

## HOUSE OF ASSEMBLY

Tuesday 15 October 2013

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

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

### MINING (ROYALTIES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 4 July 2013.)

**Mr HAMILTON-SMITH (Waite) (11:03):** I will be leading the debate for the opposition on this bill which, of course, was introduced by the Minister for Mineral Resources and Energy on 4 July 2013. As we heard in the second reading explanation, the bill seeks to change the timing of mineral royalty collections for producers from an expected royalty obligation of greater than \$100,000. The measure was first announced in the Mid-Year Budget Review on 21 December but, curiously, it has taken the minister almost nine months to act on the matter. This is an issue of concern to industry stakeholders.

This is, in essence, a cash grab by a cash-strapped government, which has so mismanaged the state economy that state debt has spiralled out of control and we have one of the worst deficits we have seen in the life of this state. We have had Standard & Poor's as recently as last week yet again downgrade the state's credit rating. After three terms of Labor, Labor has delivered ruin. It is quite clear that the state's Strategic Plan has in many ways been an abject failure.

Look at what it has delivered: well over \$14 billion worth of state debt, an extraordinarily high deficit and, essentially, an economy that is looking very much like it did in 1993 when Labor was last in office, when it delivered a bankrupt basket case to those on this side of the house to fix. It took us two terms to get rid of that debt and to fix the mess that they created. Here we go again in the great cycle of South Australian politics: Labor governments wreck the state's finances and Liberal governments are then called to the rescue to sort out the mess they have created.

The context of this bill is one where, in a desperate effort to muzzle in as much money as it can, we are now shifting the posts on royalty receipts so as to bring forward royalty receipts in a way that gives this flawed and ineffective state government a cash top-up in a pre-election year to help fund the overpromising and the overspruiking that has been going on for some time.

Let there be no misunderstanding about what the bill is about. The bill is about a grab for cash and the government wants our miners, particularly those involved in specific parts of the mining industry, to pay for it. They have spent the money on the credit card and now they want the mining industry to cough up to cover the accounts.

Of course, when considering this bill one needs to have regard for the context in which it is placed. We had what was probably one of the greatest booms this nation has ever seen over the last 12 to 14 years, heralded mainly by a very competent conservative government under former prime minister Howard and former treasurer Costello. To be fair, a lot of that spirited growth was based on reforms made as far back as the Keating and Hawke governments, where some tough decisions were made to restructure the national and state economy.

We had growth from 2002 onwards—in fact, it started well before then—that just begged belief. It had nothing to do with the policies of this state government; it had everything to do with global economic conditions, a booming China and India consuming our resources and our mineral resources. Royalty incomes and receipts blossomed around the country here, particularly in Queensland and New South Wales. There was a massive turn-up in economic activity and this state government literally had money falling across the counter at them—bucketloads, wheelbarrow-loads full of cash—and of course they were going around from 2002 right through to about 2008 telling everyone what fantastic financial managers they were.

I remember the former premier (the former member for Ramsay) and the former treasurer (the former member for Port Adelaide) spruiking about how they were doing a great job running the

economy. Two gorillas in a Volkswagen could have run the state economy from 2002 through to 2008. You needed no level of competence to pay your bills when every year you were getting \$200 million to \$300 million more in receipts than you had planned to get at the beginning of the year.

That, of course, covered over a whole lot of ills. It covered over chaos, confusion and disorganisation within the health sector. It covered over chaos, confusion and inappropriate administration in the education department, as we have been hearing. It covered over just about every ill and mistake a government could make, because you could buy your way out of trouble when you were getting buoyant surpluses year after year after year. We had an incompetent government from 2002 to 2008, running things in a time when the money was rolling in so strongly that their incompetence was literally covered over in a gloss of cash surpluses.

In that period our mining sector grew. Of course, we had what the former premier had described as the mirage in the desert, the Roxby Downs mine, then heralded as his pet project. We had the overspruiking and the overpromising—we were going to be the Dubai of the south, mining was going to lay a road of gold leaf and diamond-encrusted everything, all the way through to future prosperity. Everyone was going to be a multimillionaire. Of course, it was all a load of nonsense. It was all a load of abject rubbish.

This government and, frankly, the current Premier and the current cabinet must take as much responsibility for it as the former premier and the former treasurer. They just overspruiked, overpromised and underdelivered. Roxby Downs and the Olympic Dam expansion came crashing down around their ears when BHP announced to the world that, because of the economic downturn, they would not be proceeding.

