution back in 2004, I have never walked into a venue where every single poker machine was being used, so all it means is that you have herded

people into a denser environment; there is always a poker machine to use. The market now realises that you do not need to have 40 machines and all the administration costs of that when you can get exactly the same gambling turnover with 32 machines; in fact, you have an increase in gambling turnover with 32 machines.

Since the smoking ban net gaming revenue has plateaued, and it has plateaued in line with the retail spend. In other words, net gaming revenue has plateaued not because of gambling reform but because of the tough economic times that happen to be out there for people with their discretionary dollar. The venues will not have the cash; the clubs and the small pubs will not have the cash available to trade up to 60 machines. The people who will have the cash available will be Coles, Woolworths and some of the big end of town in the hotel industry.

The opposition does not think it is in South Australia's best interests to herd the revenue and the machines into fewer and fewer owners. As the clubs say, we think that will be a club killer. Those are the exact words they used in our briefing, that this would be 'a club killer'. I know that small hoteliers have some major concerns in that regard as well.

The government argues, and the welfare lobby argues as well, that having a larger number of machines in a smaller number of venues gives a better problem-gambling outcome. I just want to have a look at that debate, because I remain to be convinced on that. I asked the government to provide me with a per capita spread of poker machines per state, the per capita rate of poker machines by state. In New South Wales, including the casino, it is 0.0136; in Victoria it is 0.0053; in Queensland 0.0104; South Australia 0.0084; and Tasmania 0.0073. Western Australia is a bit of an odd example; they do not have pokies, it is only the casino, so theirs is a very low figure indeed.

Then you go to the problem gambling index that the government provided. I asked what was the measure of problem gambling rates, and the government sent through the latest measures of problem gambling from the Independent Gambling Authority. There is an index called the Problem Gambling Severity Index, which is a Canadian problem gambling index.

What that shows is that in New South Wales, with a per capita rate of 0.0136 poker machines, per head of population, the problem gambling index in 2006 was 0.8. In 2009 it was 0.4, and in 2012 it was back to 0.8, even though nothing changed. In Victoria, with a per capita rate of 0.0053 of poker machines to head of population, the problem gambling index was 0.7, and that was the latest measure in 2008.

In Queensland, the per capita rate of machines to population was 0.0104 and the problem gambling rate in 2007 was 0.47 and in 2008 was 0.48. In Tasmania, with a per capita rate of 0.0073 of poker machines per head of population, the problem gambling index is 0.54.

South Australia, with a per capita rate of 0.0084 had a problem gambling rate of 0.4. So South Australia has the lowest problem gambling index, according to the government's own figures, and even though New South Wales has more machines per head of population, it has reached the same level of problem gambling as South Australia back in 2009, but then it has increased since.

Then you have other venues such as Victoria which has a lower level of poker machines per head of population but a problem gambling rate of nearly twice that of South Australia—0.4 to 0.7. Tasmania has a lower rate of poker machines per head of population and the problem gambling index is 0.54.

What these figures show is the number of poker machines per head of population. There is no correlation, no consistent correlation between the problem gambling rate. To my mind, whilst I understand what the welfare group is saying (and I think everyone is concerned about problem gamblers), my argument is that there has been no case made out yet that somehow South Australia's management system of poker machines is somehow not, indeed, one of the better ones around Australia, given that we have the lowest rate of problem gambling in Australia.

What we are talking about here is 0.4, and it is not 0.4 per cent of problem gamblers. That is, 0.4 per cent of the South Australian adult population are problem gamblers. In other words, 99.6 per cent of South Australians operate within the current framework of poker machines without that problem. So the government is going from a 40-venue model to a 60-venue model on the basis it may be able to help the 0.4 per cent and they are going to penalise clubs and small hotels in trying to achieve that aim. So the opposition are not convinced that going from 40-machine venues to 60-machine venues actually delivers that outcome, and let me explain why.

As part of this arrangement in this particular bill, the government are asking for venues to mandatory adopt a voluntary precommitment system. What I mean by that is that, under this legislation, the government is saying to venues above 20 that they must have a precommitment system within their venue by a certain date, and therefore they have to upgrade their machines to allow this precommitment system to be made available. So it is mandatory through the venues, but it is voluntary for the gambler. It is called a voluntary precommitment system, and I will explain it to the Attorney if he is not clear what I mean by that. I can see him frowning.

What I mean by that is this: the way it has been explained to me through the briefings from the various groups, the voluntary precommitment system works like this. The legislation requires that those venues covered by it have to upgrade their machines so that there is a precommitment technology in the machine and therefore in the venue.

What the pre-commitment technology will do is it will alert the user (the gambler) when they are reaching the maximum amount of bets they have set themselves for that day (the dollar value; the maximum betting limit). So, when Iain Evans goes into a venue, under this arrangement (the model the government has adopted) every gambler who goes in to play the poker machines has to go to the cashier and say, 'I'm gambling' and the cashier has to ask, 'Do you want to set yourself a maximum limit?' At that point you can say no or yes; that is the voluntary nature of it. So, you can volunteer to set a maximum limit or you can tell them, 'Thanks but no thanks, I'll live my own life', and having asked the question the venue has met its obligation.

If you decide to set a voluntary maximum limit, then the venue gives you a card, which is tied to their loyalty card system, and you set your limit. Let us say I set my limit at \$200 for that day. I then go to the machine and I play the machine. If I win money, say \$300, that goes on top of my \$200, so I can lose \$500 for the day. So, it is a net loss limit that I am setting myself, not gross. It is what I am going to lose on the day. Then what happens is, as I play the machine and as I get closer to my \$200, electronic messages will come up on the machine (this is the new technology) saying, 'Mr Evans, you're now at \$150. Mr Evans, you're now at \$170. Mr Evans, you're at \$190', and when you get to \$200 it is all over.

At that point a little light goes off—this is me speaking colloquially here—in the office and a staff member comes out and says, 'Mr Evans, the system has advised you've reached your limit. Would you like to stop gambling?' At that point, I can say, 'Thank you for coming to chat to me but I actually want to keep gambling so can I go back and set another limit, please?', which I am entitled to do, and that process is going to repeat itself ad infinitum. So, even though you set a voluntary pre-commitment limit you can re-establish it. Indeed, you can set the pre-commitment limit to whatever level you want: \$10,000, \$50,000, and I think in the briefing I used the ridiculous example of \$1 million. The simple fact is that you can set the limit to whatever you want.

The government and the welfare groups believe—and I am not critical of this, I just have a different view—that that single intervention of someone coming up and saying, 'Excuse me, but you've reached your limit. Do you want to go on?' will have an impact and will stop some people gambling. If that is true then an intervention by a staff member at a small venue where a staff member comes up and says, 'Mr Evans, you've been here for two hours. Do you want to keep gambling?' will have exactly the same effect and you do not need the pre-commitment system to do that. If it is the staff intervention that causes the gambler to stop then that staff intervention can happen at any time without the pre-commitment system.

I am not convinced that going from 40 to 60 is going to benefit anyone other than Coles, Woolworths and the big end of the hotels. What club in South Australia could possibly afford to go to the market and buy another 20 machines at \$50,000, \$60,000 or \$70,000 a machine? I cannot think of one. Maybe the SAJC, on the back of their Cheltenham sale, possibly. I do not know, but generally I do not think clubs can do it. What did stagger me, and I will declare an interest here: I am a member of the Sturt Football Club by dint of my son's involvement. I obviously joined them to support him, but I am not in a decision-making capacity at that club. The reality is that the SANFL has put out an email saying that they were never consulted by the government.

If there are nine clubs in the state that rely on poker machines more than the SANFL let us hear their names, because the main revenue stream of every club in the SANFL is its poker machine revenue. What the SANFL says is that this will kill their clubs. I cannot see the benefit of that. I cannot see the benefit to the community of going down that path, so the opposition will be moving amendments to maintain the 40 machine cap.

Another issue in relation to this matter is the timing of the precommitment technology between the federal government and the state government. This is another issue where I just cannot work out why the government have done this. What the government have done is they had a Responsible Gambling Working Party, which was set up to look at and report into a number of matters. The terms of reference are set out in this report, which is called, 'Supporting customer commitment: implementation of pre-commitment (June 2012)—the fifth progress report to the Minister for Business Services and Consumers by the Responsible Gambling Working Party'. It is on the Treasury SA website for those who have nothing to do tonight.

Page 66 of that particular report sets out the Responsible Gambling Working Party's terms of reference in regard to looking at precommitment. Then the government decided it needed a bit more work to do, and in June 2012 there were other terms of reference specifically about the implementation of the terms of reference about the precommitment. So, the government actually said, 'How should we implement this precommitment?'

The Responsible Gambling Working Party is a mixture of the hotels, the clubs, the welfare lobby and the government—it is essentially a working group of the industry players. What did the Responsible Gambling Working Party say about the implementation of pre-commitment? It said, 'Adopt the federal dates.' We all know that the Greens, with their unique relationship with the federal government, pushed through poker machine law changes nationally and that there was a huge brawl with the New South Wales, Victorian and Queensland club industries.

As a result of that, the supposed deal with Adam Bandt was totally watered down and they adopted some legislation at the federal level. Like all federal legislation, it knocks off the state legislation if there is a conflict, so what has the federal government done? The federal government already has in place a whole range of dates for the introduction of the precommitment technology. This government has said, 'Even though the federal government has debated this, even though the federal government has intervened, what we are going to do is set our own dates.' So, what happens in South Australia is our hotels, clubs and pubs have to introduce the legislation more quickly.

We had the Responsible Gambling Working Party report on behalf of the government, and that said that the government should introduce precommitment technology but at the same time as the feds. This was not our committee: this was the government's committee. It was unanimously supported, as I understand, by every member of that Responsible Gambling Working Party, but that did not suit the government. I am not sure why. No reason really has been given as to why the government would then say, 'Even though we've had this Responsible Gambling Working Party report that says to match the feds, what we'll do is adopt our own dates.' So, the government brings forward the dates for precommitment introduction by about two years.

What the Responsible Gambling Working Party said is this: 'Consistency, the Responsible Gambling Working Party advice and the commonwealth government—all new electronic gaming machines manufactured in 2013 be capable of supporting precommitment', and they go through all of this, and in every single one of them they talk about being consistent with the commonwealth—that is the advice to the government. The opposition thinks it is a nonsense that our industry should be forced to undergo the extra cost of meeting this particular measure before the rest of Australia.

My understanding of the government's bill is that we introduce these clauses that bring in the precommitment technology earlier than the rest of Australia and then when the federal legislation clicks into gear—whether it is 2018, 2019, 2020 or 2022—at that point the state legislation drops off. All we are doing is making the businesses in South Australia deal with two pieces of legislation. I cannot see any reason why we would want to do that and have businesses deal with two sets of legislation.

Not surprisingly, the government clearly did not like the Responsible Gambling Working Party's advice. They have simply decided to disband; wind up and thank the Responsible Gambling Working Party for its work. Having set it up, asked it to deal with the question and specifically give it a term of reference to deal with the matter of consistency between state and federal legislation, they then say, 'We want to be consistent with the federal legislation.' The government says, 'Well, you know what, we don't like that. Thanks for your advice. Even though we asked you to comment, even though it is unanimous from the committee, even the welfare groups, now we are just not going to do it.'

We are going to move some amendments to try to make the changes in South Australia consistent with the timing of the federal government. The way we intend to do that is to simply

delete the clauses from the bill, knowing that the federal government's legislation kicks in at whatever date that may be.

The other concern about this is the point made by Clubs SA in their particular submission. I understand Clubs SA is writing to all its members concerned about that. It really comes down to a structural issue within the poker machines in South Australia. In New South Wales, when the poker machines were originally introduced in 1956, they were introduced for clubs only, and then about 42 years later they allowed them to go into hotels, as I understand it. What we have now in New South Wales is about 75 per cent of machines in clubs and 25 per cent of machines in hotels. In Queensland, clubs have 55 per cent of machines and hotels have 45 per cent of machines. In Victoria, the law says there must be even numbers of machines per club and pub, so it is actually legislated that they must be even in the industry; it is exactly a fifty-fifty split there.

In South Australia, even though some passionate speeches were made about the introduction of poker machines by the then Labor treasurer, Frank Blevins, and even though some people talked about having an equal number of machines for the equal benefit of both clubs and hotels, what we have actually ended up with in South Australia, outside of the Casino, is 88 per cent of gaming machines in hotels and 12 per cent in clubs. This comes back to the point about who in the clubs will be able to grow from 40 to 60. The answer is no-one. If that is true, then all it can mean is that the 88 per cent that are currently under hotels will grow closer to 100 and the 12 per cent currently with the clubs will decline. So Clubs SA believe that clubs will be forced out and they think that will be a problem.

Clubs SA say that since 2003 something like 28 per cent of clubs with gaming machines have left gaming, but only 2.7 per cent of hotels have left gaming. The clubs' message is pretty clear: keep piling the costs onto the clubs sector, keep making it harder for them to compete and they will exit. I think that is the SANFL's point in relation to this particular legislation. In New South Wales, a club with 40 machines and a million-dollar revenue pays no gaming tax at all. So, the first million dollars has no tax. In Victoria, it is no tax for the first million. In Queensland, it is \$161,000. In South Australia, it is \$240,000. So, the clubs pay the highest rate of gaming tax in South Australia.

I will come back to this issue of timing, and let me explain the difference between the two and the issues it presents for clubs. The bill establishes a precommitment two years ahead of the National Gambling Reform Act 2012 (commonwealth legislation) for major venues. A major venue under the state's bill is any venue with 21 machines or more, and if you have 20 machines or less then you are a minor venue. The state's bill does this by requiring major venues to install precommitment systems through the creation of an offence to operate gaming machines not connected with an approved precommitment system. That is in proposed section 53A(3), which is clause 96 of the bill.

An approved precommitment system is approved under or in accordance with the process prescribed by regulations, which is proposed section 53A(12). The proposed timing for commencement of this section is 1 July 2013. It is proposed that the regulations will modify the commencement to allow major venues that have not installed approved precommitment systems as at 1 January 2016 to have a further 12 months to install the systems. The effective date for all major venues is to have precommitment installed and operated by 1 January 2017. The commonwealth legislation is scheduled to commence on 31 December 2018. From that date, all major venues—that is, venues with 21 or more gaming machines—must comply with the requirements of the commonwealth legislation.

The Statutes Amendment (Gambling Reform) Bill 2013 in clause 96 deals with this overlap between the legislation by introducing proposed section 53A(4), which will result in proposed subsection 53A(3) expiring on the date of commencement of the commonwealth legislation. The commonwealth legislation does not separate venues into minor and major venues but uses three categories. There are smaller venues with under 10 gaming machines. These venues have no obligation to install precommitment systems at any time. Venues with between 11 and 20 gaming machines have until 31 December 2022 to install precommitment, and venues with 21 or more gaming machines must install precommitment systems by 31 December 2018.

There are no assurances that the precommitment system mandated by the proposed amendments will be the same as those under the commonwealth requirements. South Australian major venues may well be in a position of having to install a state-compliant precommitment system for the period of 1 January 2017 to 31 December 2018 and then be required to change the machines or equipment to the commonwealth standards. South Australian venues with 11 to

20 gaming machines will not be required to install precommitment systems until 31 December 2022, but these venues will not receive the benefits of being a major venue, including later trading hours and retention of loyalty schemes. I seek leave to continue my remarks.

Leave granted; debate adjourned.

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

BALUCH, JOY

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:00): On indulgence, I was deeply saddened to learn that last night the longstanding mayor of Port Augusta, Ms Joy Baluch AM, passed away after a lengthy battle with illness. She was 80 years of age. Now is not the time for a condolence motion, and I propose that we do that when Joy's family can be here in Adelaide, but I do want to say a few words regarding Joy.

Mayor Baluch was, of course, well known to all of us in this chamber. She was an extraordinarily prominent figure not only Port Augusta but within South Australia more widely. She is, of course, known for her outspoken advocacy of behalf of Port Augusta and regional South Australia, and she has served with intelligence and strength. We all remember her oft-stated remarks that Port Augusta is the centre of the universe.

Sadly, Joy will miss out on the official naming of the Joy Baluch AM Bridge, which is to be held this Friday in Port Augusta. I have spoken today to Michelle, her daughter. She told me that Joy passed with family around her the other evening, and she was comfortable and she was alert, and she fought right until the end. Her daughter told her that the doctors were staggered that she lasted so long, but that is the Joy that we all knew and loved.

Michelle also indicated she would like the event on Friday to continue. I also invited her to come to Adelaide to hear the condolence motion, and will organise with her and the other members of the house an appropriate time for that to occur. I have also offered her family the support of the South Australian government to ensure that the funeral service is a significant and fitting tribute to her life.

Mr MARSHALL (Norwood—Leader of the Opposition) (14:03): I rise to echo the comments of the Premier. On behalf of the Liberal Party of South Australia I pass on our sincere condolences to the family of Port Augusta Mayor Joy Baluch AM. Joy was a great South Australian who made a tremendous contribution to this state over many decades. I look forward to the opportunity to make more expansive remarks on the life of Joy Baluch in the near future.

PAPERS

The following papers were laid on the table:

By the Premier (Hon. J.W. Weatherill)—

Remuneration Tribunal—No. 1 of 2013: Auditor General, Electoral Commissioner, Deputy Electoral Commissioner, Employee Ombudsman and Health and Community Service Complaints Commissioner Determination

By the Minister for Business Services and Consumers (Hon. J.R. Rau)—

Independent Gambling Authority—2011-13 Codes of Practice Review Report

By the Minister for Tourism (Hon. L.W.K. Bignell)—

Upper South East Dryland Salinity and Flood Management Act 2002—
Quarterly Report 1 October 2012—19 December 2012
Report 2012-13

Response by Government to the Statutory Authorities Review Committee—Inquiry into the Environment Protection Authority

FEDERAL BUDGET

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:04): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.W. WEATHERILL: Last night, the federal Treasurer released the 2013-14 federal budget. Like recent budgets at both state and national levels, it is a document framed in the context of constrained economic activity, particularly in comparison with pre global financial crisis levels. The budget has significant implications for South Australia. Treasury continues to work through the federal budget documents to assess the impacts.

However, what is readily apparent is that the federal government has experienced significantly lower revenues in the current financial year than what was previously forecast, leading to a deterioration in the forecast budget outcomes. The lower revenue forecasts also include reductions to estimated GST revenue collections. Against the figures contained in the federal midyear economic and fiscal outlook, revenue collections are estimated to be \$2.8 billion less over the current and forward estimate financial years.

For South Australia, Treasury advised that this has a negative impact of approximately \$300 million across the five financial years. This will place further pressure on an already difficult budget position. The state budget has already experienced ongoing and significant downward revisions of GST and state revenues since the onset of the GFC. The cumulative impact of these downward revisions has been significant over the forward estimates period.

Our government has chosen to continue to support current and future economic activity and jobs by continuing with our significant infrastructure program. We have also sought to ensure that the savings we have achieved, as well as those we continue to impose, are focused on efficiencies within the Public Service and limiting the impact on services and members of the community.

These are difficult times in which to develop a budget. The government is faced with a fundamental choice, however: to continue investing in our frontline services and infrastructure while moving the budget position back to surplus over the forward estimates period, or the other option, which is to withdraw from our investments in infrastructure that are supporting economic activity and to cut drastically into our frontline services in an effort to bring the budget into surplus more quickly. The government has chosen the former, to support jobs and services for people. The alternative is really no option. It consigns our economy to lower growth, to fewer jobs, to fewer supports for people who need it. I look forward to delivering my government's budget in the coming weeks to address these challenges.

LEGISLATIVE REVIEW COMMITTEE

Mr ODENWALDER (Little Para) (14:07): I bring up the 26th report of the committee.

Report received.

QUESTION TIME**FEDERAL BUDGET**

Mr MARSHALL (Norwood—Leader of the Opposition) (14:08): My question is to the Premier. Will the Premier confirm that federal specific purpose payments for South Australia were revised upwards by \$285 million over the next four years in the federal budget?

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:08): We are presently analysing all of the effects on the budget. As I mentioned—

Mr Marshall interjecting:

The SPEAKER: I call the Leader of the Opposition to order.

The Hon. J.W. WEATHERILL: As I mentioned in the ministerial statement, we are presently analysing all of the effects that have occurred within the federal budget yesterday evening. We know that a number of specific purpose payments were in fact ceased, which has a

deleterious impact on the budget. Others were continued, and we are presently analysing the effect that that is having on the state budget. All will be revealed on state budget day.

Mr MARSHALL: A supplementary?

The SPEAKER: If indeed it is a supplementary.

FEDERAL BUDGET

Mr MARSHALL (Norwood—Leader of the Opposition) (14:09): In this analysis, has the Premier determined yet what the average growth rate in GST is over the forward estimates coming from the federal government?

The SPEAKER: Well, that's not a supplementary, but I will give it to you as a second question.

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:09): What we do know, which is readily apparent on the figures, is that over the forward estimates there will be \$300 million less—in the order of that amount—in the forward estimates as a consequence of the federal budget revealing the GST figures. Those opposite seem to be peddling this idea that somehow, because GST modestly improves over the forward estimates, that reflects some improvement in the position. This is a very substantial reduction on both the information that was published in the last update by the commonwealth and, of course, the figures that we relied upon for our update.

Remember that we are talking about numbers here which are to compensate not only for the cost of growth in goods and services but also for the growth in the use of those services. As our population grows and demand for services grows because of an ageing population (demands on our healthcare system), an increased number of children coming into schools and an increased number of people requiring our disability services, we need to see growth in revenues.

What we now have, at this point in our history, is less revenue as a proportion of our economy than we did back in 2002. That is the fundamental question and that is the fundamental challenge that we face in framing this budget. The numbers today just underscore the nature of that challenge. We will receive \$300 million less over the forward estimates than we were projected to receive which would otherwise assist us in meeting those pressures.

I know those opposite like to disparage our spending on these services but we see this as supporting people—supporting people for the basic needs in the community, whether they be children at schools, people with disability support needs, people sick in hospital or people at home who need support to get on with the ordinary activities of living because they are aged. All of those matters receive our attention and our investments.

They continue to grow and we continue to support those people, but we need a revenue source to be able to support those South Australians. That is the challenge that we face. We will make every effort to ensure that we protect people in our budget. That is our focus. That is why we put budgets together—prudently managing our finances but supporting people.

Mr MARSHALL: I have a supplementary question.

VISITORS

The SPEAKER: Before I consider your application for a supplementary, I acknowledge in the gallery today the Salisbury Friendship Force, who are guests of the member for Light; and also the Marion Probus Club, who are guests of the member for Mitchell, who cannot be with us because it is his son's graduation from the Police Academy.

QUESTION TIME

FEDERAL BUDGET

Mr MARSHALL (Norwood—Leader of the Opposition) (14:12): My supplementary, Mr Speaker, relates to the Premier's comments that there would be a modest increase in GST revenue coming from the commonwealth in future years.

The SPEAKER: And the question is?

Mr MARSHALL: The question is: can the Premier confirm that, indeed, the GST revenue increase will be, on average, 3 per cent each and every year over the forward estimates?

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:13): I can tell you the actual numbers and you can do the maths. In 2012-13, from the Mid-Year Budget Review, \$4.5 billion—actually, \$4.512 billion. In the 2012-13 Mid-Year Budget Review that was \$4.513 billion. In relation to the current estimate it is \$4.463 billion, so a substantial reduction.

In 2013-14, the 2012-13 budget: \$4.642 billion, then going to \$4.627 billion in the Mid-Year Budget Review, now \$4.595, so a reduction. In 2014-15, the 2012-13 budget: \$5.127 billion. In the Mid-Year Budget Review: down to \$5.024 billion, now down to \$4.916 billion, so a further reduction. In 2015-16: \$5.579 billion, down to \$5.420 billion in 2012-13 and now down to \$5.343 billion.

These are all reductions—downward revisions in the amount of revenue that was projected to come to South Australia. Increases are needed to provide services to people. When people come into our hospitals, we do not turn them away. That is what is proposed by those opposite. Perhaps they should say so now.

When those opposite bleat about increases, those increases are to meet the needs of people: people who present themselves to our disability services officers, people who present themselves to our hospitals, people who present themselves to our schools. We do not turn them away, because our job is to support people. That is the central purpose of government. I do not know what you think government is for if you do not think it is about supporting people.

Members interjecting:

The SPEAKER: The deputy leader is called to order and so is the member for Heysen, who perhaps thinks that I cannot hear her behind that pillar.

DEFENCE WHITE PAPER

The Hon. M.J. WRIGHT (Lee) (14:15): My question is to the Premier. Can the Premier advise the house about the Defence White Paper 2013 released by the commonwealth government and its impact on South Australia's defence industry?

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:15): I thank the honourable member for his question. The commonwealth government did release the Defence White Paper 2013 on 3 May and it provides a new strategic direction for the nation. We believe that the role of government, especially at a state level, is not to tell the commonwealth government what resources are necessary to defend the national interest.

No state government has the knowledge or resources to make those judgements, but what we do believe is that we can advocate about the nature of that spend and position South Australia in the best possible place to ensure that we win a large proportion of the nation's defence spend, and we have been successful in that regard, with 25 per cent of the nation's in-country defence spend here in South Australia.

However, we do welcome that the commonwealth budget projects defence spending to rise modestly to a total of \$30.7 billion in 2016-17, reflecting a commitment in the white paper to proceed to increase defence spending when it is capable of being achieved in the national interest, having regard to our fiscal imperatives. Once the commonwealth has made decisions on what the capabilities are, we believe that South Australia can continue to punch above its weight.

Defence has made a number of key decisions in the white paper which are vital for South Australia, including the narrowing of the Future Submarine options and the broader commitment to establish truly collaborative partnerships with industry. On the Future Submarines project, the commonwealth's decision to eliminate an off-the-shelf solution and focus on either an evolved Collins or a new design provides the greatest opportunities for South Australia and the nation as a whole.

Last year we saw this reflected in the commonwealth's commitment that the Future Submarine Systems Centre and the new submarine land-based test site would both be based in Adelaide. Our industry, backed by the state's substantial investment in world-class infrastructure at Techport, is well placed to participate in these projects, which will also be important to helping avoid a decline in the specialist skills that will occur between the wind-down of the AWD program and the Future Submarines project.

The defence white paper confirms that South Australia's future in the defence industry is secure for decades to come. We know, of course, that there have been less clear commitments

made by the federal opposition, and it is absolutely important that they back in behind the federal government's white paper so that we do have that future security.

BUDGET FORECAST

Mr MARSHALL (Norwood—Leader of the Opposition) (14:18): My question is again to the Premier. Does the Premier stand by his government's budget forecasts that property taxes will grow by 9 per cent a year over the forward estimates?

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:18): You will have to wait until you see the published data in the state budget; it is only a few weeks away and you will see how we deal with that. I must say, we have received some relatively positive news recently about the very substantial increase in building activity, which is flowing through to revenue. So, that is a bright point. One of the reasons we are seeing that is by virtue of the decision that this government took to actually put in place the Housing Construction Grant and also the relief on stamp duty, and I pay tribute to the former treasurer for that far-sighted decision.

That is stimulating activity. We are beginning to see a pick-up in growth. Anecdotally, we are seeing very substantial increases in inquiries to real estate agents, which had been the case for some months, but now they are translating into transactions, which are now flowing through to revenue. It would be the worst possible news of all, wouldn't it, if revenues recovered in this way? They would be horrified if revenues actually did recover this way and, indeed, if the way in which our policy change was actually making a difference—anybody in the sector will tell you it has been a welcome contribution to the public policy. I also would—

Mr VAN HOLST PELLEKAAN: Point of order.

The SPEAKER: Yes; Premier, would you be seated? Like the member for Stuart, I am concerned by the interjections of the leader, the deputy leader and the member for Heysen. Accordingly, I warn the leader for the second time, the deputy leader for the first time, and the member for Heysen for the first time. There was something else?

Mr VAN HOLST PELLEKAAN: Yes, Mr Speaker. I ask you to bring the Premier to the substance of the question, which was fairly straightforward: does he stand by his 9 per cent prediction?

The SPEAKER: I will listen carefully to what the Premier is saying.

The Hon. J.W. WEATHERILL: Thank you, sir. What I am trying to do, beyond saying that these will be published in the budget, is to point to the other factors which would tend to give some comfort that those estimates are accurate estimates. I also point out the fine work of the Deputy Premier who, working together with the Adelaide City Council, has created a planning environment which has led to a massive increase of activity in the city. These are all steps which together are stimulating a sector which is doing it tough.

When we see a sector that's doing it tough, we respond, because we understand that there is a role for government. We are not the 'false economy' guys, or the 'let's take our hands off the wheel and let this drive into the ditch' guys; we are intervening to make sure that the public interest is protected. If that means that we have to recalibrate some of our revenue measures, we have to effect some of our regulations—the other regulatory response, of course, was private certification that the Deputy Premier has advanced, which is another welcome sign for the sector. We are sending positive signals for growth in the residential construction sector. I am pleased to say that seems to be having an effect.

BUDGET FORECAST

Mr MARSHALL (Norwood—Leader of the Opposition) (14:21): Why does the Premier's budget forecast payroll tax revenue growth of 7 per cent a year over the forward estimates, given that jobs growth will average just 1.25 per cent a year?

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:22): Because there is not a direct correlation between the way in which—

Mr Marshall: Between employment and payroll?

The Hon. J.W. WEATHERILL: Well, there are thresholds that of course are not indexed, so a number of people actually find themselves in different categories; that is the way in which

those particular revenues are actually enjoyed across the forward estimates. The rate of growth of particular enterprises of a certain size then sounds in a particular revenue impact. But, once again, you will see how we make estimates across the forward estimates as we publish our budget papers.

HAMPSTEAD REHABILITATION CENTRE

Mrs GERAGHTY (Torrens) (14:22): Will the Minister for Health and Ageing update the house about the future of the Hampstead Rehabilitation Centre?

The Hon. J.J. SNELLING (Playford—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for Defence Industries, Minister for Veterans' Affairs) (14:22): I thank the member for Torrens for her question about the Hampstead Rehabilitation Centre, and I note the longstanding support that she has given to Hampstead, particularly as a very strong advocate for continued access for community groups to the gym and the hydrotherapy pool at the site.

At the opening of the new rehabilitation and allied health building at The Queen Elizabeth Hospital on October last year, the government announced it would begin looking at The QEH becoming the major rehabilitation site in central Adelaide.

The government is reviewing the future use of the Hampstead Rehabilitation Centre as it is an ageing site and will need major renovations to remain functional. Also, senior staff and clinicians tell us that the best way to provide contemporary rehabilitation care is by locating inpatient rehabilitation with acute care services. This gives patients easier access to diagnostic and imaging services, and the ability to start intensive rehabilitation sooner.

The Central Adelaide Local Health Network is working on a plan, the Central Adelaide Rehabilitation Services, for broader consultation in the next few months. All options are being looked at in the development of the plan, including the use of the Royal Adelaide Hospital, Hampstead Rehabilitation Centre, The Queen Elizabeth Hospital, St Margaret's Rehabilitation Hospital and Modbury Hospital. Senior clinicians and staff are already part of this process.

Irrespective of any possible changes to the future use of the Hampstead Rehabilitation Centre, the government recognises the importance of retaining access for the community to use the hydrotherapy pool and the gymnasium at the site. I understand the hydrotherapy pool provides access for community swimming groups such as senior fitness classes, breast cancer support groups and after-school swimming.

The gym at Hampstead also provides access for the wheelchair sporting community to a basketball court and a specialised weight room. The government is dedicated to the needs of people who depend upon specialised rehabilitation, and recognises the importance this plays in the life of many disabled people.

HAMPSTEAD REHABILITATION CENTRE

The Hon. I.F. EVANS (Davenport) (14:25): I have a supplementary question. Given the government's commitment to maintain the Hampstead recreation facilities, including the pool, open for community use, why did the government take a different approach and not assist the Balyana pool to remain open? It is also used by the disabled community.

The SPEAKER: That is not a supplementary, but I will give it to you as your next question.

The Hon. J.J. SNELLING (Playford—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for Defence Industries, Minister for Veterans' Affairs) (14:25): My understanding is that it was not a decision the government made. The pool is actually run by an NGO, which made the decision to close the pool.

HAMPSTEAD REHABILITATION CENTRE

Dr McFETRIDGE (Morphett) (14:25): I have a supplementary for the Minister for Health. Why is it that mental health outpatients are not allowed to use the gym at Glenside now, if outpatients at Hampstead can use that gym?

The SPEAKER: That is plainly not a supplementary question, but the Minister for Health may answer if he wishes.

The Hon. J.J. SNELLING (Playford—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for Defence Industries, Minister for Veterans' Affairs) (14:25):

Affairs) (14:26): My reference to Hampstead is about community groups accessing the pool and the use of the gymnasium, the basketball court and the weight room, irrespective of whether or not they are outpatients. These are community groups, not necessarily outpatients at Hampstead.

SOUTH ROAD UPGRADES

The Hon. I.F. EVANS (Davenport) (14:26): My question is to the Premier. How much of the state's contribution to the South Road and Port Road upgrade will be paid next year, given that none of the federal contribution recently announced will be paid in that year?

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:26): I thank the honourable member for his question. All those matters will be revealed in the state budget. It is only a few weeks to wait. We are proud of the fact that we have chosen a priority project that has a 2.4 cost-benefit analysis rating, which means that for every dollar we invest we get \$2.40 of benefit.

I think it is an excellent project, which reflects our commitment to high quality infrastructure that not only provides jobs now but that will also yield long-term benefits for the South Australian community, reducing travel times and congestion. It is another piece in the jigsaw puzzle of a continuous freight network in that most important corridor across South Australia.

A lot of very good work has been done by public servants working closely to analyse the right solution. It is a difficult area to get through, as are other parts of South Road, because of existing residential communities and businesses and very narrow roads. Obviously, an intelligent solution that has had some community consultation has been arrived at, and there is now a more detailed phase of community consultation that will be necessary to land on the final arrangements.

Some of the money will not be expended until we have arrived at a final solution. There are a few choices to be made about different elements of the project. I know that you, Mr Speaker, will be vitally interested in your constituents having an opportunity to express their opinion about precisely how this project will be configured.

SOUTH ROAD UPGRADES

Dr CLOSE (Port Adelaide) (14:28): My question is to the Minister for Transport and Infrastructure. Can the minister update the house on how works along South Road will roll out as part of the Torrens project?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:28): I thank the honourable member for her question. Following the announcement of the \$896 million Torrens to Torrens/South Road upgrade in last night's budget, this state government is keen to see action now for the people of South Australia. I am advised by the Department of Planning, Transport and Infrastructure that the preliminary works, including noise attenuation for the neighbourhoods and service relocation, will begin very soon.

Over coming months the state government will particularly focus on ensuring that residents are kept informed on what is happening with the project. Approximately 60 of the 140 properties necessary for the project to proceed have already been acquired; however, property owners within the project will be advised this week if their properties are required for the project and given advice on the process by DPTI. If their property is required for the project we will work through that with them.

During the next phase of the project we are seeking community input into aspects of the concept. Mr Speaker, community engagement in your constituency will begin in early July. Community reference groups will be established to focus on specific issues in the detailed design, and community open days will be held for people to meet with the project team and discuss any issues with them. I am advised that yesterday the project team doorknocked every residential property that would be required and either met with residents or, if they were not home, left a letter and information about the project.

An honourable member interjecting:

The Hon. A. KOUTSANTONIS: Yes, some of you should try it. The team has now started making appointments to meet individually with owners to talk them through the process for acquisition. I am advised that the businesses that would need to be acquired or relocated were called yesterday. The majority discussed the project with the team, and those who were not available will be called by the end of this week.

Letters will also be sent to business owners this week as a follow-up, as well as property owners, if applicable. I am advised that the residents of Day Terrace and Euston Terrace adjacent to the Outer Harbor rail line were also left with letters and brochures. Meetings are being arranged with the City of West Torrens, the City of Charles Sturt and the City of Port Adelaide-Enfield to occur in the next two weeks to brief them on the details of this project.

Over the next weeks, community reference groups will be established for the project in general and the Queen Street precinct specifically. A site office is currently being prepared for a project team to be established on South Road at the intersection with Torrens Road which will also be used for the community to drop in and find out anything about this project. This office will be ready by mid-June.

Community open days will be held at the site office in July. A project assessment report will be released at the time of the community open days and will provide the next level of detail about the project. After the community days and later in the year, a comprehensive project report will be released that will include the issues raised by the community and any modification that will need to be made to the project in response to those issues.

In the meantime, the project team is progressing with early works that will include a detailed survey and further, more detailed geotechnical investigations in design and relocation of some services and utilities. The project team has started the process of identifying tenants who can be relocated as soon as possible, and some demolition will occur in the very near future.

Neighbours of those properties will also be well informed about what is happening, when and where. The government is committed to delivering this project for the South Australian people in an efficient, compassionate and consultative manner. It is a pity that the federal member for Boothby and the state Leader of the Opposition are committed to cancelling this much-needed project if they are elected.

Ms CHAPMAN: Point of order.

The SPEAKER: Yes, I think the deputy leader is correct. The last remarks of the Minister for Transport were debate, and I rebuke him for it.

SOUTH ROAD UPGRADES

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:32): A supplementary question. Noting the government's consultation as outlined by the minister, if the government, indeed, had firm enough plans for the South Road and Port Road upgrade to apply to Infrastructure Australia in October last year, why did they only start telling people yesterday that they would be acquiring their land?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:32): The money became available in the commonwealth budget. I am not sure what world the Deputy Leader of the Opposition lives in, but we don't acquire properties unless we are doing work: it is pretty basic.

The SPEAKER: Another supplementary.

SOUTH ROAD UPGRADES

The Hon. I.F. EVANS (Davenport) (14:33): Can the minister advise if the government has acquired any property in the Darlington area of South Road?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:33): I don't know if we have acquired properties on the basis of the duplication of the Southern Expressway that is near the Darlington area that you are talking about, but the idea that we would buy mass pieces of property on the scale that I am talking about here before any work is budgeted for would not occur under any government, not even yours.

SOUTH ROAD UPGRADES

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:33): Is the state government planning to tender for the construction of the South Road underpass announced yesterday, review the tenders, select a preferred bidder and sign a contract with them all before the federal government goes into caretaker mode in less than three months' time?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:34): I don't know where you got that idea that we would do all of this, have a design and construction process and sign contracts before the caretaker period. This project will take a number of years. We will make sure that we deliver the project on time and on budget and I expect that, as the project is rolled out, the project will be delivered in a timely manner according to DPTI's procedures.

I think what you are really saying is: if we sign the contracts before the caretaker period, you will not have the opportunity to cancel the project if you are elected in March, which is what you are really concerned about. Given—I think we have just belled the cat—that if they are elected they are going to cancel the project like Dr Southcott announced yesterday—

Mr VAN HOLST PELLEKAAN: Point of order, sir!

Ms CHAPMAN: Point of order.

The SPEAKER: The member for Stuart was first.

Mr VAN HOLST PELLEKAAN: The minister is clearly debating the issue—standing order 98, Mr Speaker.

The SPEAKER: No, actually, I don't think he is. I think it was actually the substance of the question. The substance of the question was: is the state government going to do a series of procedures which would lock in the South Road project before the federal election?

Ms CHAPMAN: Point of order. If it is his question, I make a point of order; if it is your question, I object to it. What I actually said, sir, I am happy to repeat for your benefit: is the state government planning to tender for the construction of the South Road underpass announced yesterday, review the tenders, select a preferred bidder and sign a contract with them, all before the federal government goes into caretaker mode in less than three months?

The SPEAKER: Yes.

Ms CHAPMAN: There is no suggestion about obligations in respect of the contract, sir—not in this question at all.

The Hon. A. Koutsantonis: She's just asking, sir. It has nothing to do with one of her colleagues yesterday saying they would scrap the project.

The SPEAKER: What is the point of order?

Ms CHAPMAN: The minister stood up to attempt to answer the question and, in his response, just before the previous point of order was made, he then said, 'Ah, no, but what the member is really asking is XYZ.' Now, we ask the questions, sir, as you appreciate, and the minister was posing a new question—what he claimed the position was—and then proceeded to answer it. I take that point of order.

The SPEAKER: The minister's reformulation of the question has no influence on my judgement of what is relevant. Minister.

The Hon. A. KOUTSANTONIS: There are, I suppose, four parties in this. There is the commonwealth government, the commonwealth opposition, the state government and the state opposition. Of those four organisations, three have declared their hand. The commonwealth opposition has said that if they are elected, they will scrap the project. The commonwealth government is committing to the project. The state government is committing to the project. The only person who is silent on this is the Leader of the Opposition. Yesterday his colleague, Dr Southcott, member for Boothby, said on radio—

Ms CHAPMAN: Point of order, Mr Speaker. I've asked a question about the process and taken a point of order; I made a very clear question in respect of the process. If in fact—

Mr Marshall interjecting:

The Hon. A. Koutsantonis: Pay attention. Feeling better? Feeling better, when you ran away yesterday?

The SPEAKER: I call the Minister for Transport to order.

Ms CHAPMAN: Thank you, sir. I have asked a very specific question in relation to the process, the tendering and the contract. The minister is now going into debate about what other entities, for which he is not responsible, are claiming to do and I ask you to call him to order.

The SPEAKER: The requirement is that ministers answer the substance of the question and I will be listening to the minister carefully.

The Hon. A. KOUTSANTONIS: Given that the South Road upgrade along Port Road, Grange Road and the Outer Harbor line has become politicised because the commonwealth opposition has said, if elected, they will scrap the project, it then begs the question: given that we would need to sign contracts—which I think is what the deputy leader is saying—will we sign contracts before the caretaker provision that locks in a future commonwealth government after the upcoming federal election to the project?

I suppose it is fair for me to surmise from that question, given that the opposition is the only party not to have declared their hand on this, not to have said whether they support the project or do not support the project, that they are looking to scrap this project. I think it is fair for the government to say that and pose that question to the opposition: do you support the upgrade of South Road along—

Mr Marshall interjecting:

The Hon. A. KOUTSANTONIS: Well, okay—given that we are less than a year out from the election, the alternative premier of South Australia will not tell the people of the western suburbs whether or not he supports the upgrade of Port Road, Grange Road and Outer Harbor. What a disgraceful position and a cowardly position to hold!

The SPEAKER: Has the minister finished?

The Hon. A. KOUTSANTONIS: Yes, sir.

Ms CHAPMAN: Supplementary, sir.

The SPEAKER: Is it supplementary to the question or the answer?

SOUTH ROAD UPGRADES

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:39): Given the answer, I do have a supplementary. In the event, minister, that Mr Abbott is successful at the election, will you be supporting financially the Darlington upgrade?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:40): I have made it very clear and the government has made it very clear that as to the proposal by the Coalition to upgrade Darlington, they provided \$500 million and are requiring a co-contribution from the state government of \$250 million. On conservative advice from the department, that is short by \$250 million. Now, even if we had contributed the half a billion dollars required to match their half a billion to do the project properly—

Members interjecting:

The Hon. A. KOUTSANTONIS: Pay attention.

The SPEAKER: Minister, would you be seated? I warn the deputy leader for the second and final time, and I call the member for Waite to order.

The Hon. A. KOUTSANTONIS: He took one for the team, sir. I don't think it was actually him.

An honourable member interjecting:

The Hon. A. KOUTSANTONIS: No, a dobber would be me naming you, but you are so irrelevant it doesn't matter. Given that the Coalition's policies to upgrade Darlington without any public transport or rail overpass and the department's advice to do it properly would be \$1.8 billion, I think it is fair to say unless they stumped up another \$1.3 billion, we wouldn't be doing it.

SOUTH ROAD UPGRADES

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:41): My question again is to the Minister for Transport and Infrastructure. When the former minister for transport stated in December last year regarding the South Road upgrade at Port Road, 'There is no project that we

intend to propose to the community at this point in time,' is it correct that the government had already sent a specific proposal to Infrastructure Australia for funding?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:42): I don't know when the former minister said that comment. I don't know—

Members interjecting:

Ms CHAPMAN: Point of order, Mr Speaker.

The SPEAKER: Deputy leader, I will take that point of order in a minute, but first I must call to order the member for Kavel, who is causing the entire backbench to erupt. Deputy leader, you have a point of order.

Ms CHAPMAN: The minister indicated that he didn't understand when this was said. I can confirm to him it was 12 December last year.

The SPEAKER: The member for MacKillop was ejected from the chamber for exactly the same offence yesterday.

An honourable member interjecting:

The SPEAKER: Yes, the member for MacKillop may have been right in his impromptu remarks. He may or may not have been right, but they were not a point of order. I am going to overlook this breach by the deputy leader. I am going to ask the Minister for Transport and Infrastructure to continue his answer.

The Hon. A. KOUTSANTONIS: I just want to get on *Hansard* the member for Davenport saying that she was right. I think that is the first time you have paid her a compliment. Well done. If I understand the question correctly, it was that the former minister was asked at a specific point in time last year whether or not we could announce a project and South Road was going to be upgraded along Grange Road, Port Road and Outer Harbor, and he said at that point in time, no. Well, he would have been right because we weren't ready yesterday, so we were ready yesterday. We announced it yesterday and if he said he didn't have an intention to announce it at that point in time, he would have been right then, too. We were ready to announce it yesterday, and we did, and it was a very welcome announcement.

Members interjecting:

The SPEAKER: I call the member for Morialta to order.

MANUFACTURING SECTOR

Mr ODENWALDER (Little Para) (14:44): My question is to the Minister for Manufacturing, Innovation and Trade. Can the minister inform the house how the state government is assisting local industries to achieve efficiencies through innovation?

The Hon. T.R. KENYON (Newland—Minister for Manufacturing, Innovation and Trade, Minister for Small Business) (14:44): I thank the member for Little Para for this question. I know he has a lot of manufacturing in his electorate; there is a lot to do, and he is a very strong advocate for that in his area. We know that South Australian manufacturers need to be smarter in what is an increasingly competitive world market. That is why encouraging innovation and advanced manufacturing is one of this government's strategic priorities.

I am very pleased to be able to tell the house that the Weatherill Labor government has just committed \$100,000 to a Barossa Valley consortium that is undertaking a new study under the state government's CleverGreen Eco-Innovation program. This program is a three-year, \$3 million program that assists companies develop solutions that promote resource efficiency and reduce waste. Under this partnership Barossa-based winery Yalumba has joined with Tarac Technologies to successfully submit a grant application to develop a solar vacuum heat pipe collector through a feasibility study involving the University of Adelaide.

This grant will help progress an innovative, environmentally sustainable project that could one day apply to the whole wine industry. If successful, it could mean that winemakers could achieve greater resource efficiencies on an industrial scale. The study will involve a concept design of a solar vacuum heat pipe collector system for a typical winery and evaluate economic energy and environmental benefits. I am told that the solar absorber is surrounded by a vacuum inside a glass pipe, resulting in minimal heat loss from the collector because it is inside this vacuum.

It is hoped that through this process the solar vacuum heat pipe connector will ultimately produce clean, renewable energy to heat water. This will be of significant benefit for wineries that require considerable volumes of hot water for cleaning. The annual cost of heating hot water for wineries and wine bottling facilities for the South Australian wine industry is estimated to be well in excess of \$2 million. I am proud of the strategic role the state government is playing in providing a strategic framework for the manufacturing sector to innovate, transform and develop. I commend this project to the house and wish Yalumba, Tarac Technologies and the researchers at the University of Adelaide all the best in their endeavours to innovate.

E-MERGENCY CONNECT

The Hon. P. CAICA (Colton) (14:46): My question is to the Minister for Finance. What is the government doing to improve collaboration and communication for emergency services volunteers?

The Hon. M.F. O'BRIEN (Napier—Minister for Finance, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (14:47): I am answering this in my capacity as Minister for Emergency Services, and I thank the member for Colton for the question. On behalf of the government, indeed, all members in this place, I put on record our sincere appreciation of the Country Fire Service volunteers who acted so bravely and efficiently in quelling the Cherryville fire. CFS volunteers from surrounding areas were assisted by brigades from across the state, including Port Elliot, Victor Harbor, Aldinga, Strathalbyn, Mannum, Murray Bridge, Nuriootpa, One Tree Hill, Roseworthy, Peterborough, Burra, Crystal Brook, Bute, Kadina and Port Victoria. This is not the complete list but a snapshot of the areas that provided assistance.

It was a timely reminder of how much we rely on volunteers and why we should give them every possible support. To answer the member's question, volunteers from the CFS and State Emergency Service can now share their experiences and knowledge online, as well as take part in online training courses following the launch of the new web portal for emergency services volunteers. The E-emergency Connect volunteer portal provides CFS and SES volunteers with new tools to communicate, collaborate and undertake training.

The E-emergency Connect portal allows all CFS and SES volunteers to log in with a single set of login details and use centralised email, calendars and web conferencing at any time and place that suit them. By using the Microsoft Office 365 application, volunteers will be able to create, read and edit relevant office documents from almost any internet connection, hence improving administrative systems.

New online training is also being developed, which contains several new courses, including safety and wellbeing for existing volunteers and induction for new volunteers. This will reduce the time to complete induction and reaccreditation. Training can be done by volunteers at their own convenience—at home, work, the station, brigade or unit. The state government has provided \$5.6 million in funding for E-emergency Connect and the federal government has provided \$2.5 million.

As part of the investment, more than 360 CFS and SES sites have received new computers or laptops, security and virus protection software, network printers and managed broadband internet access. CFS and SES volunteers now have access to free IT helpdesk support between 8am and 9pm on weekdays to assist in using the volunteer portal. The launch of the volunteer portal coincides with National Volunteer Week, which runs to 19 May. I would like to thank—and I think I express the sentiment of the entire house—all of our emergency services volunteers for the sacrifices they make to protect life and property and to keep our community safe.

SOUTH ROAD UPGRADES

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:50): My question is to the Minister for Transport. Has the transport department ever provided the member for Croydon with information stating that the South Road-Port Road upgrade would cost \$2 billion?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:50): I don't have any specific information on what he has been briefed on. I'm sure I'll ask him afterwards whether or not he's received any information but, given the history of the opposition in getting the numbers wrong—they estimated the upgrade—

An honourable member: At least we can spell.

The Hon. A. KOUTSANTONIS: Who is that? Who is that? A hundred and forty grand a year and you won't ask a question.

Members interjecting:

The Hon. A. KOUTSANTONIS: A hundred and forty thousand a year and you won't ask one question. Mr Speaker, I don't know if you've received any briefings—

The SPEAKER: Yes, point of order.

The Hon. I.F. EVANS: The minister keeps interjecting about \$140,000 and he won't ask a question. The minister, of course, is on \$250,000 and can't answer one.

The Hon. A. KOUTSANTONIS: Well, at least I can count past eight.

Members interjecting:

The SPEAKER: Minister, be seated. The member for Davenport will leave the chamber for the rest of question time.

The member for Davenport having withdrawn from the chamber:

The SPEAKER: The minister.

The Hon. A. KOUTSANTONIS: I will inquire to the parliament whether I have given you any briefings. I am not aware of any briefing that has been sent to the member for Croydon's office that has that figure in it. If the member for Bragg has any information, I urge her to table it right now.

SKILLS FOR ALL

Mrs VLAHOS (Taylor) (14:52): My question is to the Minister for Employment, Higher Education and Skills. Can the minister inform the house about how the government is delivering education and training opportunities to people in our community, particularly in the northern region of Adelaide that I represent.

The Hon. G. PORTOLESI (Hartley—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy) (14:52): Thank you, Mr Speaker, and can I acknowledge the member for Taylor. She certainly does represent her constituents very well and with fierce advocacy, I have to say. Can I thank her for her work on their behalf. As the member for Taylor well knows, as do I, those of us in our community who invest in upskilling are much better equipped, obviously, to access improved employment opportunities. Training does much more than just improve the outcomes for individuals.

A better qualified, more skilled workforce plays a very significant role in improving local productivity. This is especially critical now because, as we all know, local businesses and industry are working in a very competitive global marketplace. Our Skills for All education and training initiative has enabled thousands more people in our northern suburbs to take up training courses that will support their skills and this region's productivity. In fact, just this weekend I attended the Tertiary Studies and Careers Expo, where I launched the 2013 Career Choices booklet, which provides—

Ms Thompson: An excellent booklet.

The Hon. G. PORTOLESI: —students—yes, an excellent booklet, says the member for Reynell—and jobseekers information about training options and job prospects across 32 industries. I should also take this opportunity to mention that the economic statement, released by the Premier recently, highlights the importance of supporting key sectors, including advanced manufacturing and mining-related innovation, all of which are very relevant to this region of Adelaide.

As part of our support for training in these sectors, I was delighted to recently join in marking the start of work on building our new \$38.3 million Mining and Engineering Centre, which is located in the northern area of Adelaide. It is a fantastic facility and is shaping up beautifully. This will provide our state with a centre of training excellence in the mining, engineering, advanced manufacturing, defence and transport industries.

These, and other industries and businesses in the north, all require people with high level skills and qualifications. The latest available data for Skills for All shows we have had a statewide 43 per cent increase in enrolments for training since 1 July last year when we introduced Skills for All. That means that nearly 23,000 extra students have undertaken a course or qualification. In the

northern suburbs, there were more than 12,800 enrolments for the second semester last year. That means there are an extra 3,847 publicly funded qualification course enrolments, which are also a 43 per cent increase on the previous period for this region.

This increase in training under Skills for All is not only restricted to Adelaide's north. We have seen increases in training right across the state—in the Mid North and Yorke Peninsula, southern Adelaide and the Limestone Coast, and every local region. I am absolutely delighted that students in the northern suburbs are gaining nationally recognised qualifications (of course, I acknowledge the minister sitting beside me, who has a strong interest in this area) and they are obtaining qualifications in a wide range of areas, including children's services, driving operations, accounting, education and skills development, construction and warehousing operations that are among the most popular courses in the northern suburbs. I take this opportunity to congratulate local businesses and industries and, of course, local families.

ASBESTOS, SCHOOL

Mr PISONI (Unley) (14:56): My question is to the Minister for Education and Child Development. Does the minister believe that there is a safe level of exposure to chrysotile asbestos, as she implied in her ministerial statement yesterday?

The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:57): Sir, I implied no such thing and, in fact, have taken advice from the department, which it received from the Department for Health. We have put in place a timely notification to parents about this particular situation that has occurred in an outer metropolitan school.

I was very careful yesterday not to name the school or give any indication of which school it is, because we wanted to provide the parents impacted by this the courtesy of having that information before the school is identified in the media. Sadly, other people have taken a different view, and I understand from reports in *The Advertiser* today that the member for Unley named that school, causing even greater concern and distress to parents of that school.

ASBESTOS, SCHOOL

Mr PISONI (Unley) (14:58): Supplementary, sir. Can the minister confirm if students were in the classroom when the whiteboards were installed?

The SPEAKER: That is not a supplementary but I will grant it as another question. Minister for Education.

The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:58): We have identified, as I understand it, the students and the teachers who were in the rooms the day the whiteboards were installed, and they are the parents that we were attempting to notify prior to the member for Unley's doing a dash for a headline and putting out that information that caused great concern. It would be really nice to see, on one occasion, the member for Unley having concern about children rather than his own publicity.

Mr PISONI: Point of order, sir. I believe that is debate.

The SPEAKER: Yes, I think it is.

Mr PISONI: I have a supplementary, sir.

The SPEAKER: I hope it is a bit more supplementary than the last one.

ASBESTOS, SCHOOL

Mr PISONI (Unley) (14:58): Why did the department take four years to inform parents at the outer metropolitan school of their children's exposure to asbestos?

The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:59): I explained that very carefully in my ministerial statement yesterday. When that site was initially inspected, there was no asbestos recorded.

The Hon. J.W. Weatherill interjecting:

Ms Chapman interjecting:

The Hon. J.M. RANKINE: Yes, in 1996, no asbestos was recorded, as I am advised.

The Hon. J.W. Weatherill interjecting:

Ms Chapman interjecting:

The SPEAKER: Would the Minister for Education be seated? If I hear one more word out of the deputy leader, she will be leaving for an hour. I also call the Premier to order for goading the deputy leader. The Minister for Education.

The Hon. J.M. RANKINE: I went through very carefully in my ministerial statement yesterday about the circumstances and I would refer the member for Unley back to my ministerial statement rather than put everyone through the trial of listening to it all again. I cannot answer for the recollections of other people, but what I can say is that I am grateful that one of the people at that site recalled what had occurred and had the courage to approach the principal so that we can take some action and advise parents. I would encourage anyone, if they recall things that occurred before a facility was registered on that asbestos register, to come forward with those recollections.

ASBESTOS, SCHOOL

Mr PISONI (Unley) (15:00): My question is again to the Minister for Education and Child Development. How many other public school sites have been identified as having asbestos registers that are not up to date?

The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (15:01): The advice I have is that every site that is registered as having asbestos present is inspected annually.

FLINDERS MEDICAL CENTRE

Dr McFETRIDGE (Morphett) (15:01): My question is to the Minister for Health. Was there significant ramping of ambulances at Flinders Medical Centre yesterday and did a media adviser clash with a television cameraman to seek to prevent him from filming ambulances ramping at Flinders?

The Hon. J.J. SNELLING (Playford—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for Defence Industries, Minister for Veterans' Affairs) (15:01): There are two questions there, I will take them in sequence. The first is that, over a half-hour period, 12 ambulances arrived at the emergency department at the Flinders Medical Centre. That is a very significant presentation of ambulances in a very short period of time. Four of those patients were critical and needed to be seen immediately, including I think two who needed resuscitation. Those four critical patients were all seen immediately. There were some delays, of course, with the other patients, as you would expect when you have such a large number of presentations at an emergency department in a very, very short period of time.

To the second question, I have certainly seen reports that there was some sort of clash, or whatever you might want to call it, between an employee of the Southern Adelaide Local Health Network and media. I was not there myself so I am not really in a position to comment. I understand that people who feel aggrieved are in the process of submitting complaints. The appropriate place to take that up is with the chief executive of the Southern Adelaide Local Health Network, who is that person's employer.

FLINDERS MEDICAL CENTRE

Dr McFETRIDGE (Morphett) (15:02): My question is again to the Minister for Health. Why is there significant ramping still occurring at Flinders Medical Centre given that there was an investigation done into the workings of the ED?

The Hon. J.J. SNELLING (Playford—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for Defence Industries, Minister for Veterans' Affairs) (15:03): The simple answer is because over a half-hour period yesterday afternoon between 4.00 and 4.30 there was a presentation of 12 ambulances. That is a very large number of ambulances in a very short period of time. As I said, four of those patients were critical and all four critical patients were seen immediately. I have as my first priority that patient care is not compromised, and my very strong advice from my department is that at no stage yesterday afternoon was patient care compromised. With regard to the Monaghan report, the government has accepted all the recommendations of the Monaghan report and those recommendations have either been implemented or are in the process of being implemented.

457 VISAS

Mr HAMILTON-SMITH (Waite) (15:04): My question is to the Minister for Industry and Trade. Does the minister disagree with Prime Minister Gillard's view that the 457 visa system is being rorted and needs to be cut back?

The Hon. T.R. KENYON (Newland—Minister for Manufacturing, Innovation and Trade, Minister for Small Business) (15:04): The federal government has a view on 457 visas. If they believe they are being rorted they are the overseer of those visas and they are able to take appropriate action through their processes and their control of the immigration process. I will say that 457 visas serve a useful purpose and they are important to business. They are used by the state government, as members will know, and there is no abuse of them by the state government.

457 VISAS

Mr HAMILTON-SMITH (Waite) (15:04): A supplementary question, again to the Minister for Trade, in light of his answer: if the federal or state governments have concerns about rorting of the 457 visas, why then is the public sector in this state the largest employer of 457 visa holders?

The Hon. T.R. KENYON (Newland—Minister for Manufacturing, Innovation and Trade, Minister for Small Business) (15:05): The federal government may have concerns about the rorting; they are in charge of that process, and they can go about fixing it. They are the people who do the inspections and take control of the immigration processes. The state government uses them mainly in health, to fulfil skills needs mainly in regional areas. We are not rorting them; we use them as we need to, and I am confident the state government is not rorting them.

SCHOOLS, FINANCIAL MANAGEMENT

Mr PISONI (Unley) (15:05): When was the Minister for Education and Child Development first made aware of the allegations of serious financial mismanagement at Murray Bridge High School, and when did the investigation begin?

The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (15:06): I first became aware of the issue in relation to Murray Bridge, from recollection, I think it was in March, and it was raised by a member in the other house. Sorry, what was the other part of your question?

Mr PISONI: When did the investigation begin?

The Hon. J.M. RANKINE: Okay. I will come back to the house with an answer in relation to that. I am not sure when that commenced, but there were claims put to me in March by a person in the other house. I understand she was corresponded with and that the investigations were underway at that time.

NATIONAL VOLUNTEER WEEK

Ms THOMPSON (Reynell) (15:06): Can the Minister for Volunteers inform the house about activities held as part of National Volunteer Week?

The Hon. A. PICCOLO (Light—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers) (15:07): Mr Speaker, I am pleased to inform the house that on Monday I attended the South Australian launch of National Volunteer Week. This year's theme is 'Thanks a Million' and highlights the individual and collective effort of the approximate 713 million hours given by Australian volunteers every year.

Volunteers make an enormous contribution to South Australia in many ways. It is estimated that up to 45 per cent of South Australians volunteer formally with a local community organisation or group, providing an estimated 1.6 million volunteer hours per week. A further 51 per cent volunteer informally, by doing things like helping a neighbour down the street with their shopping, etc.

While all of these total figures are very impressive, we must not lose sight that the dedication and contribution of individual volunteers is what is paramount and important. Volunteering remains a very personal commitment. Whether it is delivering meals, helping others in an emergency, patrolling our beaches, running our sporting clubs or supporting the needs of others, volunteers make a real difference to the lives and to the community in which they live.

Volunteering also makes a very important contribution to the social fabric of our society. While it is easy to calculate its economic benefit—and I think the last figure I heard was at \$5 billion annually—its social benefit, I believe, is more important. Volunteers help to connect people and build community. Communities with a strong volunteer ethos are healthy and resilient communities, and they continue to prosper.

In my previous role as mayor of Gawler, I was able to see firsthand the wonderful work of volunteers in my own local community. For example, volunteers dedicate many hours to service clubs, Meals on Wheels, looking after our natural and built environment, Girl Guides, Scouts, weekend sports, our schools and churches and supporting the young, the old and those in need, just to name a few.

To assist our community organisations and clubs in acknowledging the contribution of their volunteers, the government has offered a new recognition certificate program for this year's National Volunteer Week. More than 5,000 signed certificates have so far been distributed, and a further 283 volunteers will receive the Premier's Certificate for Outstanding Volunteer Achievement. I hope that all South Australians will join me and others to thank the volunteers and acknowledge their contribution in not only this week, but in the future as well.

GRIEVANCE DEBATE

FEDERAL BUDGET

The Hon. I.F. EVANS (Davenport) (15:09): I want to make a few comments about the federal budget and its implications for South Australia, in particular the issue with regard to South Road. In relation to the federal budget, let us look at the similarities between federal Labor's budget management and state Labor's budget management. The federal Labor government has run five deficits in five years; the state Labor government has run six deficits in seven years, and the only reason it got a surplus in that extra year was simply because the federal government bailed it out to the tune of \$1 billion.

The federal government has a record debt of \$192 million; the state government has a record debt of \$14 billion. The federal government has no credible path back to surplus; the state government has no credible path back to surplus. The federal government is looking to raise an extra \$25 billion in taxes over the forward estimates, and this state government is looking to introduce a car park tax. The reality is that if you look at Labor's DNA it is the same: high debt, lots of deficits, high taxes, and the budgets, both federally and at the state level, absolutely in tatters.

Let us have a look at the GST issue. The Premier is in here today crying poor, that the GST has been written down by \$300 million over five years. That is \$60 million a year on average. What the Premier is crying poor about is 30 days' interest on the state debt. The state debt is climbing to \$14 billion and the interest is climbing to over \$800 million a year, which turns out to be about \$2 million a day. So if you are looking at a GST writedown, as the Premier puts it, of \$60 million a year on average over five years, that is simply 30 days' interest. So when the Premier trots out that the level of debt does not matter, let us just remember that what he is whingeing about is a difference of 30 days' interest on the state debt.

I think we all realise that the state debt is causing us budget problems, and that is actually the Premier's problem. This government's problem is simply this: in 2005-06, in 2007-08, in 2008-09 the Auditor-General wrote to everyone in the parliament, in his annual report saying, 'hello, you're spending too much money. Be careful if your revenues drop.' What did the Auditor-General say? He said:

Given the forecast expectation that such revenue growth may not be sustained, control of expenses will be important.

What did the government do? It went and overspent by \$370 million the next year. There was another warning in 2007-08, and what did the government do in response to that warning? It went and overspent by \$304 million. In 2008-09 there was another warning from the Auditor-General and, just in case the Auditor-General missed it, the government went and overspent by \$670 million.

This government's problem has been that in the good times it went out and spent every cent; that is the problem with this government. It has run six deficits in seven years and those deficits total \$2,000 million dollars of over-expenditure. A total of \$2,000 million dollars and the Premier comes in here today and cries poor over \$300 million of GST over five years. What he forgets to say is that there is \$285 million extra in special purpose payments coming in during that

same time. So let us be clear: the state government's budget woes are of the state government's making.

I want to quickly touch on South Road. The Sturt Road/South Road intersection is in the electorate of Davenport, my electorate, and I remember the 2006 announcement by this government when it went out and said, on 18 March, that it was going to do the overpass at Sturt Road and South Road for \$140 million. Now, Tony Abbott comes out and announces \$500 million towards a project, and all of a sudden the government changes tune. The Darlington project was its priority in 2006, in 2007, in 2008, in 2009, in 2010, in 2011, and in 2012 and the only time the government changed its priority from fixing up the Darlington, South Road, Sturt Road intersection was the day after Tony Abbott said he would do it. This government is hopeless.

The DEPUTY SPEAKER: I call the member for Port Adelaide.

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Port Adelaide has the call.

PARAFIELD GARDENS COMMUNITY CLUB

Dr CLOSE (Port Adelaide) (15:15): I rise today to speak in praise of the Parafield Gardens Community Club on Shepherdson Road, Parafield Gardens. The club is a real hub of community activity. Whenever I go, I see so many residents of the area there for many different reasons. On Friday night, when I have been there for a relaxing meal, it is obviously a place where families and mates get together for socialising, enjoying a drink and some good food. However, it is about much more than that. Nearly every day of the week, the club hosts different events for different groups, all of which contribute to a healthy and strong community.

Last week, I attended the Northern Volunteering SA Volunteers Awards at the club where we celebrated the work of many volunteer-based groups around the northern suburbs. We were also treated to a presentation by some very impressive young people from the Bhutanese community. Every month, the club is the host for the Salisbury Rotary Club business breakfast, and despite my unshakeable dislike of getting up early I have enjoyed going along to meet the entrepreneurial and energetic business people from around the Salisbury area.

The club provides a place to go for people in the community to meet up with others and to have some fun. For example, every Monday at 7pm you can try your skills at the trivia competition; Tuesdays, the over 50s club meets from 1pm and members play indoor bowls, bingo, darts and eight ball; speakers come along; and people also go on subsidised trips. Thursday night is bingo, and Friday night you can not only go along for a good meal as well as enjoying happy hour, but there is a members' raffle. Saturday starts with the big breakfast and every Saturday night there is live entertainment.

The club was founded by, amongst others, Robyn Aldridge, the husband of the terrific mayor of the City of Salisbury, Gillian Aldridge. It was established in 1973 and I believe was granted the original land by Don Dunstan himself. It was a far-sighted decision as the club has provided a lynchpin for the community, a base to meet and spend some time together.

The club has recently renovated nearly all of the interior and has nearly completed a large extension. But the physical assets are secondary, as always in the community, to the people who make the club: the members and visitors; the clubs and groups; and the staff, particularly the hardworking and dedicated manager, Greg Saunders. I do not think I have ever been there without seeing Greg early in the morning, late at night, working hard for the club and the community.

DESALINATION PLANT

Mr WILLIAMS (MacKillop) (15:17): Yesterday in question time, the Premier was asked a question about the cost benefit analysis of the South Road Upgrade, compared with the cost benefit analysis on the Adelaide desalination plant. The Premier started his response thus:

Can I say, this is precisely the nonsense that is being spread around by the opposition about the desalination plant which has absolutely no substance.

He went on to say:

Let me explain. The reason why the desalination plant was not pitched to Infrastructure Australia—

He went on to make the case that Infrastructure Australia would only analyse the cost benefit of the desalination proposal on a very economic basis and would not, indeed, take into account that this

was an important piece of infrastructure in the government's opinion, at least, to provide water security. He tried to make the point that Infrastructure Australia would not look at the social benefits of that particular project.

I raised the point during question time that the government did pitch their proposal at Infrastructure Australia and, as luck would have it, we have the benefit of a paper from the Australian National Audit Office titled 'Grants for the construction of the Adelaide desalination plant', a very damning paper on this government. It talks about the fact that back in October 2008 the South Australian government did, indeed, put an application to Infrastructure Australia and the project was included on the interim infrastructure priority list.

Having been given interim priority, Infrastructure Australia then went back to the government to seek further information. The reason they did that is that Infrastructure Australia concluded that the Adelaide desalination plant expansion proposal was not supported by a robust cost-benefit analysis. Indeed, it was not supported by very much at all according to this document from the federal Auditor-General.

Then, having got wind that they were in trouble with the project, the then premier—this Labor government—wrote directly to then prime minister Rudd. 'Let's do a mates deal behind closed doors,' was the import of that letter, I believe. The report goes on to say that, indeed, the May 2008 budget papers stated that funding should only be provided to public infrastructure projects that meet a minimum benchmark social rate of return.

The Premier stood here yesterday and tried to claim that the cost-benefit analysis was very economic, but the criteria used by the federal government talk about the social rate of return. How could the Premier stand up and say that they were not satisfied that they would get a fair hearing through Infrastructure Australia because this was about water security, when Infrastructure Australia's criteria specifically talk about a social rate of return?

I think the real reason is that the advice given to ministers about the proposal to fund the Adelaide desalination plant indicated that the proposal was not supported by a full business case, and the quality of the costings was low and the commonwealth's exposure to project risk was high. That is the real reason—not supported by a full business case—and the quality of the costings was low. The reality is that the government never really made a serious application, but when they realised that their application was about to fall, they pleaded to the then prime minister.

This is a very damning report on the process of awarding finance to double the size of the desal plant. It is damning on the process to award the first \$100 million on the original project but even more damning on the awarding of a further \$228 million to double the size of the project. The Premier yesterday went on to claim that part of the reason that they went about this process to secure funding was that, 'We wanted to save water for the River Murray.' This report also speaks of that. It says:

...in seeking funding, South Australia did not—

I repeat, did not—

offer to commit to provide any environmental benefits in return for Australian Government funding of the proposal.

'Did not'—so they were certainly not thinking about the River Murray at the time. Further, the Premier said yesterday that some advice that the government had suggested that we could run out of water in South Australia as soon as 2013. This document points out that the proposal to double the size was all about securing water security beyond 2025.

Time expired.

NORTHERN VOLUNTEERING SA INC

Mrs VLAHOS (Taylor) (15:23): I would like to speak this afternoon about an event I attended last Friday just outside of my electorate at the Parafield Gardens Community Club, which the member for Port Adelaide was recently speaking about. The Northern Volunteering SA National Volunteers Week volunteer recognition awards and luncheon, which was held last Friday at the club, was a really excellent afternoon.

Around 130 people were in attendance and 23 organisations from the northern suburbs attended the event. This included two organisations whose volunteer programs Northern Volunteering's Peter Heyworth and Teresa had helped establish. Together we were entertained by a local group of youngsters who were indeed celebrating their fifth anniversary of settlement in

Australia last Sunday, that is, the Bhutanese youth group, and what wonderful citizens they are and what futures they have in our country as young leaders.

I would like to place on the record some of the important people who should be recognised in the northern suburbs for the contribution that they make in this important 'Thanks a Million' National Volunteers Week. In our state alone there are about 900,000 volunteers who contribute to community activity. In fact, I think they are often the glue that makes our community work.

I would like to place on the record my appreciation to the Zonta Club of Gawler for their emergency kits for girls. These emergency kits for girls are provided to upper primary and secondary girls. They increase school attendance for girls who are economically disadvantaged and ensure the girls are able to actively engage in schooling, and provide health care and hygiene support. The feedback from the kids is that it has had a dramatic impact on their self-esteem and their participation in education. To the end of 2012, up to 100 students had benefited from this continued educational program, and I congratulate the women at the Zonta Club for their involvement.

I also commend the Grenville Community Connections Hub volunteers. Over the last 30 years we have thanked 140 volunteers at the Grenville club which has grown in popularity and is now operating 37 weekly programs, numerous events and special themed evenings, markets, forums and three other business units providing opportunities and support for people to live independently in the north.

The Gawler Community House is another great group of volunteers which provides adult courses. The Community Visitors Scheme is an amazing program and, in fact, one of the ladies there has been visiting people for a long time using public transport regardless of the weather, and she is an absolute rock. Friends After Hours from the City of Playford were a highly commended group and they demonstrate the genuine passion and dedication for helping people with intellectual disabilities. Not only do they drive vehicles, they assist participants in completing tasks and they also increase their self-confidence and self-esteem.

I will also place on record that certificates of appreciation were awarded to Fun on Fridays from the City of Salisbury; Justice of the Peace Service of the Salisbury city council; Community Kids at the Playford Village Baptist Care, which conducts monthly visits by children aged three and four from local child care to elderly residents in aged care facilities; the Friends of Playford Library for the wonderful work they do in raising money for the library, running book stalls, baking cakes, donating raffle prizes, and attending markets and festivals to publicise the library; and Willo's Men's Shed which is another Gawler initiative providing a local opportunity for men to engage in woodwork and metalwork projects throughout the local area.

There are a number of personal volunteers who need to be recognised, including the highly commended Dieter Fabig from the German-speaking Aged Services Association. Described as an exceptional person on the day, Dieter has for three years shown a great commitment to serving the client group who are senior members of the German-speaking community. He is always friendly, helpful and 100 per cent reliable. The board of management particularly value the work he has done. They describe him as the living backbone of *German Voice*, the only German radio program in SA, with the community enjoying a lively and entertaining program.

Carmelina Allcroft is the Administrative Volunteer of the GP Plus Health Care Centre at Elizabeth was also highly commended. A certificate was awarded to Jackie Tadman who is an admin services officer at Smith Family (North Team). Angela Busutil has been involved in the 'Eyes Down Bingo' for the last 15 years and was recognised for volunteering at the bingo booths on a regular basis with United Way SA.

With all of these people in the northern suburbs, it shows the true depth and passion of volunteering in the north. In this wonderful week of volunteering, I would like to place on the record my thanks and I am sure that of all my parliamentary colleagues for the wonderful work they do for their communities wherever they are in South Australia.

EDITHBURGH PRIMARY SCHOOL

Mr GRIFFITHS (Goyder) (15:28): I follow on from the member for Taylor in thanking a group of people. In my case, it is the Edithburgh Primary School. Last Saturday I had the great honour of attending the centenary of the school's location at its current site. There were about 270 people there and when you think of the fact that the school currently has about 15 students

and that as little as 10 years ago it had about 90 students, it shows some challenges that regional communities are facing. It also shows the level of pride and spirit that still exists.

Many of the people who came back were from the 1950s onwards. There was a really large number between 1950 and 1980. Many of the names I recognised because I had grown up in the region. I was lucky enough to have my mother with me on that day. My mum had not gone to school there; she went to school at Coobowie which is about three miles away, if I can use the old term. I went there for my first couple of years. She knew a lot of the people because there had been a lot of sporting teams and that sort of thing. When you walked around, even though they were all much older (and we are all much older), you could see the pride they had in the place.

The events started on Friday. It involved school visits. Each of the students at the school were involved in all three days, and I commend them on the fact that they gave up their weekend to be part of the event. Walking around you could see groups of people talking to each other, and in many cases they probably had not caught up for 30 years. They relived their memories: they talked about their first smoke out behind the playground, or their first kiss, and all of the sorts of things that occur in primary schools.

It was congratulations to them, especially in a difficult time for the school when numbers are critical. Last year they got down to about 15 students again, but if they had everyone who could have gone there they would have had 28—but other families had chosen to move to different areas to educate their children. It shows that even though it is their last few years (and I hope it is not as it is probably a challenge for them to continue) they still have great pride in what they do.

It would have been easy to say that it was all too hard and that they did not need to do this, but there was strong support from the governing council, very strong support from the staff who work at the school, and an exceptional level of support that came from old scholars who still live there and who wanted to live the glory days from when they were children. So, they put in the effort and they had great support from community groups who did the catering for the various afternoon teas, lunches, and a dinner on the Saturday night. It was wonderful to be with people who forgot about every care they had in the world, whatever financial pressure they had, or health issue they faced, as they came together.

There was one really stark case for me. It concerned a family from Edithburgh called the Jordan's. I know one member quite well as I lived in the same town as him—Yorketown. There were 15 children in this family; seven have passed away since, but the other eight siblings were all there. They are scattered all over the place, so for them it was like a family reunion, and they treated it like that. I think there were a lot of brothers and sisters who came back and saw each other probably for the first time in quite a few years. No doubt the local economy would have boomed from that because accommodation needs were quite high in the area.

I know of one family, the Stehbens, whose father was a builder in the area. He passed away probably 30 years ago. He was a very good friend of my late grandfather, so I am certainly aware of the family. There are four daughters in that family. The old workshop that their father operated has been turned into a B&B by a Mr Keith Molyneux who lives in Stansbury. Even though they are all married, the four girls decided to stay where dad used to operate his business. It had been done up. For the girls it was a special occasion not just for them to be together but to be where their father operated his business.

That is an example of the spirit that exists and it is something that I want to commend, because they showed what country towns—no matter how big the town is—and all communities are about when they come together. It was especially interesting when the speeches were being held. All events involved speeches, and politicians were given the great honour of speaking. When the principal, Mrs Helen Jolly, was talking a flock of birds in a perfect V formation seemingly hovered above the crowd for the time the speeches were going on, and everybody suddenly got their cameras out and took photos. It showed that, no matter what you believe in, a high spirit was involved in helping that town celebrate.

I commend Edithburgh Primary School on its work for the last weekend and all our schools for everything they have done forever. To be at a site for 100 years and to have a lot of challenges in that time through the ups and downs of the community and to celebrate it so well is an absolute credit to them, and I wish Edithburgh Primary School well.

GENERATIONS IN JAZZ

Ms BEDFORD (Florey) (15:33): Today I would like to speak about culture and the arts and the important role they play in shaping and defining our society. On the first weekend in May, for the first time in many years, I was not able to travel to Mount Gambier to support the Modbury High School stage band in their competition performance at Generations in Jazz. Generations in Jazz is an annual weekend jazz festival that brings together many of Australia's most talented, young musicians to participate in and compete for the James Morrison Scholarship, the City of Mount Gambier National Big Band Award and the Generations in Jazz Vocal Scholarship, each bringing prestige and cash awards.

It is a great way for young musos to share, learn and perform and a great opportunity to hear pros like James Morrison, Daryl Somers, Ross Irwin, James Muller and Graeme Lyall perform. Schools from all over Australia, some travelling great distances, make it a highlight of their year and show why music is such an important part of the school curriculum. Following his first season in 2011, US jazz great Gordon Goodwin returned for his third trip bringing with him his Big Phat Band for an exclusive concert and workshops with students.

South Australia was well represented in all categories, with Marryatville High School winning division 1 and third place in division 2, which was won by Immanuel College. Division 3 was an all-Victorian affair for the awards in both sections, with Modbury High placed fourth in its section. Well done to all of them and congratulations to the music staff, students and the families who support them. Full results are on the Generations in Jazz website. Congratulations go to Karyn Roberts, the board and all volunteers who make this four day weekend possible.

Also missing this year was a spectacular talent who Generations in Jazz regulars have come to know and love, and they had a special reason to be absent. After watching Team Ricky's sing-off last night on *The Voice*, Australia has discovered what visitors to Generations in Jazz have known for many years, and that is Emma Pask as the first lady of Australian jazz. Although eliminated, Emma has much to look forward to. Her recently released self-funded album has gone number one on YouTube. She will be working with Ricky Martin on his next—

Mr Gardner: iTunes.

Ms BEDFORD: Sorry, iTunes. You know all of that. Ricky Martin will be working with her on his next album and her unique style and professionalism has brought jazz to mainstream Australia for the first time in many years. I hope to be back in Mount Gambier to see Emma in 2014.

The reason I was not able to attend was because I had been invited to attend the opening of the Museum of Australian Democracy at Eureka in Ballarat. MADE, as it is now known, is a purpose-built facility on the actual site of the Eureka Stockade. It houses the famous old flag that I believe was restored here in South Australia. The museum houses marvellous collections and exhibits to show the evolution of Australian democracy, the reasons and how it was established and enshrined the notion of a 'fair go' and access and equity for all.

Apart from its educative role, it will become a major tourist attraction. It will also host visiting exhibitions and displays from the Museum of Australian Democracy at Old Parliament House in Canberra. It certainly brought home to me the importance of such a place and how sorely we miss here in Adelaide the old constitutional museum that formerly had its home in the old legislative council building. What a vital role such a place played here in South Australia, telling the story of the many firsts to which we can lay claim, for instance the first place to legislate for dual suffrage for women, the secret ballot and much more.

I sincerely hope everyone shares my passion to see again a place where children and adults alike can learn and marvel about our great state's democratic origins and how important it is to have the rights and responsibilities we enjoy in a participatory democracy. The importance of South Australia's role is appreciated by a growing number of people all over the world. Last week, delegates from 30 countries were here in Adelaide for the international convention of the Woman's Christian Temperance Union and toured Parliament House on the invitation of Minister Gago, the President of the Legislative Council, the Hon. Steph Key and myself. Thanks go to our clerk and catering staff and all house staff involved in making this such a successful event.

They came to see this beautiful building and the tapestry in this chamber that depicts, along with Catherine Helen Spence and Mary Lee, Elizabeth Webb Nicholls, the white-ribboner who saw collection of more than 8,000 signatures of the over 11,000 signatures on the petition

which sought franchise for women. The delegates found the Parliament House visit a highlight of the convention and will return to their home countries with a very favourable account of their time here. This sort of value-adding experience is what I know our Minister for Tourism is keen to encourage. The value of 170 delegates visiting is very worthwhile, and I know when we are able to re-establish a constitutional museum it too will play a really valuable part in promoting this state and its rightful place as a world leader in democratic practices.

STATUTES AMENDMENT (REAL ESTATE REFORM REVIEW AND OTHER MATTERS) BILL

The Legislative Council agreed to the Bill with the amendments indicated by the following schedule, to which amendments the Legislative Council desires the concurrence of the House of Assembly:

No. 1. Clause 13, page 7, lines 4 to 11 [clause 13(7), inserted subsection (6a)]—Delete subsection (6a) and substitute:

- (6a) If, in relation to a sales agency agreement, a *notice of expiry* is given in the prescribed manner to the vendor by the agent who has been authorised to act on behalf of the vendor under the agreement—
 - (a) the vendor may, by notice given to the agent before the date on which the agreement is due to expire, indicate his or her intention not to extend the agreement, in which case the agreement terminates on that date; or
 - (b) if notice is not given under paragraph (a), the following provisions apply, subject to subsection (6ab):
 - (i) the agreement may be extended—
 - (A) by agreement between the parties recorded in writing and dated and signed by the parties no earlier than 14 days before the agreement is due to expire; and
 - (B) for a period not exceeding the number of days prescribed by regulation;
 - (ii) if the agreement is not extended under subparagraph (i), it is taken to have been extended by force of this paragraph for the period prescribed by regulation from the time at which it would otherwise have expired.
- (6ab) A sales agency agreement cannot be extended more than once.
- (6ac) If a notice of expiry is not given by an agent to a vendor in accordance with subsection (6a), the sales agency agreement terminates on the date on which it is due to expire and cannot be extended.

No. 2. Clause 13, page 7, line 14 [clause 13(7), inserted subsection (6b)]—After 'agreement' insert:
under subsection (6a)(b)(i)

No. 3. Clause 13, page 7, lines 19 to 22 (inclusive) [clause 13(7), inserted subsection (6c)]—Delete subsection (6c) and substitute:

- (6c) A vendor may, by notice in writing given to the agent at any time during a period of extension of a sales agency agreement, terminate the agreement without specifying any grounds.

No. 4. Clause 13, page 7, after line 34—After subclause (8)—insert:

- (9) Section 20—after subsection (9) insert:
 - (10) For the purposes of this section, a notice of expiry, in relation to a sales agency agreement, will be taken to have been given to the vendor in the prescribed manner if it is given to the vendor no earlier than 14 days before the agreement is due to expire.
 - (11) In this section—

notice of expiry, in relation to a sales agency agreement, means a notice in writing—

 - (a) reminding the vendor of the date on which the agreement is due to expire and the vendor's rights to terminate the agreement; and
 - (b) setting out the vendor's rights to extend the agreement and the effect of subsections (6a), (6ab), (6b) and (6c).

BURIAL AND CREMATION BILL

The Legislative Council agreed to the bill with the amendments indicated by the following schedule, to which amendments the Legislative Council desires the concurrence of the House of Assembly:

No. 1. Clause 12—Heading to Part 2 Division 2, page 12, line 12—

Delete 'human' and substitute 'bodily'

No. 2. Clause 14, page 14, line 23 [clause 14(1), penalty provision]—

Delete 'Imprisonment for 4 years' and substitute '\$10,000 or imprisonment for 2 years'

No. 3. Clause 14, page 14, line 24 [clause 14(2)]—delete 'if' and substitute 'knowing that'

No. 4. Clause 14, page 14, lines 33 to 37 [clause 14(3)]—Delete subclause (3) and substitute:

(3) It is a defence to a charge of an offence against subsection (2) if the defendant proves that—

(a) the death occurred outside Metropolitan Adelaide; and

(b) no other medical practitioner was reasonably available, within 24 hours after the death, to give the certificate; and

(c) the defendant complied with any requirements prescribed by the regulations in relation to the certificate;

No. 5. Clause 24, page 16, line 22 [clause 24(1)(b)]—Delete '25' and substitute '50'

No. 6. Clause 24, page 16, after line 35 [clause 35]—After subclause (4) insert:

(4a) A council that proposes to close a cemetery or natural burial ground for which it is the relevant authority must provide the Minister with details of any representations or submissions made to the council in respect of the proposed closure.

No. 7. Clause 34, page 23, lines 16 and 17 [clause 34(2)]—Delete 'of an amount determined in accordance with the regulations' and substitute:

equal to the current fee payable for an interment right of the same kind, less a reasonable fee—

(a) for administration and maintenance costs; and

(b) for costs involved in the establishment of the cemetery or natural burial ground

No. 8. Clause 63, page 34, lines 29 to 36—Delete the clause and substitute:

63—Self-incrimination

A person is not required to answer a question or to produce, or provide a copy of, a document or information under this Act if the answer, document or information would tend to incriminate the person of an offence or make the person liable to a penalty.

No. 9. Clause 66, page 36, lines 7 and 8 [clause 66(2)(c)]—Delete 'prescribed facilities' and substitute 'crematoria'

CO-OPERATIVES NATIONAL LAW (SOUTH AUSTRALIA) BILL

The Legislative Council agreed to the bill without any amendment.

WHEAT MARKETING (EXPIRY) AMENDMENT BILL

Received from the Legislative Council and read a first time.

The Hon. T.R. KENYON (Newland—Minister for Manufacturing, Innovation and Trade, Minister for Small Business) (15:40): 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 *Wheat Marketing Act 1989* (WM Act) was enacted to regulate the marketing of wheat. It complemented the Commonwealth *Wheat Marketing Act 1989* by conferring on the Australian Wheat Board functions in addition to those conferred on it by the Commonwealth Act.

The South Australian Grain Industry Trust (SAGIT) was established in 1991 to administer a trust fund (the SAGIT Fund) that comprised the balance of voluntary research levies made redundant following the commencement of the Commonwealth *Primary Industries Research and Development Act 1989*.

The WM Act was amended in 1991 to allow the Minister to approve the SAGIT Trust Deed for the purposes of establishing and controlling the application of the SAGIT Fund and to provide for the collection of voluntary contributions to the SAGIT Fund.

The *Wheat Marketing Regulations 1998* (the WM Regulations) that promulgate the SAGIT Trust Deed expire on 1 September 2013 and under the *Subordinate Legislation Act 1978* further extension is not possible.

The grains industry landscape has changed dramatically since the WM Act commenced in 1989. Then, state-based statutory authorities controlled grain storage and handling. Now, the industry's grain storage and handling assets are primarily owned by public companies with global grain marketing and processing interests. Domestic grain marketing controls were removed during the 1990s and passage of the Commonwealth's *Wheat Export Marketing Amendment Act 2012* in November 2012 ended government regulation of export grain marketing.

As a result of these changes there is now no reason to retain 'an Act relating to the marketing of wheat'.

Repealing the WM Act will not impact the SAGIT Trust Deed as it can 'stand alone'. However, repealing the WM Act will impact the collection of the voluntary contributions for grains research and development.

When the WM Act commenced, there was no other state-based statutory mechanism that could have provided for the collection of voluntary contributions to the SAGIT Fund. However, the *Primary Industry Funding Schemes Act 1998* (the PIFS Act) provides a superior mechanism for voluntary contributions because of the transparency and accountability obligations it imposes on the Administrator of a fund (particularly with regard to preparation of a management plan for the fund, prudential management of the fund and tabling of an annual report on the administration of the fund in each House of the South Australian Parliament), on collection agents and on contributors. There is, therefore, no reason to retain the WM Act in order to collect contributions to the SAGIT Fund.

Grains industry stakeholders have agreed to the collection of contributions moving from the WM Act to the PIFS Act and action to establish a PIFS Act Grains Research Scheme has been initiated.

The value of the grains industry's support for State-specific research and development to complement the national industry's investment via the Grains Research and Development Corporation should not be underestimated. Since 1993, SAGIT has invested \$17 million in 162 projects. Matching contributions from other funders has doubled that investment, generating significant additional value for South Australian grain growers. Not surprisingly, there is almost unanimous grain grower support for the SAGIT arrangement, as evidenced by the fact that annual requests for refunds are sought by a mere 0.001 per cent of contributors.

To ensure that there is no interruption to the collection of contributions or the operations of SAGIT, the intention is to repeal the WM Act on the day the PIFS Act Grains Research Scheme commences and that both occur prior to the expiration of the WM Regulations.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Wheat Marketing Act 1989*

3—Insertion of section 12

This clause inserts a new section. The proposed section provides for the expiry of the Act on a day to be fixed by proclamation.

Debate adjourned on motion of Hon. I.F. Evans.

STATUTES AMENDMENT (GAMBLING REFORM) BILL

Adjourned debate on second reading (resumed on motion).

The Hon. I.F. EVANS (Davenport) (15:41): The minister will be pleased that I am coming to the conclusion of my second reading contribution, at least. I was in the middle of reading out the impacts of the difference in national timing of precommitment systems and the state timing of precommitment systems. South Australian major venues may well be in a position of having to install state-compliant precommitment systems for the period 1 January 2017 to 31 December 2018 and may be required to change the machines or equipment to commonwealth standards.

South Australian venues with 11 to 20 gaming machines will not be required to install precommitment systems until 31 December 2022, but these venues will not receive the benefits of being a major venue, including later trading hours and the retention of loyalty systems. In fact, the bill contemplates that minor venues must remove their loyalty systems by 1 January 2016 and

then, by 31 December 2022, potentially have to reinstall the loyalty systems to deliver precommitment if the commonwealth system uses a loyalty platform.

Section 53 also introduces in subsection (2) an 'automatic risk monitoring system' (an ARM), which must be installed in the same timeline as precommitment. However, as the commonwealth legislation does not address ARM systems, subsection (2) does not expire and will continue to be provided. There are currently no ARM systems operating and no specification on how such systems will operate or how they are intended to be used.

The platform that is to be used to deliver the ARM system is a loyalty platform. Therefore, all major venues will need to have this system installed and operating by 1 January 2017 and will need to continue operating this system beyond the commencement of the commonwealth legislation. In effect, this means that minor venues with under 10 gaming machines will not at any time need to install precommitment. This is a position that is supported by the industry because it means that those venues will not be forced to adopt the newer machines or have additional costs associated with the automated systems.

Minor venues with 11 to 20 gaming machines will not have to install precommitment under the state legislation at all but will be required to comply with the commonwealth's legislation by 31 December 2020. Major venues with more than 20 gaming machines must have precommitment installed under the state legislation by 1 January 2017 and then comply with the commonwealth's legislation from 31 December 2018. These venues will also be required to operate ARM systems from 1 January 2017 and continue operating those systems beyond the commencement of the commonwealth legislation.

Apart from the precommitment, the commonwealth legislation will also require certain features of gaming machines which are currently not available on all approved machines in South Australia. These features include receiving and displaying messages on gaming machine screens, capable of complying with the most current gaming machine national standard in relation to the on-screen responsible gambling features, and limit to a \$5 maximum bet. These features will need to be incorporated into new machines that venues purchase from 1 January 2014 to avoid the potential of having to replace these machines by 31 December 2018 when the commonwealth legislation commences.

That outlines the problems that the industry is going to have when you have two sets of regulations trying to control the same industry. Prior to explaining that I was going through Clubs SA's issues in relation to the legislation and the industry generally, and I was up to the difference in taxing regimes. In New South Wales, a club with 40 machines and a million dollars of revenue per annum pays no state gaming tax. In Victoria, it is no state gaming tax. In Queensland, it is \$161,676 or about 16 per cent. In South Australia, it is \$240,650 or 24 per cent. South Australian clubs pay the highest rate of gaming tax in the country.

In New South Wales, 67.5 per cent of the gaming revenue goes to community and sporting clubs. That is around \$3.5 billion a year. In Queensland, it is 46 per cent, which is about \$900 million a year. In Victoria, it is around 34 per cent, which is \$920 million a year in round numbers. In South Australia, it is about \$60 million gross, which is about 9.8 per cent of gaming revenue that goes to clubs. The reason Clubs SA raise this is that, as I said in my earlier contribution, their belief is that this legislation will simply transfer machines from clubs and small hotels into the Casino and the larger hotels, and what that will mean is less money for clubs, more money for pubs, and the revenue stream will get even more skewed.

For every dollar of gaming revenue in South Australia, hotels get 54¢, the government gets 39¢ and the clubs get 7¢. That is their advice to me. The clubs industry feels that the system is skewed against them and therefore they are opposed to this particular legislation. They believe it will 'only make matters worse, the 60 machines will essentially be for the hotels, and there will be more gaming and revenue shifts to the private sector from the clubs'.

The bill splits the venues—this is outside the Casino—into major venues and minor venues. Major venues have to have precommitment established by 2017, automatic risk monitoring established by 2017, \$5 maximum bets by 2017, on-screen messaging by 2017 and \$250 withdrawal limits at ATMs by 2014. Minor venues—and this is where I think the clubs' concern really kicks in. A major venue is for those venues with more than 20 machines and a minor venue is for those with a maximum of 20 machines. The clubs and pubs get a choice—they declare themselves either a major venue or a minor venue by 2017 and if they have over 20 machines they have to offload or cease trading with a certain number of entitlements.

If you are a 25-entitlement venue and you want to become a minor venue by the set date, then you simply switch off five or six machines to bring you under the 20-machine limit. You might try to sell them, but of course there is no guarantee that anyone is going to buy them, so you may just be turning off a revenue stream courtesy of the legislation. There has been no modelling on this by anyone; the government has just decided to do this on a whim, and thinks it is going to work.

Minor venues will have a maximum of 20 machines and \$5 maximum bets by 2017. I think I am right in saying that, in Victoria, when they went from \$10 bets to \$5 bets, there was a 14 per cent reduction in revenue. So, take 14 per cent of the revenue to SANFL clubs or some of the little pubs—or, indeed, any business—and see where that leaves you.

Small venues get different hours; their hours are restricted, so they have to be closed from 2am to 10am every day of the week because they are a minor venue. But, if you are a major venue, you can be open 24/7, apart from the six-hour break that is already legislated. So, the government's theory is this: if you have 8 machines sitting in some country pub or club, the risk to problem gamblers is so great that you have to close them between 2am and 10am.

But, you can have 60 poker machines in a big city hotel or club, which more people can access, and you can access them 18 hours a day every day without a problem. Because the six-hour break is not uniform, you can walk across the road to another venue when one venue closes for its six-hour break.

In the country, of course, where all the small venues are going to be, that will be shut. The city people get to gamble themselves merry—the problem gamblers in the city have better access—and the regional pubs and clubs have a different set of rules. Again, that has not been modelled.

The minor venues cannot have small change machines by 2020, so they will have to change over their technology. That will be an expense to those venues; it will be compulsory to change their machines because they will not be coin machines, I assume they will be card machines. They will not be able to have loyalty systems, and they will be restricted to the \$250 withdrawal limit.

The club industry would argue, with some justification, that there needs to be a better balance within the system. They argue that more entitlements and gaming revenue should go into clubs to fund community recreation and sporting activities. The reality is that they want the legislation defeated. They believe that there is a whole range of issues that are mounting up against small clubs.

While I am on that topic, I just want to mention three clubs that currently have issues that could be addressed by this legislation if the government so desired: the SAJC, the West Adelaide Football Club and the Munno Para Bowling Club. The SAJC have sold the Cheltenham racecourse and have a special circumstances licence.

The minister is aware of issues surrounding that licence and that activity, and the opposition is aware, because we have been briefed. I give the minister a commitment that if he wants to work with the opposition to solve that matter quickly, then he will have my commitment on that. I am aware of what the problem is. I have seen the SAJC's legal advice. I am aware of recent articles in the *Messenger*, of which I am sure the minister is also aware, in regard to this issue. It could potentially cost the SAJC a considerable annual sum.

It is up to the government to decide whether or not it wants to fix that quickly, but I give an undertaking to the minister that my door is open if he wants to address that particular issue. Because of the change in that site, it has created special issues for the SAJC.

In relation to the West Adelaide Football Club, I think there might be one provision in the bill that might go a small step towards helping them, but I alert the minister that in the committee stage I will specifically ask what the intention is to deal with the issue of the West Adelaide Football Club, which seeks to change its venue in its own catchment.

This is part of the problem that clubs face, and if you think about it there is some logic to it, Mr Speaker. I know you are a sporting hero on Yorke Peninsula, winning many medals, so you will understand this. A lot of the sporting clubs—

Mr Griffiths interjecting:

The Hon. I.F. EVANS: A last quarter specialist, I am told. A lot of the clubs have established their licensed venues, naturally, at their sporting venue—at their oval or their bowling green or their yacht club. By definition, those venues tend not to be in the main street; by definition, they tend to be off the main street and away from the main drag. There are not too many sporting club venues that are slap bang in the middle of any city or country town; they tend to be to the side.

West Adelaide footy club is no different. Its oval is in the back streets off the main drag, and that means they do not really have a main street frontage. That impacts their revenue, and they wish to deal with that. Compare that to pubs. Pubs, by their very nature, tend to be on the corner of the most prominent area in town. You usually have a church one side and a pub the other, so you can go and have a great time on Saturday night and on Sunday go and seek forgiveness. The pubs tend to have a commercial advantage in that sense, so the West Adelaide footy club does want to move its venue.

I think that is an issue that can be addressed relatively quickly and, again, I say to the minister that if the government wants to fix that my door is open to fix that quickly. In Munno Para, my understanding is that the Munno Para Bowling Club wants to move down the road, on exactly the same road, into Playford Alive, into a suburb that is still being built. So even though it is the same club on the same road, moving to a suburb where there are few houses, if any, at the moment, there is a whole range of hurdles that the club has to get over to do that.

If you want to know how hard it is to go through the process that the parliament has established, go and ask Club One. I think Club One has something like 200 entitlements, from memory, and since 2004 it has twice sought to get a venue. Since this whole scheme was set up it has twice tried to go down the process of getting a stand-alone venue. It has spent well north of \$600,000 of club money trying to find a venue, and it cannot find a stand-alone venue. That means it has simply parked their poker machines back into the hotels that had to reduce their number under the 2004 arrangements.

So, having forced the hotels and others to reduce their numbers from 40 to 32, they have set up Club One so that, when the club industry trade their four machines, one in four goes to Club One. Club One has spent over \$600,000 trying to find a venue; it cannot find a venue so it has put them back into the very hotels we have taken them out of. That is a problem, and this legislation does not fix it.

It does not deal with that issue. In fact, it will make it worse, because there will be more trades and more machines going to Club One and more machines going back into the hotels. Indeed, under this legislation—as I assume the minister is aware—the clubs can go and put their machines in the Casino. There is a specific clause that allows that. So I think there are plenty of issues around this particular matter.

I have probably finished my remarks because I know that some of my other colleagues have some contributions to make, but I just want to go back to where I started on the consultation. The government is aware I have this letter. It was written to the government only in February this year from Clubs SA and the hotel industry about the consultation and the process about this. It is written to the minister on 12 February and states:

We write to you in relation to the 'consultation' with industry on the explanatory paper relating to gaming regulations.

Having recently endured a protracted and divisive national debate which nevertheless led to a resolution with the Federal Government legislation, and having been members of the Minister's Responsible Gambling Working Party since its inception in November 2006, we are somewhat stunned at what is proposed in this document.

This is clearly not a discussion paper, it is an explanation to accompany a Bill. The fundamentals of what is included has not been subject to any discussion or consultation or reflects in any way the recommendations of the Responsible Gambling Working Party. The proposal seems to have ignored anything that is included in Federal Legislation. The ramifications and consequences of this document as it stands strikes at the very viability of the 550+ clubs and hotels with gaming and bears no resemblance to any formal discussions or consultation to date.

What is most staggering is that the industry bodies are given less than four weeks to respond.

Despite a break from the quote, the opposition would have loved four weeks to respond, not eight days.

Such a request is simply impossible to comply with. The contents of the document given to us on Monday, 4 February is of such complexity that it is beyond the capacity of either Association to provide a useful response in this time frame. Further, it would appear that the Independent Gambling Corporation Ltd has not received this document or been asked to comment. We understand that other than a recent broad discussion, they have not been consulted.

That said, it must be assumed that the Adelaide Casino has been consulted in great depth based on the content of the Bill and the explanatory paper. That is disappointing at the very least.

In light of this we therefore insist on a proper and general consultation period with meaningful dialogue that allows our members to be informed and engaged.

Anything less can only be viewed by any fair minded person as an attempt to do great harm to the business of predominantly small to medium South Australian operators (who provide a diverse and decentralised employment and social infrastructure) so as to facilitate an exclusive agreement with Skycity Casino at the expense of their competitors.

We await your urgent consideration.

The letter is signed Peter Hurley, President of the AHA and Cameron Taylor, President of Clubs SA. The AHA then wrote a further letter back on 2 April indicating some support for the bill, but I am reliably informed that they feel like they have had a gun held to their head.

The opposition is going to continue to consult on this particular bill. Apart from the Casino elements of the bill, we are inclined to seek to defeat the bill in the other place. As I say, we are still consulting on the bill because we have had, as I have explained at length, eight days to establish a position in which the industry players themselves, who live and breathe it every day of the week, claim they could not reach a position in four weeks. The government wants the parliament to reach a position in less time than that.

There are whole range of reforms with regard to training courses, barring orders, whether you are a major venue where you get different training from the minor venues, staff approvals and processes change. There are simply a whole range of what I call technical amendments that I will not go into as part of my second reading but we might go into as part of the committee.

I will finish with simply an explanation of how I understand the cap will now work as a result of the government's bill if the government gets its way. The current cap on entitlements does not include the Casino, therefore the target for reductions will be 13,081, which is adding the 995 currently in the Casino to the existing target of 12,086. So they will lift the target by 995 as far as the entitlement cap goes, so the cap will be lifted. I still cannot get around why a government sets a cap and then gifts 995 to increase the cap.

The government announced its intention to allow the Casino to increase its gaming machine numbers by an additional 505 to enable the Casino to have up to 1,500 entitlements. The Casino will have to access the approved trading system established for the hotels and clubs. This will allow the Casino the right to buy and sell entitlements. This will also mean that if the Casino sells an entitlement through that system, they will forfeit one-in-four entitlements.

The Casino will be required to purchase the additional 505 gaming machine entitlements but the additional entitlement must come from the new state cap of 13,081. If the Casino is unable to purchase enough entitlements through the approved trading system as part of the expansion, the government will sell them up to 300 entitlements.

The implementation date of that is 1 July this year, so it is only a matter of weeks away. Given that it is going to take two or three years to build the Casino extension, I am not sure why they suddenly need all these extra entitlements on 1 July this year, unless of course the government has got a deal about putting them into extra space in the existing Casino, which the minister might want to address in his comments when he responds.

I have probably spoken long enough. I am disappointed about the consultation process and the fact that we have been forced into this debate this week. As I say, the opposition is going to further consult. We are against 995 entitlements being gifted to the Casino and we intend to move amendments in the other place to get rid of that.

We are against venues going to 60 and we have amendments in this chamber to deal with that, and we think that the commencement dates of the precommitment schemes should be uniform with the feds. We should not have two systems and we have amendments in this chamber to do with those issues. With those comments, I look forward to other contributions and the committee stage.

Mr GRIFFITHS (Goyder) (16:07): I might just start off by congratulating the member for Davenport on his 2½ hours or thereabouts that he has spoken for. It is obvious to me that he has a great knowledge of this bill and indeed gambling in total, which has no doubt involved a lot of reading in the last few weeks in particular, but the fact that he has been in this chamber for

20 years and indeed was part of the 2004 debate and has had a chance to review some of the *Hansard* contributions there really does show the depth of knowledge that he has.

I am one of those members who has suffered from difficulty in attending all the briefings. For me it was a matter of being aware when parliament last sat of a briefing being held on the Thursday evening after the chamber rose and representatives of the Australian Hotels Association and Clubs SA were good enough to come and speak to us. We were light on in number; there was a relatively small number of MPs but a good number of staff. It was an opportunity for me to be briefed about the concerns that are being raised by the member for Davenport in his contribution.

The meeting with the AHA went along the lines that I expected and I understand there are issues. Certainly the member for Davenport has put that, but the briefing that I had with Clubs SA that late afternoon has really opened my eyes to a lot of issues and indeed the need for this bill to be considered extremely seriously. I do not remove myself from that.

I put to the three people who spoke to us that, while I had an understanding of Club One, Clubs SA and what it does across the state was not known to me as well as it should have been. It has opened my eyes to the way in which the profitability that comes from these clubs is returned to the community at grassroots levels. Not only does it help provide a social activity and a meal and that sort of thing for those people who live in those areas, but importantly it provides a lot of really important financial support that goes towards junior sports and sports that exist in those areas which make an enormous difference to the community.

So, when Clubs SA raised the issue with me and they have given me a copy of the presentation they made that night and I have a copy of a letter that was dated 13 May which raises some very valid points, it is worthwhile listening to what they have said and it is worthwhile indeed that the parliament is made aware of this, so the member for Davenport has done that extremely well.

I know that briefings were also convened last week. Sadly, for me, as a regional member, even though I had to be in Adelaide for two of the days last week, they were day trips, they were fully booked out and they were not actually on the days on which the briefing was held so it was just impossible for me to be at that. Other members in this chamber suffer from the same frustration about that because it is only when we have a collective knowledge about things and a chance to ask detailed questions that we appreciate what the implications will be, the seriousness of it and the fact that this impacts on a lot of people.

I have previously had the shadow portfolio for gambling and very early on, when the member for Davenport was leader, he appointed me to that role. For me, as somewhat of an old-fashioned person who is a bit prudish in many areas, gambling was very different to what I had experienced. I respect enormously the fact that it is a legal ability for people to gamble and it has been part of the human psyche forever to take that opportunity to express an opinion on things, wage a bet on it and have the opportunity for a win on that.

I am also very aware that for some in society it presents a challenge that impacts on their families and their future. The member for Davenport has confirmed that 0.4 per cent of the adults in South Australia who gamble have some level of gambling issue with their life. I saw, in the time that I was the shadow minister and since then, that there is a level of responsibility at club, hotel and casino level to help those people. Funding is available for that through the rehabilitation fund that goes in to assist those things.

But it is the efforts made by all levels to identify people who have had issues and to help them with their concerns, to talk them through it, and to give them advice on what to do that I think is a credit to them. It shows the level of responsibility and maturity that exists within the industry to respect that it is there to provide a service to people but also assist those who have issue, and that is where it is important that we get it right because it is a legally allowable activity. We, as decision-makers and policy setters, have the legislative opportunity to get it right.

I visited a Gamblers Anonymous meeting that was held in an old church in North Adelaide on a Saturday morning probably about six years ago. I walked away from there having been moved in some way because one person in particular had not gambled for 14 years but stood up and talked about the fact that every day they still have to fight that urge. I respect that they are an absolute minority but they are an issue in the industry and an issue that I think the industry is working exceptionally hard to try to fix.

When I got the information from Clubs SA, I was surprised that I did not know more about it. I was advised that of the 12,688 machines (even though the member for Davenport has been talking about 12,086) 88 per cent are in hotels and 12 per cent are in clubs. When you look at the revenue opportunity those clubs gain for every \$1 of gaming revenue in South Australia, it is 7¢.

I am here to support hotels, the Casino and the clubs but importantly I am here to give support to get the legislation right. I, like the member for Davenport, support the redevelopment of the Casino. I know that there were many questions raised and, for me, when I found they had one licence that covered 995 machines, suddenly that has been split up into several entitlements with it eventually to go to 1,500. That surprised me. I couldn't understand the reasoning for that, especially when the industry hadn't actually requested it, so it shocked me as to why that happened. No doubt, during committee, we will find out a lot more about that.

I am also concerned about the numbers. When we talk about the 40 in place, the major and minor, and going up to 60—and I have reflected very often about this being potentially a club killer by an increase in those numbers. Everything I have from Clubs SA—and this is reflected when I speak to hotels in my area—is about the fact that this legislation, if allowed to proceed the way it is, will allow the bigger partners and the bigger players in this industry to get larger.

As a person who lives in the regions, I see the difficulties presented to individual operators who are in hotels who, in many cases, are struggling to make a profit. I know of a lot of the country hotels are on the market and some have been for a long time. A person who operates a hotel in Peterborough contacts me quite often about the fact that he doesn't see that a trading scheme works for him because he has 16 machines and wants to get out. He has put what he believes is a fair price out there but has not been able to sell those machines.

The member for Davenport in his contribution reflected upon the trading rounds that have occurred since 2005. The small number of machines that have been taken up, even when the offer has been there for three or four fold, shows that this industry needs a lot of support. I am told by the clubs organisation that they are fearful of the impact upon what they do. I note that in some information the clubs provided they write that since the peak of 2003 the number of clubs with gaming machines that are now out of gaming is 28 percent, but for hotels it is 2.7 percent; and it shows the challenges that have been there.

There will be quite a few people who get up and express concerns about this because they want to get it right. I understand the member for Davenport has indicated desire to split the legislation, to have the Casino treated in one way and for a subsequent debate to occur about clubs and hotels. I personally support that. I think it is a good idea, so that we can talk about specifics. That way we do not confuse things, and we do allow the Casino to have its development plans, but we allow real detailed debate about clubs and hotels to exist and get the balance right. There are some that are doing well, but there are a lot that are challenged by this.

The implications of what is intended will make it harder for them to be profitable and, by association with that, profits benefit the community in which they serve. I have been around a bit, and a long time ago the AHA took me for a drive around and showed me some of the redevelopment work that has taken place on hotels that have done well from poker machines and the benefits that have come to other users of those facilities. Exactly the same case exists for clubs but, for the clubs that are basically non-profit organisations and return their money back to the community, it has been hard. I just want to get it right.

I am concerned about the impact on the South Australian National Football League. I have never played it, but I am a supporter of one club, Woodville West Torrens, but I have not been a member of that club. Gambling provides their largest revenue stream, and this allows a very strong state league to be enforced. I recognise their win last Saturday against the north-eastern AFL association. A young man from my electorate made his state debut last Saturday, and he got 11 kicks, eight marks and seven handpasses. I did congratulate his father the day before his selection.

Considering those nine clubs and what the SANFL does in a wider sphere in football across all of South Australia, to hear that there has been no negotiation with them, it concerns me. It is such an important bill that will impact in so many different areas, influence the viability of private enterprise and community not-for-profit organisations, football and a lot of other sports that will also benefit from it. To not have that level of contact, discussion, draft papers, feedback, and an opportunity for a review does alarm me. Legislation can only work when it is talked about.

I know there is a desire to get legislation through quickly. I understand the Casino wants to do its redevelopment as quickly as possible, but when you put in legislation hastily it creates problems for you that will subsequently have to be fixed, and that might impact on the viability of hotels and clubs—that is where it is wrong. The member for Davenport has put it very well. He has done the work on this; he understands what the issues are. It will be an interesting debate when it goes to the other place, because that is where the house of review will undertake its primary role, to ensure that it gets it right.

I know other people want to talk about it. Other people have had the opportunity to have different briefings and others have different perspectives to put to it, but I think that across all of the opposition we speak with a level of concern about the way this has been introduced, the haste that has been attached to it, and the fact that if it is not right it might have significant impacts. I look forward to a very detailed questioning occurring during the committee stage.

Mr PEDERICK (Hammond) (16:19): I rise to make a contribution to the Statutes Amendment (Gambling Reform) Bill 2013. I would like to thank all the clubs, the Australian Hotels Association and others that gave our party briefings, and I would like to thank my staffer Liam O'Neill, who attended these briefings on my behalf. I would like to say that the member for Davenport has given a very good representation of what is going on here, and I acknowledge the contribution from the member for Goyder.

What we are seeing here is that the state government has recently announced the arrangement with the Casino, which includes increasing the number of poker machines in the Casino by 505 to 1,500, but we understand that that deal is not yet signed. Obviously, the Casino and the government want construction to start in early 2014. I certainly think that is what is driving this issue and the speed and haste to get this bill through so that the government can get a photo before the election in 2014—pardon my cynicism.

There has obviously been some federal legislation recently regarding gaming machines, and this legislation overrides state laws if there is any conflict between the two lots of legislation. Back in 2006, the government established the Responsible Gambling Working Party to look at how precommitment could be implemented in South Australia, and this report has been sent out to members. What I understand about precommitment is you can go into a gambling venue and commit to a couple of hundred dollars. You can essentially lose up to that amount and then the staff will talk to you and see if you are comfortable, and then you are quite happy to commit to a bit more, so I do not know exactly what you are committing to. I think there are some issues there for a start.

On 19 December 2012, the Casino announced an up to \$350 million expansion based on the agreement that was being reached with the government. As has been stated by other speakers, the Casino currently has 995 gaming machines under one entitlement and therefore they cannot be traded. What this bill seeks to do is gift the Casino an entitlement for each of its existing 995 machines, and that will increase the entitlements up to 1,500. These 505 extra entitlements have to be purchased through the market, purchased from clubs and pubs. However, as part of the agreement with the government, if the 505 entitlements are not purchased by a certain date, which is commercially in confidence, then the government has agreed to sell the Casino 300 entitlements for their VIP room at a set price, which has not been disclosed either.

This could increase the number of gaming machines in South Australia, and if they are sold by the government, my understanding is that for the VIP area these machines are not tradeable. There is a one-off \$20 million upfront payment to the government in the agreement, not the legislation, and the deal is forecast to net an extra \$60 million, including the \$20 million to the state budget over the forward estimates compared to the 2012-13 budget. It is noted that, alongside of this, gambling tables will increase from 90 to 200. I also note that taxes on poker machines will be lifted from 34.4 per cent to 41 per cent in the non-VIP area and will be 10.91 per cent in the VIP area. The charge on table games will rise from 0.9 per cent to 3.4 per cent.

With regard to the Australian Hotels Association submission to members, the Australian Hotels Association did not request an increase to 60 machines per venue. This was proposed by the government via the welfare sector. Given current economic conditions, the Australian Hotels Association believes few hoteliers will be able to increase entitlement numbers to 60. I note that we will be moving amendments that there will not be any movement above 40 machines.

Clubs SA also briefed us, and that was held following the Australian Hotels Association briefing. Clubs SA were quite frank. They said that this will be a club killer and they want the bill

defeated. They certainly put up a good argument that venues should not be able to go to 60 machines, and they also indicated that only Coles, Woolworths and big-end hoteliers will be able to increase entitlements to 60. This will concentrate machines in pubs and the Casino and away from clubs.

I note, while I am talking about clubs, that I am a country member of Port Power and they had a pretty good start. Things are not going too well at the moment but they will keep going. As has been advised by other members on this side of the house, the South Australian National Football League has indicated that at no time has the government engaged with the SANFL, or its clubs, to discuss the legislation.

The issue here is that there is much at stake right across the state, whether it is footy clubs or other clubs that are able to hold gaming licences, or small hotels in the regions. We also know there has not been a regional impact statement done because, in the government's haste to get this deal up as a pre-election sweetener before next year's election in March, everyone bar the Casino has been left out of the picture. I find this appalling. As the member for Goyder indicated, there is a lot of—

The Hon. J.R. Rau: It would be appalling if it was true.

Mr PEDERICK: Yes, well, you will have your right. There are a lot of clubs and a lot of hotels, especially in regional areas, that will just look at the option and say, 'Perhaps it's easier just to quit our machines if legislation goes through that the super clubs could have 60 machines.' You will get clubs in regional areas, like Hammond and others right around the state, and hoteliers, who will say, 'We will sell our 10 entitlements, get our of \$600,000-odd,' and that is the end of the pub, and small communities become smaller and people do not have a meeting place.

The welfare lobby argument in this debate is that they want fewer venues but bigger venues as they achieve, in their belief, better problem gambling supervision at bigger venues. They also want the proposed \$5 maximum bet limit dropped to \$1 maximum bet limit. SACOSS wants mandatory pre-commitment at those venues offering cashless gambling.

According to the level of problem gambling that was presented as a case, in regard to rates per state over 10 years, South Australia has a problem gambling rate of 0.4 per cent of all adults in the state. I note that is not 0.4 per cent of all gamblers, but it is indicated that this is the second-lowest problem gambling rate in Australia.

The Responsible Gambling Working Party produced its fifth and last report in June 2012. The Responsible Gambling Working Party recommended consistency with federal proposals and then it stopped its work and reported. It is noted, when the discussion has been about federal and state time lines, that the federal time lines will always override the states. There needs to be streamlining of these time lines so there is no confusion because, at the end of the day, the federal legislation will win out. It is obvious that the responsible gambling working group wants consistency with the federal legislation. It is to be noted that in the federal legislation there is a requirement that the ATM restrictions come in from 1 February 2014.

As we have talked about, there is talk about super clubs and what this bill is talking about doing is major gaming venues and casino regulatory changes and the government is proposing to develop a two-tier system of major and minor venues with substantial responsible gambling requirements for major venues. Major venues are described as those that have a greater focus on gaming and that can install automated systems to support pre-commitment and staff identification of problematic gambling behaviours. Venues must decide by 1 January 2016 if intending to be a major venue but can choose from 1 January 2014.

Any provision of a lease that purports to require the lessee to operate as a major venue or a minor venue for the purposes of this act is void and of no effect under section 77(4), and this will apply from 1 July 2013. Those venues that cannot comply with the responsible gambling requirements or the regulatory framework around that must become a minor venue.

The default position in this legislation that is proposed is that all hotels and clubs will be minor venues unless they notify the commissioner of their intention to be a major venue. This means that a small venue with less than 20 machines may elect to notify its intention to be a major venue and will need to comply with the requirements of a major venue. If we look at major venues and the minimum requirements, they need to be party to a responsible gambling agreement and have elected to install an approved precommitment system, recognised automated risk monitoring and better gaming machines.

If venues offer these improved responsible gambling measures, the trade-off is an ability to provide optional features, which include up to 60 entitlements as the legislation is drafted now, longer trading hours compared to a minor venue, coin machines, loyalty systems and cashless gaming. With the precommitment overview, this will be mandatory for these major venues and voluntary for the customer. It is part of a package linked to royalty programs, patron tracking, a monitoring system for risk and possibly cashless gaming. In the precommitment system only recognised systems can be operated with specific system requirements and regulations.

Precommitment systems will need to be in place for venues. This is what has been said about the government's wish to increase those venues beyond 40 machines, but we do not want to see that, and others will need precommitment systems by 1 January 2016 but will have until 1 January 2017 to install them. This is where it gets confusing, because the federal precommitment system is to be installed from 31 December 2018, so there is still a lot of debate about how many machines will be allowed in the super clubs and the regulatory requirements around those numbers.

In regard to the precommitment, there will be features for registration requirements, budget types and other limits, variation of budget and other limits, customised reminder messages, standard messaging to those not registered, communication methods to customers, player activity statements and periodic confirmation of budget and other limits. I note the requirements around the recognised automated risk monitoring system. This is essentially a player tracking system using player data to gauge risky or potentially problematic patterns of play.

An explanation paper around this acknowledges that these systems are in their infancy and notes they would be used to inform staff as an indicator that additional human observation is required. The IGA will determine the identifying indicators of potential problem gambling behaviours, taking into account any matters prescribed by regulations before recognition of a system. The IGA will also specify the training requirements for automated risk monitoring systems.

Another feature in regard to major venues is the retention of ATMs. I also note that the Casino is exempt from the commonwealth legislation, and the bill proposes to prohibit ATMs in the gaming area of the Casino and will not impose any daily limit, but EFTPOS facilities will be capable of being provided in the gaming area of the Casino. There will also be retention of automatic coin machines, retention of loyalty systems and the ability to provide cashless gaming.

In regard to minor venues, minor venues are described as those who choose to have gaming as incidental to their food and beverage operations. Key changes for these venues include: the prohibition of any automated systems (coin machines from 1 January 2020 and loyalty programs from 1 January 2016), reduced operating hours from 1 January 2016, and these venues will have to close between the hours of 2am and 10am.

Obviously, there will be a reduction of gaming numbers from 1 July, and regulations will allow up to 40. This is how the legislation has been drafted. We do not want that to go above that with regard to the super clubs, so there is going to have to be some debate about that during the committee stage of the bill. They can have up to 40 gaming machines that can be operated until 31 December 2016, but no more than 20 from 1 January 2017, with the ability to operate 11 to 20 gaming machines to install precommitment systems by 31 December 2022.

With regard to the maximum betting limits in minor venues, a maximum bet limit of \$5 will apply to minor venues from 1 January 2017, but this will not apply when a machine is lawfully being provided by a minor venue when this bill becomes law. Venues with more than 20 gaming machines that wish to continue operating those machines will need to become major venues and comply with the requirements of a major venue, or sell excess entitlements through the approved trading cap.

With regard to the state-wide gaming machine entitlement cap, the current cap or entitlement does not include the Casino; therefore, the target for reductions will be 13,081 machines, adding the 995 that are currently in the Casino that will get their single entitlement under this bill. This compares to the existing target of 12,086 machines.

I have already talked about the proposal for the government allowing the Casino to increase their machines by 505 entitlements. The Casino will have access to the approved trading system established for hotels and clubs, and this will allow the Casino the right to buy and sell entitlements. It is to be noted that, essentially, under this legislation without amendment, those 995 entitlements would have been gifted to the Casino. But, we know that if they are not gifted, according to amendments that we want to move on this side of the house, it is not a deal-breaker.

If the Casino is unable to purchase enough entitlements, as I mentioned before, through the approved trading system, the government proposes to sell up to 300 entitlements to the Casino for the VIP areas. As part of this legislation, cashless gaming will be part of the deal, and there will have to be criteria presented by 1 January 2016 for account-based system.

There is also talk of different upgraded machines that can be automated. Certainly, with regard to major gaming venues, machines have to be capable of receiving and displaying messages, capable of complying with the most current gaming machine standards, and then have bet limiting notifications. There also has to be basic problem gambling identification, it has to be precommitment, and there are also issues around barring that need to be linked to these machines.

I also note that all the requirements with regard to training for all these systems has come into place, and there is certainly more advanced training that has to come into place for major venues. With the limited time I have left, I would like to acknowledge that we have welcomed the Casino proposal, but we do not support the gifting of the single entitlements; we know that is not a deal-breaker with the Casino.

On this side of the house, we do not support the 'super venues' getting up to 60 units, because I believe that would tear the heart out of clubs, smaller venues and smaller hotels across South Australia. Like it or lump it, many people have spent a lot of money using gaming to increase their revenue so that they can be viable where otherwise they may not be.

Mr WILLIAMS (MacKillop) (16:39): I will not traverse over the ground that has already been covered, particularly by the member for Davenport, who has put in a huge effort in a very short space of time into getting his head around this particular piece of legislation by talking to the major stakeholders and trying to come to a position on all the clauses in this bill, and then briefing his colleagues in our party room. The member for Goyder and the member for Hammond have also made very worthwhile contributions. I do not want to go over that ground, particularly the ground that relates to the technical aspects of the bill, but there are a few matters I do want to raise with regards to this issue.

As a piece of public policy, poker machines legislation in South Australia has been a dog's breakfast from day one. It was introduced controversially back in the early 1990s, and there have been a number of attempts to change, modify, reform—however you want to put it—poker machines law in South Australia. One of the things we do know is that the introduction of poker machines in South Australia had a significant impact on the hotels industry, a much less impact in the clubs industry, and a significant impact on the Casino.

The other thing we know is that the industry has matured. Between 1994, when the first machines were introduced, and the year 2000 something like 15,000 machine licences were granted in South Australia. It was a new industry through that period, and the growth in the number of machines and the growth in activity startled South Australians and this parliament, and a freeze was put on the issuing of new licences at that time in 2000. In 2003 the parliament, in a move I never really understood, took the decision that it would try to reduce the number of machines by some 3,000 from, I think, just over 15,000 back to a bit over 12,000 machines.

The Hon. I.F. Evans interjecting:

Mr WILLIAMS: An arbitrary move and, as the member for Davenport reminds me, the revenues to government—therefore the gambling effort—stayed the same. It had no impact on the gambling effort. That is why I say—and I said at the time, I believe—that I never accepted the premise that reducing the number of machines would have any significant effect on problem gambling here in South Australia.

At the time of the 2004 amendments the argument was put that we had to reduce the number of machines. The argument was also put that we would reduce the number of machines by, I think, eight machines per venue that had more than 20 machines, so we saw venues that had 40 machines being reduced to 32 machines. Again, I never really understood the science behind that. In my experience, when I go into a venue that has poker machines, it is rare, if ever, that I witness every machine in the venue being used. It seems to me that there are many, many more machines than there are players at any one time.

I suspect that has always been the case, and I suspect it is even more the case today than what it has been historically because, as we know, the industry has matured. In fact, information given to me and my colleagues during some of the briefings we have had from the various

stakeholders is that gambling revenue has remained pretty well static for the last five years. So the industry has matured to that extent.

We were also given the information that the real growth in gambling in Australia is via the internet. There is been an exponential growth in gambling via the internet, and this legislation has no impact on that whatsoever. So yet again we come back, in this instance, proposing to make quite significant changes to the legislation, which will have a significant impact on the way venues that have poker machine licences will operate and a quite significant impact on their costs, and I doubt very much that we shall have any impact at all—or, if any, I suspect a very minimal impact—on the issue of problem gambling.

I am far from being convinced that this matter before the house today improves the dog's breakfast that has surrounded this piece of public policy in South Australia for some 20 years now. The cold, hard reality is this. I have sat in numerous briefings from the Hotels Associations, from Clubs SA, from the government agency, and my office went to other briefings given to the opposition.

As the member for Davenport pointed out, being a country member it was difficult at short notice to get along to these things. I had to rely on my staff to go to some of the briefings, and it became blatantly obvious to me very quickly that the vast majority of this bill is a charade. What we are, in fact, doing today is providing some changed circumstance to accommodate the Casino. It goes to base politics.

We have a government which is trying to make an argument that it is doing things to invigorate the South Australian economy, when we can all see that the South Australian economy is, at the very best, stagnating; a government that continues to make the argument that there are lots of cranes on the skyline, and the reality is that all of those cranes are being funded by public debt.

We have the reality that government is desperate to get a crane on the skyline paid for by the private sector. The only chance that it has is to get the Casino redevelopment over the line, and that is what this piece of legislation is about. This is about fulfilling a deal between the government and the Casino for the Casino to go ahead with its long-awaited redevelopment of the site just next door here, and particularly to have it happening at about the time of the next election, in just under 12 months, and particularly to be able to say, 'This is part of the Riverbank project and is part of the reason why we are spending \$40 million of taxpayers' money building a footbridge.'

These things all tie together. It is base politics. That is what this is about. I put to the minister that I think we would be a lot better off if the minister came straight out and said, 'Look, we have made a deal with the Casino. It is going to mean that we are going to get a significant investment, it is going to be good to liven up this part of the city, it is going to match in with a number of other projects which have been funded by public debt, and it is all good.' The opposition would not object to that whatsoever.

The opposition has, I think, indicated through the shadow minister that we accept the proposition that the Casino wants another 500 licences in return for investing some \$350 million redeveloping the site and that becoming part of this Riverbank Precinct and trying to enliven this part of the city. The opposition, by and large, is in agreement with that part of what is being proposed but, in doing so, we recognise the imperative for the government. It needs to have the front page story; it needs this project to be up and running; it needs to be able to at last point to the fact that there is a crane on the skyline which has not been funded by public debt, like all of the others.

That is what it is about. We accept that and we say, 'Yes, you can have that', but I seriously question this notion that we have been through a series of processes over the years where we said we had to reduce the number of poker machines. We went through the process where we said to venues, 'If you've got 40 machines'—and there were a number that had 40 machines—'we're going to force you to drop back to 32 machines.'

Lo and behold, now we are turning around and saying, 'Now if you want to be a serious poker machine venue, you can have 60 machines.' Where is the rationale? Where is the consistency of thought of this government? It is ad hoc. There is no consistency of thought. Just as an aside, that is why industry struggles in this state because the government is inconsistent in the way it approaches public policy, not just in this area but right across the board. That is why industry in South Australia struggles: it fails to understand what the hell the government's intent is because it changes its mind all the time.

One of the really telling pieces of advice that I received through the briefings that I had was from Clubs SA who made a very pertinent point that one of the keys to an expanded Casino, one of the keys to filling hotel rooms in this part of the city, one of the keys to having a vibrant tourism industry in South Australia is the clubs industry, particularly through their sport and recreation.

AFL football, we know, is important to South Australia and will hopefully become even more important to the economy, particularly of the city. That is why all those years back we as an opposition proposed that we should bring football back to the city. The government has come on board with that and we all recognise that, but let us not forget that the Australian football code and other codes as well rely significantly on poker machine revenues to keep their grassroots clubs going. That is a fact of life in this state today and will be for some time.

Why would we make these ad hoc changes to make life incredibly difficult? The member for Davenport very clearly made the case that the federal parliament has passed certain legislation imposing a series of obligations on the gambling industry throughout the nation and along comes the South Australian government and says, 'Let's accept those new obligations, but let's have a different time frame.' Where is the consistency of approach in that? What is that going to do to the industry in South Australia per se?

I do not accept this notion that you have minor and major venues. I cannot see the rationale for it. I do not believe the government has made the case. I do not accept that we should be seeking, in accepting the obligations imposed by the federal parliament, to have a different time frame than that proposed by the federal parliament. It will oblige operators in South Australia to seek changes at a different rate, in a different time frame, than those in other states. I am sure that that will have cost implications.

I certainly do not accept the reality of the impact that this will have on the clubs sector in South Australia. There are some of us who believe that, when we first introduced poker machines in South Australia, we should at least have done what they did in Victoria and written into the law that half the machines would be in clubs and only half in hotels. Some of us believe it should have been even stronger than that, that all of the poker machines should have been in clubs—not-for-profit organisations—not in hotels, but that is history. We cannot change that now.

For goodness sake, if we are going to make significant changes to poker machine law, why don't we get serious about it and work out the long-term outcomes for the whole of the industry in South Australia? Let's not just get one or two cranes on the skyline before the next election funded by the private sector. That is what this piece of legislation is about. It is a great pity that the government does not have the good sense to have a look at the industry as a whole to look at the benefits that the club sector brings to South Australia and how we could actually use changes to the gambling poker machine legislation to support grassroots sport and recreation in this state, because they need every bit of help that they can get.

As the shadow minister has pointed out, because of the time frame that we have been forced to work within, we are still consulting on a number of matters. I think he has probably indicated that we will reserve our right to make further and possibly some different comments in the other place. I look forward to the opposition having a little more time to speak and continue its consultation because it appears the government has had, for many years, a funny understanding of the word consultation. I look forward to seeing a very different outcome to what the government has proposed for us here today. I, along with the rest of the opposition, support the notion that the Casino be allowed to expand its operations and invest here in South Australia.

Mr PEGLER (Mount Gambier) (16:57): I rise to support what the government wants to do regarding the Casino redevelopment. I think it is going to be extremely exciting for Adelaide and South Australia. With those extra 505 machines and the allied development around the Casino, it will certainly be a great thing for Adelaide.

However, with this bill I certainly do not support the fact that we will go from 40 to 60 machines maximum in various hotels and clubs. All that is going to do is support the big end of town. For example, in Mount Gambier, I think we have some 368 machines in 14 different venues. The money that is lost through those machines each year is a bit over \$17 million which is more than the entire rate income of those councils within that area, so that just gives you an idea of the impact of poker machines.

Of course, if we go from the 40 to 60, many of those venues will close because both Coles and Woolworths with the hotels they own will have the money to expand those facilities to

60 machines and it will put all the other hotels and clubs in Mount Gambier very much at risk, so I cannot support that part of the bill whatsoever.

With the voluntary pre-commitment and the automated risk monitoring, I think it is a great step forward. It is a great initiative of both the state and federal governments, and I think it is a great way for the industry to go, but I think it is absolutely ridiculous that we will try to bring in one form here and then it may have to be changed two years later. As far as I am concerned, both the voluntary pre-commitments and automated risk monitoring, and all the other issues that surround them, should all come in at one time so that people do not have to spend a heap of money one year and then two years later have to do it all over again.

I support the Clubs SA call that the bill should be split, allowing the amendments relating to the expansion of the Casino to be expedited but also allowing a proper consultation with the industry and consideration of the significant changes proposed for club and hotel gaming venues. In talking to some of the publicans I know, they are very unsure of what the impact will be on a town like Mount Gambier, so I think while the government may have consulted with AHA, etc., I do not know that there has been the opportunity for many of those smaller hotels and clubs to have any input and to know exactly what is going to happen. At this stage, I certainly will not be supporting the bill in its present form.

Mr BROCK (Frome) (17:00): I also rise to talk on this proposed bill. First up, let me say that I am also not against the redevelopment or the growth of the Adelaide Casino. That is a separate issue and it should be treated as separate. Secondly, I do support responsible gambling. I have seen many instances where people have been addicted to gambling, and we certainly need to do something regarding that. Going through the proposal that has been put to us here, one of the concerns I have is that, if they are going to allow the Casino to have another 500 machines, it will be to the detriment of country locations. I have numerous locations in my electorate, and I have one sporting and community club in particular in Port Pirie. All the hotels take responsibility for the people who are utilising their venues. They keep a close watch on people who come in, and they are very, very aware of people who may be, or may have been, compulsive gamblers and waste their money.

In the city it may be different, but in country communities everybody knows each other and we understand who can become addicted to not only poker machines but also to internet gambling, and I will go on to that later on. From January 2016 the government intends that all hotels and venues will be required to make a decision to notify the Liquor License and Gaming Commission whether they tend to operate as either a major or a minor venue.

I also understand from the briefings that I have got here that the federal parliament passed the National Gaming Reform Act 2012 to implement a nationally regulated pre-commitment scheme from 31 December 2018. The member for Davenport might have brought this up—I stand corrected. The federal side overtakes any legislation from the state, so why do we have two different starting points, one from a South Australian point of view and another one being implemented in 2018, two and a bit years afterwards? If we are going to be serious about this, let's do it properly.

The government also states that these systems will be implemented by major venues by 1 January 2017, which is well ahead of the national pre-commitment. That is fine, but I still question why. The bill also proposes that major venues will be allowed to increase the number of gaming machines they can operate from 40 to 60. As the member for Mount Gambier has indicated, there is nobody in country communities that will be able to go up from 40 to 60. The only ones who will be able to afford that, if they want to do so, would be the barons—and I am talking about the very, very large consortiums that have five or six different hotels. We have a couple in the region that own more than one. In Port Augusta, one organisation bought two hotels and amalgamated them into one. This is only going to create more opportunities for Woolworths and Coles to get into this field.

Related to that, the Australian Hotels Association's Ian Horne made a comment that the average number of machines per venue in South Australia at the moment is about 21, and about 250 of the 500 or so venues have 20 machines or less. The hotel and club industry has never advocated that they want any more than 40, and yet, here we are, saying we will allow them to go from 40 to 60. We should be looking at reducing all the machines across everything like that, which was supposed to happen some years ago. There was a proposal to bring machines right down from the 40 at each location and for them to be able to sell these surplus machines.

In the briefing I also read that the government acknowledges that the club sector may have less capacity to take advantage of the possibility to increase the maximum number of gaming machines a major venue may operate. They will allow gaming machine entitlements and gaming machine packages to club venues on a revenue sharing basis. I question who is going to pay for them and what returns the hotel will get if that is the case.

Also, I should have said from the start, with the introduction of gaming machines in South Australia, I think this state made a very vast mistake. We should have only allowed poker machines into community clubs. We should never have allowed them into the hotels because the money does not stay in the communities. If it had been community clubs and such like, similar to what New South Wales had, that money would go back into the communities. However, we cannot go backwards.

The other issue is that we are also looking at trying to implement the redevelopment there, so why aren't we just improving or introducing legislation to allow that, to separate that and allow the other clubs in the country and the regions to be able to manage what they are doing at the moment? I am not against gambling, but, as I said earlier, I am certainly in favour of responsible gambling. I have visited hotels and I have gone in and played the pokies, but I put \$10 in there and either I am in and out in five minutes, or if I win, I just put it back, but I am out of there in about 20 minutes.

However, I have seen many patrons out there—and this is what we should be concentrating on—that actually feed those machines. When they have used the money they have in their pocket, they will go to the ATMs, which are very, very close. They may not be in the same location as the machines themselves, but they are in the foyer. Taking those ATMs away is something we should have been looking at, so that if they have used their \$50, or whatever the figure is they have gone with, they cannot go around to the ATMs. We all hear of people who have actually spent all their pension and things like that on those things there.

The other issue is that this is not going to really decrease any amount of gambling. The member for MacKillop indicated that you can do a lot of gambling, whether it is poker or anything else, on the internet. You have seen a lot of these big footballers do the same thing. They have been caught and they continue to do it. The other issue is that at Globe Derby, as you are coming into Adelaide, there is a large EasyBet sign encouraging you and hitting you as you are coming along. That encourages people to actually go into there. This is encouraging them. You see it on the TV when the games are on: there is an advert telling you to start betting on the horses, start betting on the football and things like that. They are the things we should take away, because it is very easy to make a phone call from your own home and then get into this.

But, in its format at the moment, I think this bill is going to decimate lots of country communities out there. I have one club in Port Pirie and, as I said, it is the Port Football and Community Club. It is a very good club, but it also sponsors, in the vicinity, quite a few thousand dollars to sporting groups. And they also have their own oval. They have just got two water bills in the last quarter, one for \$22,000 and another one for \$28,000 for the quarter.

These people—and I will just talk about this one in particular—have 22 machines, I think it is, and they have people that are monitoring the people playing the machines. If they have to do all these things here and they have responsible gambling, I can see them letting their oval go and they won't be sponsoring any sporting groups, and that will be to the detriment of small groups out there in Port Pirie.

Venues are very confused, as the member for Mount Gambier said. The communication may have been with the major bodies—the AHA, Clubs SA and things like that—but I think the member for Mount Gambier is correct. I hear so much confusion from hotels and so on out in the community. They do not know what is going to happen and how it is going eventuate. We certainly need to look at this very clearly.

We do a lot of work with SACOSS, because I am very aware, as other members here are, of the social challenges our communities have out there with the less fortunate. Their spokesperson, Ross Womersley, thinks that in practice it may have been more helpful to introduce legislation that says ATMs are banned, rather than just limiting the withdrawal limits on a per-day basis. He also makes the comment that the Productivity Commission was absolutely clear when it came to the conclusion that machines should be limited to \$1 a spin if we are really interested in protecting people with major gambling issues.

The other thing is it says here that the government is planning to introduce the changes to try to remove 800 machines from operation and reduce problem gambling. We will do that in this way here but it is going to be to the detriment of some of the smaller clubs in the country communities. I cannot support the bill in its current format and I will be looking very closely at the amendments going through. I will not support the bill in its current form.

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (17:10): I thank all of the people who have made a contribution to the debate today. One of the things that is very clear from the remarks everyone has made here today is, first, that there is a lot of strong feeling in various sections of the community about this issue—there always has been, and it is not an easy issue for anybody. Whilst probably some of us think we have the right answer, it might be fair to say that perhaps, objectively, there is no right answer in this particular area.

Can I also just say that we are at a point presently where this legislation has been around the place for about 20 years. A number of people would like to go back in the time tunnel and reset everything so that the last 20 years would have rolled out differently, and I am certainly one of them. If I was a voting member of this place 20 years ago when this thing was introduced, I would have voted against it. I was here in 2004 and the model that got up here in 2004 was one that I opposed. I opposed it for a number of reasons, largely because of the inherent inconsistencies contained in the model. But I cannot do anything about that. It is like playing a game of golf and you are in the rough and have had a couple of swings and you cannot pick up the ball and go back to the tee. You just have to play the game from where you are.

I wanted to explain something, very briefly, about the inherent tensions in the current legislation. Leave aside the complexity about whether gaming machines are a good or bad thing and leave aside the question about management of problem gambling in our community, and gaming machines. We have a system which is attempting to regulate three completely different types of venue which have gaming machines. One venue is unique: it is the Casino. A second kind of venue is hotels, and it might be fair to say that even within the hotel sector there are big ones and little ones. The last kind of venue is the club.

It is necessarily going to be the case that, if you have a regulatory scheme designed to manage poker machines and protect people from the ill effects of poker machines, the impact of that will be different according to what venue you are imposing those regulations on. We do not come at this from the perspective that this is a piece of legislation about the Casino, this is about clubs and this is about something else, because the common theme in all of this is poker machines.

To say in any debate here that this particular regulation about poker machines affects one group more than another is really stating the obvious. Of course it does, because the only common factor is the poker machine. Everything else is different. The business model of a small bowling club and the business model of the Adelaide Casino are so vastly different that the idea that you would have the two being regulated in the same space on the surface seems bizarre. But, the fact is that both of them potentially have a gaming machine and that gaming machine has the same potential to do harm in the bowling club as it does in the Casino, because it is not the venue that does the harm, if there is harm to be done: it is the machine. It is a complex problem.

The second thing I want to say, briefly, relates to consultation. There has been extensive consultation about this bill. It might be that a particular hotelier in the country or a particular small sporting club has not actively participated in that conversation up until now, but I can assure you that their peak bodies have been involved and there have been extensive discussions with peak bodies. This is another tension that I forgot: there is also the licensed premises difference here too, because these things are in licensed premises and, guess what, we have three different kinds of licensed premises. We have a casino, we have hotels and we have clubs.

The hotel industry is very sensitive to what happens in the Casino, because what happens in the Casino, to the extent that it is different to the set of rules that apply to them, from their perspective is potentially a competitive disadvantage in the marketplace, just as the clubs are saying, 'These rules are a competitive disadvantage for us.' The package that we have put together was a negotiated whole package which I am sure, if you asked each individual participant, 'Is this your perfect dream world?', their answer would be no, but it was a compromise between a whole bunch of competing interests with a very clear objective, and I do take issue with those that have said this is a muddled package. It is not a muddled package at all in terms of the clear objectives.

The clear objectives are these: first, improve the security for people with problem gambling issues in gambling venues in South Australia as quickly as is reasonably practicable, and if that is ahead of the commonwealth guidelines then good. Secondly, make sure that the objective that has been policy since 2004 of getting the number of machines in the marketplace down is advanced, and of course the only way that is going to occur is for there to be trades.

As the member for Davenport said a number of times, the figures demonstrate that in the trading rounds up until now there have been vastly more people offering to sell than there have been offering to buy. Therefore, as there are not as many completed sales there are not as many machines coming out of the pool, because the way it works is for every four machines that are traded one goes. If there is no trading there is no disappearing of machines.

The second element here is that we are in effect creating a market for machines. There is already a group of sellers, but up until now there have not been a broad group of buyers. Under these proposals there will be two classes of buyers which up until now have not been in the arena: they are the Casino looking to up their numbers and those venues, wherever they might be, who wish to go from 40 to 60 machines. That will mean the trading rounds work and that the number of machines in circulation start to go down by reference to the number of trades.

The other point is that all of the evidence—and the Productivity Commission I think did some work on this a while ago, and I know I have heard Senator Xenophon talk about this many, many times, and I know the welfare people believe this to be the case, based on the data—is that the risk to the community is in many respects proportionate to the number of venues more than it is to the number of machines in particular venues.

The Hon. I.F. Evans: Why continue reducing the number of machines then?

The Hon. J.R. RAU: 'More' I said; I didn't say it was irrelevant. Obviously if you had no machines there would be no risk at all, but the number of venues is a significant element. That is the other thing that this package seeks to do: it seeks to reduce the number of venues. Those venues that go up in their number under these proposals to 60 have, as a trade-off for that, the immediate requirement of enhanced protection for problem gamblers and so forth.

If you want to step up to 60, all of that regulatory requirement to make your venue a safer place hits you much, much earlier than it would, certainly under the commonwealth scheme. So, there is enhanced safety for problem gamblers, there are fewer venues, there are more trades, and that is balanced up against all the competing interests.

If people want to start pulling bits of this out, other bits which are connected to those bits will start to become either detached from the whole package or it will start to become unbalanced. So, I think those who are under the impression that performing radical surgery on this legislation can be done with impunity are wrong. Bear in mind that the hotels, for example, which have signed off on this package in writing have done so on the basis that their objections to what the Casino is going to get out of this are to some extent balanced by other elements in this package.

Let us say we remove the Casino bit from the other bits. I do not know, in practical terms, how easily that can be done, in terms of drafting and other things, because everything is presently knitted together, but leave that to one side. It is certainly not as simple as getting a pair of scissors and cutting it up the middle; I can assure you of that.

But, assume you could do it: what you are going to do is have the Casino, with all of the things that it had negotiated as part of this package, and the hotels, for example, having none of the counterbalancing things that they wanted to enable them to live with the Casino deal. I can assure you, from the AHA perspective, if we were just advancing this Casino proposition by itself, they would have quite a view about that and will have quite a view about that. So, it is not simply a matter of grabbing a pair of scissors and cutting things up the middle.

By the way, member for Frome, I do want to compliment you on two points you made: the first one was about the internet. That is an issue that is sitting on top of all of this, and it does, to some extent, put all of this debate in some perspective about the completely uncontrollable element that sits out there, which is new communications and new technology.

I would say to those in the club sphere: fighting this fight might be fighting for something that is a smaller and smaller proportion of a smaller and smaller thing, and a bit more lateral thinking might assist their cause. The second point I was going to make to the member for Frome is: if you can get \$10 to last you 20 minutes, I want to come to wherever you go, because that is pretty good.

I can indicate that I have seen the two amendments that have been put up by the member for Davenport and I will not be supporting them, but I do recognise that there is an opportunity for some conversation to occur between here and elsewhere. I note a number of comments he made, and, look; everybody who has made a comment in this debate has made a comment that is not frivolous or silly. They are all interesting comments, and many of them are really a product of what a complex issue we are trying to balance here.

This brings me back to the point that this is a position which has been put together after extensive discussion with a number of elements, including the welfare element, by the way, who were the people who initially suggested and have proposed the 60 machines. That is not my idea; that came into the conversation because the welfare lobby thought that would be a way of enhancing safety for problem gamblers. Members might be interested to know that. It is not a matter of hoteliers or Woolworths or someone having lobbied us for that. That is not the case. That idea did not come from that quarter; it came from the welfare lobby.

There were a couple of comments that the member for Davenport made about the fact that if it were all just about the light coming on and someone coming up saying 'Excuse me, Mr Evans, do you realise you have spent your money?', could that not happen in a smaller venue that does not have lights? Well, maybe it could and maybe it could not, but whether or not it does would be completely untraceable and unrecordable, and there would be no in-time monitoring of that oversight. Therefore, there would be no way of knowing whether that was or was not happening. It is true that in a really well-run small venue, where people took a very positive view about that, they might actually make all their staff do that; however, none of us would have any idea whether or not they were doing it. We would have no idea, and there would be no way of enforcing it.

The other important statistic that the member for Davenport mentioned is the 88/12 mix between pubs and clubs. Whatever any of us think about that, to go back to my golfing analogy it is all very well when you are in the sand bunker to say that you wish you had hit the ball a bit differently the last couple of strokes. The fact is that we are where we are. It is no good imagining that we are going to change things.

Imagine, for instance, that we decided we would go for the proposition that, I think, the member for Davenport talked about in Victoria, where it is fifty-fifty. If we were to take that track, who would be responsible for compensating the group from the 88 who would be dropped down to 50 to make up the other bit to get on to the 12? Who would be compensating them? Which ones would be going out? By what method would they be selected, etc.? The point is that we have to be realistic and try to have a rational way of progressing from where we are, going forward.

I have listened to a number of members who have made contributions inspired by their no doubt genuine concern about clubs, and can I say that I acknowledge the great work that clubs do in the community, no question. I acknowledge that clubs provide an important social fabric for communities, that they provide activities for young people, and that they are part of the glue that holds communities together. They are important, very important, and I acknowledge all that. However, I also say that for a problem gambler a poker machine in a club is just as much a problem as a poker machine in the Casino or in a pub. So to say that the purpose for which the money is being collected somehow sanitises the method by which it is collected is, I think, a false argument.

I wonder why those people who are really advocates for clubs—given where we are now with that 88/12 split—have focused so much on artificially maintaining clubs in a market (the clubs say) that the environment makes very difficult for them. Having gone back to basics and asked what it is that the clubs are really on about, what are they really complaining about, the answer is that they are complaining about not having money. They are complaining about not having sufficient funds to be able to do what it is they do. That is their problem.

They have then moved to the next step, which is, 'Poker machines are our solution.' Well, they may or may not be, but what nobody has explored—and I have heard no contribution today—is whether it is actually ultimately sustainable for clubs, given their relative size and relative capital backing, etc., to be long-term occupants of the gaming machine space, whatever we do. Maybe that debate is quite a different debate and it is about the extent to which clubs receive support from some source without getting so hung up on whether that source must be gaming revenues.

If you say it must be gaming revenues all you are then doing, in effect, is dropping the inequality level down and saying well then, there are the big clubs and there are the little clubs. There are the A grade clubs like maybe SANFL clubs or whatever, and then there are the B grade

clubs like the bowling clubs, or whatever they might be, and all you do is you push the lack of resources down from a first tier club to a second tier club. So I do not think anybody has actually turned their mind properly to that problem.

With those few words, I will be indicating that we will be seeking to go into committee. I have spoken to the member for Davenport and I believe it is our intention to proceed until 7 o'clock this evening and resume and complete the debate tomorrow. As is normally the case, I am not going to trouble the member for Davenport with taking him through some tedious following of clause 1 through to whatever and giving him only three questions and all of that sort of stuff. I am happy for him to ask questions as he wishes to ask them.

The other thing is that I would like to say that, because some of the questions the honourable member might ask me may be ones that I am not able off the top of my head to answer, I will probably, in respect to many of those, simply say can I please take that on notice, and I indicate that I will be doing that in advance so that I do not waste members' time by attempting to answer questions I do not know the answer to.

Bill read a second time.

The SPEAKER: Member for Davenport, you have a point of order?

The Hon. I.F. EVANS: I just rise to seek clarification from the chair in relation to whether this bill is a hybrid bill under joint standing orders of the house of parliament relating to private bills. The reason I raise this question is that in 2004 when the Gaming Machines Act was debated, the government came in and moved a suspension of standing orders in relation to hybrid bills because they believed at that stage that that bill, which allowed the trading system to be established and a reduction of entitlements, impacted on private rights and was a hybrid bill. That happened at this point in the debate immediately on the conclusion of the second reading, which is the requirement of the joint standing orders of the house of parliament relating to private bills.

Further, the substantial purpose of this bill is to enact the new arrangements for the Casino which, of course, has access to crown land and if the act is not passed, the Casino will ultimately lose access to the crown land because their licence agreement will expire unless this act is passed. So the effect of this act is in the major part to enable the Casino to obtain the conditions it needs for its new licence so it can therefore occupy crown land. On that basis, I seek your ruling as to whether it is a hybrid bill and therefore needs to go to a select committee.

The SPEAKER: My advice is that a bill is a hybrid bill if it is introduced by the government, but it is a private bill in nature, namely, promoting the interests of an individual person, a company, a corporation or a local community and not the public. I take it that the member for Davenport's submission is that this is promoting the interests of the Adelaide Casino. Joint standing order 2 provides:

The following shall not be private bills but every such bill shall be referred after the second reading to a select committee of the house in which it originates.

The sidenote provides for the exception of certain bills—hybrid bills: (a) bills introduced by the government whose primary and chief object is to promote the interests of one or more municipal corporations or local bodies and not those of municipal corporations or local bodies generally. I take it that the member for Davenport's submission is not that the Adelaide Casino is a municipal body but that it is somehow a local body.

The Hon. I.F. EVANS: That is certainly one argument. What is a local body? It is not defined, but the next part, (2)(b) concerns bills introduced by the government authorising the granting of crown or waste lands to individual persons, a company or corporation or a local body. Firstly, a local body is not defined. Secondly, in relation to the granting of crown lands, I contend that the only way the Casino can continue to occupy the crown land is if the matters relating to them in this bill are passed. If the matters relating to the Casino in this bill fall over, then the Casino's licence will ultimately cease at its expiry date, because the only way the Casino is going to continue to operate as an exclusive licensee under this bill is if these conditions are passed.

The SPEAKER: But, member for Davenport, the bill is not in its terms authorising or granting lands, is it? You are saying the effect would be—

The Hon. I.F. EVANS: It is extending the grant.

The SPEAKER: You are saying that the effect of the bill would be—

The Hon. I.F. EVANS: The effect is to grant.

The SPEAKER: The effect of the bill would be in the fullness of time that a grant of land would cease.

The Hon. I.F. EVANS: Mr Speaker, I think if we go back to when the original Casino Act was passed, that was a hybrid bill.

The SPEAKER: Yes, plainly.

The Hon. I.F. EVANS: Yes, and the parliament on behalf of the public granted the Casino certain rights to that crown land based on the licence at that time. So, there was a select committee to look into that on behalf of the public to protect the public's interest; that is why we have select committees for hybrid bills. What this bill is doing is again granting access to crown land under a new set of conditions to which the public have not had the opportunity to make submissions to a select committee on, so I argue, just as the government did in 2004. The government took measures about a hybrid bill. If the original Casino—

The SPEAKER: Well, no, the government suspended standing orders to overcome the Speaker's ruling.

The Hon. I.F. EVANS: Yes, the government took measures to deal with the hybrid bill. They suspended standing orders. Just as the original Casino Bill was put to a select committee because it was hybrid, just as the Speaker ruled and the government dealt with in 2004 the matter in relation to hybrid bills. I cannot see how this bill, which deals with the same matters and in fact deals with more matters granting the Casino access to crown land, is then not covered by the hybrid bill provision. But I have made my case, sir.

The SPEAKER: What does the minister say?

The Hon. J.R. RAU: Mr Speaker, as always the member for Davenport is lost in the political arena. He would have been a great silk, I think, but on this occasion I disagree with him. First of all, there is no reasonable reading of the bill as can be seen from the debate today where it is quite clear the bill has an overall regulatory purpose, not a specific purpose directed towards the Casino. Indeed, many who have spoken on the other side would have that general regulatory purpose stripped from it to make it look more like a specifically Casino-orientated piece of legislation, which it is not.

Secondly, there is a material difference between the initial granting of an entitlement to access to crown land and the extension of an already existent right, and I think the nuance about whether or not the actual details of the terms of the extension have varied at all is really getting down to the minutiae. The threshold question is: should public land be turned over to a body? That question has been determined some years ago and it has been determined in the affirmative, so this is not attempting to disturb that position in any way.

The SPEAKER: Could the member for Davenport direct me to the clause in the bill that grants crown land in its terms? Is there a clause in the bill?

The Hon. I.F. EVANS: No, there is not sir; hear me out, amateur QC as the member for Enfield might have me be. The minister in his second reading response said you could not split the bill away from the Casino because that was a central part of it; so the majority of this is about the Casino. I think the government concedes that point by that admission of the minister in his second reading contribution. When BHP wanted to extend their lease of Roxby Downs expansion—they have had a lease of the land for decades, just as the Casino has for decades—and when BHP wanted to extend its tenure on that land under different conditions, it was a hybrid bill, and we had a select committee.

I argue that the Casino is on crown land, it has been for decades, and it wished to extend its presence there under different terms and conditions. I think in principle it is the same as BHP, and on that basis I believe it is a hybrid bill in principle. I think the government, through moving a motion in 2004, has already accepted the principle that it be a hybrid bill. The government may well take the same action as 2004. That is a matter for it, but I am just seeking clarification.

The SPEAKER: Member for Davenport, your argument appears to be that the bill is a hybrid bill because, to refer to the terms of joint standing order (2), bills introduced by the government whose primary and chief object is to promote the interests of one or more municipal corporations or local bodies and not those of municipal corporations or local bodies generally, and your submission to me is—

The Hon. I.F. Evans interjecting:

The SPEAKER: Yes, I will come to (b). Your submission to me is that I should interpret local bodies not adduced and generous with municipal corporations. So, I should not interpret local bodies as meaning local government; I should interpret it as including SkyCity Casino Ltd.

The Hon. I.F. EVANS: I think that is right. Here me out. I think that is an interpretation to be made because a municipal corporation by definition is local government.

The SPEAKER: Well, no, because at the time—1912—that this joint standing order was formulated municipal corporations would have been in cities and local bodies would have been contemplated as district councils in the countryside, wouldn't they?

The Hon. I.F. EVANS: Well, I am not sure that we go back to 1912 and what was local government then. We need, surely, to interpret what is in place now, and what is in place now is that anything that is a municipal corporation is a local government. So the question is: what is a local body? But I think it is actually (2)(b) in this clause.

The SPEAKER: Okay; we will come to 2(b), but I just want to deal with (2)(a) first. Are you telling me that in the 20th century municipal corporation included the District Council of Brown's Well?

The Hon. I.F. EVANS: Sir, all I am arguing is that the definition of local body is undefined.

The SPEAKER: Are you saying it is not cognate with municipal corporations, it is something completely different from municipal corporations?

The Hon. I.F. EVANS: No; it may be a municipal corporation, but the wording has municipal corporation and local body. So, clearly, whoever drafted it thinks there is 'and something else'. A local body could be what? I am asking: is the Casino a local body? I think (2)(b) is before—

The SPEAKER: Before we come to (2)(b), I am ruling against you on (2)(a) because I think local bodies is to be interpreted adduced and generous with municipal corporations, that part (a) is directed at local government. On (b), you say that (b) covers this because it is granting crown lands to a company or corporation. Well, I cannot accept that either because you cannot point me to any clause in the bill that grants crown or waste land to a company.

The Hon. I.F. EVANS: Sir, I understand where you are going, but the reality is this: if the government do not pass this, the only way the Casino extends its grant of non-crown land is if this bill is passed, because that is the commercial deal done between the government and SkyCity. If this bill is not passed, SkyCity does not extend its lease on that site when it expires.

The SPEAKER: Well, what do you say, Deputy Premier?

The Hon. J.R. RAU: Simply that there is a distinction between this bill and any contract that might be entered into between the government and the Casino company. The discussion about hybrid bills is in relation to bills, not contracts that might be sitting off somewhere else between the government and another party. That cannot be imported into this bill if it does not exist in the bill. Mr Speaker, you make the point: where does it talk in here about a grant of land? It has not been pointed to.

The SPEAKER: I've heard enough, Deputy Premier. I rule against you, member for Davenport. I'm sorry, but there it is.

[Sitting extended beyond 18:00 on motion of Hon. J.R. Rau]

In committee.

Clause 1 passed.

Clause 2.

The Hon. I.F. EVANS: Clause 2 says that section 7(5) of the Acts Interpretation Act does not apply to this particular act or a provision of this act. Can the minister explain why the government wants that to occur? Section 7(5) of the Acts Interpretation Act says:

An Act or a provision of an Act passed after the commencement of this subsection that is to be brought into operation by proclamation will be taken to come into operation on the second anniversary of the date on which the Act was assented to by, or on behalf of, the Crown unless brought into operation before that second anniversary.

So the government is saying there is some provision in this bill they do not want to start after the two-year anniversary. I am wondering why, and what provision it is.

The Hon. J.R. RAU: The answer, I am advised, is that there are some bits of this legislation which it is contemplated would not be required to commence until beyond that second anniversary. Exactly what they are I cannot tell you off the top of my head, and I will ask for advice and come back.

The Hon. I.F. EVANS: So the minister's advisers do not know what clauses they are?

The Hon. J.R. RAU: I can add to this. I am advised that there is only an indicative timetable of implementation because the Gambling Regulation Reference Group has to do some work in this space and the final time lines will be sorted out through that process.

The Hon. I.F. EVANS: This is the first I have heard of this. What time lines are preliminary in the bill and what time lines are subject to the Gambling Regulation Reference Group? What are they looking at and what time frames are provisional—based on their recommendation, I assume?

The Hon. J.R. RAU: Here is a summary. Hopefully, this is of some use. If it is not, I will just have to take the rest of it on notice. The commencement dates are indicative only at this stage and the detail will be established in consultation with the Gambling Regulation Reference Group. Each clause has specific commencement dates, but a general summary is:

- 1 July 2013—improvements to existing gaming regulation and statewide gaming machine entitlements capped;
- 20 January 2014—venues can notify the commissioner of their status;
- July 2014—venues can operate up to 60 machines;
- July 2014—streamline training requirements;
- July 2014—reduction in costs and red tape associated with development and testing of games; and
- 1 January 2016—games venues must have notified the commissioner of their status as a major or minor venue.

As I understand it, the advice I have is that those time lines I have just given them are presently indicative and not fully settled and, therefore, it was thought prudent to not have parts of the act come into operation by reason of section 7(5) of the Acts Interpretation Act.

The Hon. I.F. EVANS: Who is on the regulation working group and when is it due to report?

The Hon. J.R. RAU: I understand it was in a briefing document provided, but do you want the names of the people?

The Hon. I.F. EVANS: Yes.

The Hon. J.R. RAU: It is in one of the documents that you have received. They are: Rosemary Hambleton, Robyn Buckler, Wally Woehlert, Tony Morgan, Phil Harrison, Harry Bourlotos, Leanne Singh, Lindy McAdam, Robert Chappell, Jeanette Barnes, Julie Hall and Nerissa Kilvert.

The Hon. I.F. EVANS: When are they due to report?

The Hon. J.R. RAU: I am advised it is the Department of Treasury and this is a group set up out of there. These are not Treasury officers but I can explain where they come from. Would that help?

The Hon. I.F. EVANS: Yes.

The Hon. J.R. RAU: Relationships Australia, United Voice, Gaming Care, Adelaide Casino, Club Safe, Independent Gaming Corporation, Office for Problem Gambling, Community Connect, Independent Gambling Authority, Independent Gambling Authority and then two from Consumer and Business Services.

The Hon. I.F. EVANS: Are the AHA and Clubs SA on there?

The Hon. J.R. RAU: Club Safe is there.

Clause passed.

Clause 3 passed.

Clause 4.

The Hon. I.F. EVANS: On clause 4 we move into the amendment to the Authorised Betting Operations Act and the government is introducing a definition of criminal intelligence into the Authorised Betting Operations Act. Why does the government need to introduce a definition into that act and what is the purpose of the changes to that act that requires criminal intelligence?

The Hon. J.R. RAU: My advice is that this amendment brings consistent criminal intelligence provisions to the Authorised Betting Operations Act. It provides for the protection of SA Police criminal intelligence provided to the Independent Gambling Authority and the Liquor and Gambling Commissioner, and that similar provisions are included in the Gaming Machines Act and the Casino Act. In fact, if I recall correctly, there was some debate between the chambers here last year about the exact formulation of these things.

Clause passed.

Clause 5.

The Hon. I.F. EVANS: Clause 5 talks about codes of practice under the Authorised Betting Operations Act and clause 5(2) introduces changes that require the holder of a licence to provide certain information to 'patrons' as distinct from 'gamblers'. I am interested as to whether it is the intention under this provision for the government to force venues to have signs and warning notices, or audio, visual or electronic messaging outside of the gambling area at venues for non-gambling patrons, or is it only a requirement that these signs and warning notices, or audio, visual or electronic means are going to be restricted to the gaming area?

The Hon. J.R. RAU: That would be a matter for the code and I cannot see anywhere where the potential scope of the code is limited to say that you may only have something on the inside door of a place or inside the actual gaming area. Whether or not the code would actually prescribe such a thing is a matter for the formulation of the code.

The Hon. I.F. EVANS: What is the government's intention?

The Hon. J.R. RAU: At this stage I think that is something we would have to formulate after we talk to people about it. I do not presently have an intention about it. It would be a matter that I think we would need to talk to the affected people about and understand the nature of those premises.

The Hon. I.F. EVANS: I draw that to the attention of those who are listening, that this particular clause talks about the information to patrons, not information to gamblers. So, during this consultation process that is apparently happening through this regulatory group, they might want to look at that particular issue. I will move on to clause 5(6), which inserts the famous numbers 10AA. I have read this a number of times and I want the minister to explain to me what the impact is of bringing in provision 10AA with regard to this matter.

The Hon. J.R. RAU: Can we get back to you on that one? It seems like a very good question.

The Hon. I.F. EVANS: Minister, it is such a good question that I am happy to wait while you seek the appropriate advice. Being the poor old humble member for Davenport it just appears to me that by the insertion of 10AA into section 6A(6) of the Authorised Betting Act, it means that section 10AA of the Subordinate Legislation Act does not apply to any notice published in the *Gazette*.

What that means, as far as I could work out, is that the government is changing its position and that codes of practice are going from being a disallowable instrument to a non-disallowable instrument. I am wondering if that is the government's intention or whether I have interpreted it incorrectly.

The Hon. J.R. RAU: Unless somebody can tell me the answer to that right now, I think we will take it on notice—and it is either yes or no. It is about commencement, not disallowance, I am advised.

The Hon. I.F. EVANS: What does that mean—it is about commencement?

The Hon. J.R. RAU: I am advised that it is about making the codes consistent, and the other pieces of legislation that we might be referring to have similar requirements.

The Hon. I.F. EVANS: If your amendment is successful, as per drafted in the bill, will the codes of practice be a disallowable instrument?

The Hon. J.R. RAU: I am advised that the answer to that is yes.

The Hon. I.F. EVANS: That is all for clause 5, thank you.

Clause passed.

Clause 6.

The Hon. I.F. EVANS: Clause 6 inserts a new provision that deals with criminal intelligence. I note that in the new clause 6B, which is going to be inserted, it allows the minister to obtain copies of the criminal intelligence. I assume there are confidentiality provisions on the minister, but is the minister able to use the criminal intelligence in the house?

The Hon. J.R. RAU: Let us just take that one at face value. Criminal intelligence is protected information, so the idea is that people do not go around talking about criminal intelligence. If you are asking a question as to whether a member of parliament—or a minister, for that matter—having had access to such a thing could come in here and say something about it, I think the question would turn down to what remedy anybody might have for doing that.

That problem—I have never heard of it being a problem, but if indeed it is—has been a problem ever since there has been criminal intelligence. I do not know of an issue where a member of parliament—and certainly not a minister—has come in here and told everybody about criminal intelligence, and there has been the question as to whether they have broken any law, and then the complexity about whether the evidence of what was said in here could be led in court to prove that they did or did not say anything, and so forth.

I would be flabbergasted if it were to ever arise, and it certainly would not be arising for the first time because of these provisions. There are criminal intelligence provisions in the Liquor Licensing Act; they are in the Firearms Act; they are all over the place, and it has never been a problem.

The Hon. I.F. EVANS: The minister says, 'It has never been a problem'. I will speak to the minister privately about my experience holding certain positions within the system. I understand what the minister is saying in relation to remedy but, by allowing a minister access under no criteria, you are really coming down to the goodwill of the minister as to whether that matter is then used for political purposes at some point in the future. I just raise that point for the minister to contemplate. Once the minister has it, the minister is at liberty to use that information in the house however he or she may wish. There may be ramifications for the minister, of course, but the political advantage may be such that a minister chooses to do so. That is all I have on clause 6.

Clause passed.

Clause 7.

The Hon. I.F. EVANS: Can you explain the purpose this? The way I understand clause 7 is that now the authority must give the Commissioner of Police a copy of all applications made under the provision which allows for the approval of designated persons. The way I read that is: for every person who is seeking to be employed in certain positions, their application is now going to be sent over to the police on every single occasion; it must happen. I just want to check that that is the way that is going to work; that is the way I understand it. The authority must give the Commissioner of Police a copy.

The Hon. J.R. RAU: I am advised that this is to make the provision regarding the approval of designated persons uniform with that under the Casino Act in requiring the authority to forward to the Commissioner of Police a copy of any application for approval, and for the Commissioner of Police to make available to the authority information about criminal convictions and other information to which the Commissioner of Police has access relevant to whether the application should be granted.

The Hon. I.F. EVANS: So, one assumes then that the authority is under a confidentiality requirement somewhere in their legislation. I ask for that to be confirmed. One also assumes that, under subclause (1b), 'and other information to which the Commissioner of Police has access

relevant to whether the application should be granted' goes beyond criminal matters. The first part of that subclause provides:

- (1b) The Commissioner of Police must make available to the Authority information about criminal convictions and other information to which the Commissioner of Police has access...

So, one assumes that there is something outside of criminal convictions that the commissioner may well have.

The Hon. J.R. RAU: Can I give a possible example, and I know this applies, for instance, in relation to liquor licensing or firearms? The commissioner may discover that the member for Kavel has applied for a licence and, as we all know, he is a man who has no convictions, and he is an apparently upstanding citizen but—and I have to depart from using him as my example now—let us say the person is also known to be an associate of an outlaw motorcycle gang and has lots of mates in that gang, and has been identified as being a suspect in a whole bunch of unsavoury activity.

The second lot of information is not a conviction. It might be criminal intelligence, it might be reports that the police commissioner has obtained, it might be stuff that they have from a whole bunch of sensitive places but, whatever you call it, it is not a criminal record or a conviction. I would read that as making a distinction between a person's record in the formal sense, that is, record of convictions, and other information the police commissioner might have. For example, this fellow may not have ever been convicted of anything serious but he is a known associate of various other people, which might reflect importantly on whether you want this person involved in this industry.

The Hon. I.F. EVANS: Does the authority have a confidentiality requirement on it?

The Hon. J.R. RAU: Under section 17 of the IGA Act there is a duty of confidentiality. It says that:

A member or former member of the Authority...must not disclose confidential information obtained in the course of carrying out official functions except—

- (a) to another person who has official functions under this Act or a prescribed Act, to the Commissioner of Police or as may otherwise be required for carrying out such official functions
- (b) as required by law; or
- (c) as permitted by the person in whose favour the duty of confidentiality exists;
- (d) to a reciprocating authority, or an officer or employee of a reciprocating authority.

So that is already dealt with.

Clause passed.

Clause 8.

The Hon. I.F. EVANS: Clause 8 deletes section 50 of the Authorised Betting Operations Act which deals with barring orders. You are doing that, I assume, because there is a new system of barring orders coming into play. Were the TAB and the racing industry consulted on this clause?

The Hon. J.R. RAU: I don't know the answer to that.

Clause passed.

Clause 9.

The Hon. I.F. EVANS: Clause 9 amends section 87 of the Authorised Betting Operations Act. Section 87 deals with confidentiality of information provided by the Commissioner of Police. The government seeks to delete section 87(a) which deals with prejudiced present or future police investigations or legal proceedings, and it wishes to delete it so that information remains confidential. The way I read it, it currently says:

No information provided by the Commissioner of Police to the Authority or the Commissioner may be disclosed to any person (except the Minister or person to whom the Commissioner of Police authorises its disclosure)—

for instance, the police commissioner could authorise that it goes to the media—

if the Commissioner of Police asks for the information to be kept confidential on the grounds that its disclosure might—

- (a) prejudice present or future investigations or legal proceedings

We are taking away from the police commissioner that right under section 87(a), and I wonder what the police commissioner's view of that is?

The Hon. J.R. RAU: I am advised that the deletion there is in recognition of the insertion of the new criminal intelligence provisions. Rather than have a repetition of the new provisions that we were talking about a minute ago, we have replaced that section.

The Hon. I.F. EVANS: Doesn't the definition of criminal intelligence leave out the words 'or legal proceedings'? The definition of criminal intelligence inserted in the bill by the government deals with 'the disclosure of which could reasonably be expected to prejudice criminal investigations'. Section 87(a) deals with prejudicing present or future police investigations—which one assumes is criminal investigations—or legal proceedings. I am not sure, under the definition of 'criminal intelligence', whether legal proceedings are covered by the new procedure.

The Hon. J.R. RAU: I am advised that in changing to some sort of uniform model of the formulation of criminal intelligence, these provisions are being replaced. Parliamentary counsel is of the view that the words the honourable member has referred to, 'or other legal proceedings', do not add anything to the provision to which he has referred, and that the only relevant information the police commissioner would have would be defined as criminal intelligence. In other words, whatever the police commissioner has that might be relevantly passed on would be characterised as criminal intelligence. Therefore, the 'other legal proceedings' thing is unnecessary.

The Hon. I.F. EVANS: I understand that, but I will make this point and then move on, because I know the minister wants to finish this by 6 o'clock tomorrow night. Existing section 87(a) talks about police investigations or legal proceedings. I think a fair interpretation of legal proceedings is something before a court so, in taking that out, we are relying on the new definition of criminal intelligence, which is 'the disclosure of which could reasonably be expected to prejudice criminal investigations', as distinct from 'a legal proceeding'.

I am not sure they are the same thing. Plenty of people are investigated without the matter getting to court, but a judicial proceeding, a legal proceeding, is something when it is at court. The investigation is complete; they have their evidence, it has gone to the DPP and they are going to nail their person through the evidence. I will leave that to better legal minds than the poor old member for Davenport to contemplate between houses.

Clause passed.

Clause 10 passed.

Clause 11.

The Hon. I.F. EVANS: I must have this one wrong, but I will take my chance and ask the question. Clause 11 is a transitional provision that deals, in one part, with barring orders. It says, at the bottom, that, as a transitional provision, people who are currently barred are now barred for up to three years or until a review of the order is completed, under section 138. Does that mean that if I am barred for six months, under these transitional provisions I am suddenly barred for three years unless the review is completed more quickly than that?

The Hon. J.R. RAU: I am advised the existing orders are not open-ended, they are not time limited, so it would actually be, I guess, beneficial to the person because they go from having an open-ended order to an order that would expire within three years, or sooner if application or review took place.

The Hon. I.F. EVANS: All the current barrings are open-ended, so you are either barred or you are not barred; there is no time period. So, why are we giving someone the job of actually having to review them all, because would that not be part of their normal role? Why suddenly put a time limit on them? Why invent a job for someone? If we have had this legislation in place forever and there is no time frame for review, why now are we introducing a time frame for review?

The Hon. J.R. RAU: I am advised that people move, people improve their gambling issues and they do not, as a matter of course, notify anybody, so this is an attempt to have a purging, if you like, of the register so that over time it is established whether the register has names on it that do not really need to be there; that is the purpose.

The Hon. I.F. EVANS: I have no problem with someone tapping someone on the shoulder and saying, 'Are you better? Are you under control? Do you need to be barred any longer?', but why do you need a piece of legislation to do that? Why can't the authority just say, 'Guess what,

you've been barred for a couple of years, we think it is time to have a chat'? Why do we need a law to do it?

The Hon. J.R. RAU: The need for the transitional provision is because the existing orders would evaporate without one.

The Hon. I.F. Evans interjecting:

The Hon. J.R. RAU: If you are okay with having an unpurged register sitting there indefinitely that may well be the case, but some transitional provision is required to make sure the people who are presently barred continue to be barred and the purpose of this is to make sure there is some culling of the list; that is all.

The Hon. I.F. EVANS: Let me ask this question: does the authority currently have the power to review the barring orders currently in place?

The Hon. J.R. RAU: The answer to that, apparently, is no.

The Hon. I.F. EVANS: So, the parliament has developed a system that once you are barred you are barred forever.

The Hon. J.R. RAU: Unless there is a request from the individual for revocation, in which case I take it that can be considered.

The Hon. I.F. EVANS: So, the way I understand it now is that everyone barred is barred forever unless they ask to be reviewed and then they can be reviewed. That is the current law. These are transitioned across and now we are going to say: even if they have not asked for a review we are going to have a review to see if they want to change their barring situation, even though they have not asked for it.

The Hon. J.R. RAU: That is correct.

Clause passed.

Clause 12.

The Hon. I.F. EVANS: The government is inserting the definition of 'casino premises' under clause 12(5), which states, 'casino premises means the premises defined in the casino licence'. Does that definition define the crown land that the Casino has available to it?

The Hon. J.R. RAU: It is what it is. One would go to the licence and that would say whatever it says. I do not have a copy of the licence.

The Hon. I.F. EVANS: But one assumes it will set out what area of land the Casino licence applies to.

The Hon. J.R. RAU: I am not sure where we got up to.

The Hon. I.F. EVANS: We have now moved on to sections dealing with the Casino Act. The government seeks to change section 3 of the Casino Act, which is the interpretation section, and it is introducing a new definition of 'casino premises', which is 'means the premises defined in the casino licence'. I am assuming that means that, in the casino licence, there is a definition of the crown land to which the licence is going to apply.

The Hon. J.R. RAU: I can only add this: as I understand it, a licence can be granted only to an applicant (in this case, the Casino) that has tenure over particular premises to which it requests to have the licence extend. I am told that is right.

The Hon. I.F. EVANS: Is it the government's intention to grant access to areas of the Casino that currently are not defined under its licence but may have previously been defined under its licence as areas in the Casino? As this amendment highlights, the Governor has that power under section 6(3), on the authority's advice, without any public consultation. I am wondering whether it is the intention of the government or the authority to do that.

The Hon. J.R. RAU: As I understand it, the situation is this: there is presently no agreement, so there is no present answer specifically to that question. As I understand the advice I am receiving, what we are seeing here is a change in methodology of description. Previously, the methodology was by reference to 'casino'. This is a different model.

The Hon. I.F. EVANS: Exactly. What I am seeking to establish is that, under the amended provision (section 6(3)), it highlights where the Governor, on the recommendation of the authority,

can expand the Casino premises outside of its existing licence area to an area that has previously been licensed and operated as part of the Casino premises. What I am asking is: is it the government's intention, or the authority's intention, to expand the Casino to areas that were parts of the Casino that now are not?

The Hon. J.R. RAU: I am advised that the whole building is presently included within the definition of 'casino' and the only bits of the building that were used but are not now are the north Loft and the North restaurant.

The Hon. I.F. Evans: What about the ATM area?

The Hon. J.R. RAU: The ATM area has never been part of the Casino, I am advised.

The Hon. I.F. EVANS: Clause 12(8) deals with the premium gaming areas and allowing the Casino to operate a premium area. In the bill, this particular section provides that the area set aside for premium customers is only accessible to other customers in accordance with the approved licence agreement. Other customers are clearly not premium customers; they are something different. I am just wondering whether the minister could enlighten the house as to how premium customers are going to be defined, and under what terms and conditions other customers can access the premium gaming area.

The Hon. J.R. RAU: My understanding is that those are matters that are presently the subject of negotiation and are commercial in confidence, and I am not able to assist with the exact formulation of that; so I am advised.

The Hon. I.F. EVANS: This is not the first casino in Australia. Can the minister give us some advice on what other customers in other casinos might be let in who are not premium customers?

The Hon. J.R. RAU: I can give you a for instance. If the honourable member were a premium customer, however defined, and the honourable member and the honourable member's wife wanted to go in there and she wanted to watch the honourable member at the baccarat table or something, then she would not be required to stay outside. She would be able to come in. As I understand it, that is the sort of thing contemplated.

The Hon. I.F. EVANS: Are the other customers, then, who are not premium customers, able to gamble in the premium area? Is this simply allowing entry to watch or is this allowing entry to gamble for other customers who are not premium customers?

The Hon. J.R. RAU: I am advised that in other places they can gamble, but that is not a matter that is resolved yet here.

Clause passed.

Clause 13.

The Hon. I.F. EVANS: Clause 13 deals with section 6 which is the Casino premises and it specifically deals with 6(2) where it substitutes 'different premises' and puts in the words 'premises at different sites'.

The Hon. J.R. Rau: Premises at a different site.

The Hon. I.F. EVANS: Premises at a different site. Can the minister explain what that means? Does that mean that the Casino is changing site or gaining access to more land?

The Hon. J.R. RAU: As I understand it, the effect of this is in relation to the question of whether the public inquiry trigger is engaged and the point of it is that if the Casino were to change its precise footprint in some way, but remain basically where it is, it would not be a trigger. If, however, the Casino wished to go from over there to the Wine Centre, for example, that would be a trigger.

The Hon. I.F. EVANS: Just so I understand what the minister is telling me, by changing the words from 'different premises' and substitute 'premises at a different site', your advice is that if the Casino tripled in size at the same site, at the same location—so they could get twice as big or ten times as big—it would not matter as long as it just keeps adding on to the original site. This clause only comes into play if they pick it up and move it so none of its land is contiguous with the old location.

The Hon. J.R. RAU: I think as I read (2a) that is pretty explicit, isn't it? It says that the Casino premises will only be regarded as being at a different site for the purposes of subsection (2) if no part of the premises is situated on the previous site.

The Hon. I.F. EVANS: Has the government had discussions with the Casino about operating a satellite venue at a different site? It is well known that SkyCity operate a number of small casinos in New Zealand. I have visited them myself when travelling to New Zealand. In small country towns of 100,000 people they run satellite casinos. Is this possible under the agreement or the legislation that the Casino could run satellite venues? Is it possible to have more than one site under the legislation or the licence agreement?

The Hon. J.R. RAU: I am advised the answer is no. It is only possible for the governor on the recommendation of the authority to redefine the boundary of the Casino premises or move them somewhere else, but, as far as I am advised, the answer to that is no.

The Hon. I.F. EVANS: Sorry, minister, I didn't ask whether the authority had the opportunity to grant a licence for a new site, I asked whether it is possible, if your bill goes through in its current form, as we are changing the words from 'a different premises' to 'premises at a different site', for the Casino to run a satellite casino—still run one here, but run one at Port Lincoln, Mount Gambier, etc., as they do in New Zealand.

The Hon. J.R. RAU: I am advised that the scheme of this is that there is one licence. There is only one licence under this act and that is for one site. There would need to be another licence for another site, and the act provides for only one licence. I think the effect of all of that is they could move potentially but they would just be picking up sticks and moving somewhere else. They couldn't multiply.

Clause passed.

Clause 14 passed.

Clause 15.

The Hon. I.F. EVANS: I am not sure what clause 15 does. Is clause 15 the clause that allocates the entitlements to the Casino's existing 995 machines? It is not. Well, can the minister explain to me what it does?

The Hon. J.R. RAU: I am advised that this makes the entitlements referable to the Casino licence. At the moment they are not tied in. They are issued under the Gaming Machines Act but not attached, as it were, to the Casino licence. This effects that attachment and also ensures that the maximum cannot exceed the maximum specified in the licensing act.

Clause passed.

Clause 16.

The Hon. I.F. EVANS: Clause 16 deals with the term and renewal of the licence under the Casino Act. The government is inserting a new provision (2a). Section 9(2) of the Casino Act provides:

If before the end of a term for which the licence has been granted or renewed, the parties to the approved licensing agreement renegotiate the agreement, and the agreement as renegotiated is approved by the Authority, the Governor may renew the licence for a term fixed under the renegotiated agreement.

The inserted clause (2a), amending that section, provides:

Despite the above provision for approval of the renegotiated agreement by the Authority, an assurance of a kind referred to in section 16(6) is not subject to approval by the Authority.

Section 16(6) of the act provides:

The agreement may contain an assurance, on terms and conditions fixed in the agreement, that the exclusiveness of the licensee's right to operate a casino in this State will not be impugned during a period set out in the agreement.

The way I read the amendment is that if the parties to the agreement, which I assume are the government and the Casino, agree on the exclusive nature of the Casino's operation that there will be one (even though the Treasurer is running around threatening there might be two) and the government has given the Casino that assurance there will only be one operator, they don't need the agreement of the authority for that commitment. Do I have that right?

The Hon. J.R. RAU: It sounded pretty close to me. I will read out what I have got here. It says that this amendment clarifies the assurance and exclusiveness of the Casino licensee's right to operate a casino for a set period, under section 16(6), and that is not subject to approval by the authority. This makes it clear that the current provisions set out in section 16(7)—that exclusivity provisions are not subject to approval of the IGA—also apply at the time of licence renewal. I am also advised that this is a technical improvement which is unlikely to change things much in any of our lifetimes because, based on the current licence, it will not have any effect until 2085.

The Hon. I.F. EVANS: And then they will probably send it for review.

Clause passed.

Clause 17.

The Hon. I.F. EVANS: Clause 17 deals with the conditions of licence and amends section 10(1)(a) of the Casino Act. Section 10(1) provides:

The conditions of the licence consist of—

- (a) the conditions fixed by this Act;

They are inserting 'subject to section 16(1a)'. So, the licence is subject to the conditions fixed by the act, subject to 16(1a). So, you go to 16(1)—it was great fun doing this over the weekend, I must say, minister—which provides:

There is to be an agreement (the *approved licensing agreement*) between the licensee and the Minister about—

- (a) the operation of the casino;

I do not understand, to be honest, what you need that amendment for. I do not know what it achieves. There already has to be a licence agreement between the minister and the Casino. How can they operate outside the licence agreement? I am not sure why we need to put in the conditions fixed by the act. I just want to ask the question simply: what is the purpose of clause 17 of the bill?

The Hon. J.R. RAU: The good news is this one is easy. This amendment is consequential on the insertion of the proposed 16(1a)—there you are.

The Hon. I.F. EVANS: Of 16 what?

The Hon. J.R. RAU: Of 16(1a) apparently, which says:

The agreement may exempt the licensee from, or modify the licensee's obligation to comply with—

- (a) specified requirements of this Act or conditions fixed by this Act; or
- (b) provisions of a code or requirement prescribed by the Authority...

in relation to premium customers or premium gaming areas.

So, it is directed specifically at premium customers and premium gaming areas.

The Hon. I.F. EVANS: Sorry, 16(1a) of what, John? Of the current act or the bill?

The Hon. J.R. RAU: The bill. Clause 21 of the bill, I am advised. So, if you go to clause 21 of the bill, which is on the next page or the page over that, you will see that there is 16(1a) and the very last line, before you go to (1b) reads 'in relation to premium customers or premium gaming areas'.

The Hon. I.F. EVANS: Okay. I totally misread that because, when it says the insertion is 'subject to section 16(1a)', it is unclear to me whether it is 16(1a) of the bill or the act.

The Hon. J.R. RAU: It is the bill.

The Hon. I.F. EVANS: That wasted half an hour on the weekend trying to work out what that was all about.

Clause passed.

Clauses 18 and 19 passed.

Clause 20.

The Hon. I.F. EVANS: Clause 20 talks about the approval of designated persons. I just want to get not names but the sort of positions that the government envisages being covered by

the designated persons clause at the Casino. For those who have not read the bill, they inherit certain levels of responsibility over and above normal employees in relation to the operations of the Casino.

The Hon. J.R. RAU: I am advised that we are talking here about the New Zealand-based chief executive group and the local executive, yes.

Clause passed.

Clause 21.

The Hon. I.F. EVANS: This is the clause that the minister confused me on a minute ago in relation to section 16. Under the current act clause 16(b) provides that the agreement must be consistent with the provisions of the act. I am assuming there is no amendment in the bill to that particular provision, to allow the agreement to be inconsistent with the act. The reason I asked the question is that section 16, which is being inserted, provides 1(a):

The agreement may exempt the licensee from or modify the licensee's obligation to comply with specific requirements of this act, or conditions fixed by this act.

I think what that means is that the parliament can sit here and debate all it wants, but if the government and the Casino come to some deal on the side the government have the power to exempt certain provisions of the act.

The Hon. J.R. RAU: In a way the honourable member is correct about the effect of the provisions, but given the way this thing is constructed, the premium customer and the premium gaming area is a unique area within the Casino itself. The idea is that the general provisions that might have appropriate applications for the rest of the premises and for the rest of the functions of the Casino may in part not be appropriate for the premium area. The intention is, here, that there is a capacity by agreement for there to be some variation of provisions that otherwise would apply but only for that area, including, I am advised, the codes of practice which the authority does make.

Progress reported; committee to sit again.

STATUTES AMENDMENT (DIRECTORS' LIABILITY) BILL

Consideration in committee of the Legislative Council's amendments.

The Hon. J.R. RAU: I move:

That the Legislative Council's amendments be agreed to.

Motion carried.

WORKERS REHABILITATION AND COMPENSATION (PROTECTION FOR FIREFIGHTERS) AMENDMENT BILL

Received from the Legislative Council and read a first time.

FOREIGN OWNERSHIP OF LAND BILL

Received from the Legislative Council and read a first time.

At 19:00 the house adjourned until Thursday 16 May 2013 at 10:30.