Of course, they got caught out. Once the economic good times, for which they were not responsible, ended with the global financial crisis, and we got rid of a competent federal government and put in place in 2007 an incompetent federal government (and hasn't it been a circus?), it has just been bad news. With the surpluses gone, their misadministration and their inability to govern effectively was exposed for all to see.

That is why we are here debating this bill, and that is why there is a need for a grab for cash—because they got caught out. Anyone who has run a business knows that in the good times you have to tighten your costs; you have to prepare for the inevitable down cycle. This government did not do that; they kept spending like drunken sailors. They did not prepare for the inevitable down cycle, and when it came it hit and it hit them hard. Now they want their mismanagement to be covered over by the mining industry through this grab for royalties.

The problems of the mining sector go far further and have been added to by this government. We have had various reports—there is a regular flow of them—that are pointing to problems within the mining sector compared to the very flush times we enjoyed due to buoyant commodity prices and surging demand from China, India and other places earlier in the last decade.

ABS data going back to June, but also since, has confirmed that high taxes and capital costs and low productivity under Labor governments had brought mineral explorations virtually to a halt; in fact, not only to a halt, but it was in freefall. Labor's mineral resources rent tax (MRRT), which was introduced in July 2012, came at a time—

*The Hon. A. Koutsantonis interjecting:*

**Mr HAMILTON-SMITH:** —when exploration for mineral resources in South Australia had shrunk from \$90 million to \$38 million—a staggering decline of 58 per cent. Ahead of the—

*The Hon. A. Koutsantonis interjecting:*

**Mr HAMILTON-SMITH:** Mr Speaker, he is—

*The Hon. A. Koutsantonis interjecting:*

**Mr HAMILTON-SMITH:** I will just wait until he has finished.

**The Hon. A. Koutsantonis:** Will you?

**Mr HAMILTON-SMITH:** Can you call him to order, sir?

**The Hon. A. Koutsantonis:** Come on, princess; come on.

**The SPEAKER:** The member for West Torrens is called to order.

**Mr HAMILTON-SMITH:** Mr Speaker—

*The Hon. A. Koutsantonis interjecting:*

**Mr HAMILTON-SMITH:** The minister has had a chance to give his second reading; now he is over there name-calling like a little boy—

**The Hon. A. Koutsantonis:** Princess.

**Mr HAMILTON-SMITH:** —like a little boy in grade 3—

**The Hon. A. Koutsantonis:** Princess.

**Mr HAMILTON-SMITH:** —like the little boy he was before he came to the parliament and like the little boy he remains today. Now, if he wants to interject—

**The Hon. A. Koutsantonis:** Princess is going red.

**Mr HAMILTON-SMITH:** He has just called himself a princess—

**The Hon. A. Koutsantonis:** You're going red, princess.

**Mr HAMILTON-SMITH:** Now, if he wants to call himself a princess and carry on, calling names, being a little boy, exposing to all his colleagues what a juvenile delinquent he is—he puts himself forward as the leader, he is all but going around telling people that after the election he will be the candidate to replace Jay Weatherill; he has already got the knife out, he is ready to slide it into Jay Weatherill's kidneys, and he cannot keep quiet while I am speaking—

**The Hon. A. KOUTSANTONIS:** Point of order.

**The SPEAKER:** A point of order from the principal offender.

**The Hon. A. KOUTSANTONIS:** Perhaps paramedics are needed, sir; he has gone red.

**Mr HAMILTON-SMITH:** Oh, excuse me, Mr Speaker—

**The SPEAKER:** Well, no; the member for Waite will be seated. That was a bogus point of order, and accordingly, I warn the minister for the first time. That means he has only one further life for the remainder of the day, including question time. The member for Waite.

**Mr HAMILTON-SMITH:** Thank you, Mr Speaker. I will try not to respond, but I have noted in this place—

**The SPEAKER:** Perhaps you could exert yourself a little more.

**Mr HAMILTON-SMITH:** I will try restraint, but what the minister needs to learn is that it is better to be thought of as a juvenile delinquent than to open your mouth and remove all doubt. I hope that he remains silent during the remainder of this so that we can get on with the substance of the issue—

*The Hon. A. Koutsantonis interjecting:*

**Mr HAMILTON-SMITH:** —but if he wants to interject, there will be responses because they are very good at dishing it out—it is easy to do in government because you have the call, usually—but I can tell you that when the opportunity presents itself for response—

*The Hon. A. Koutsantonis interjecting:*

**Mr HAMILTON-SMITH:** He does not like it.

**The Hon. A. KOUTSANTONIS:** Point of order, sir.

**The SPEAKER:** Point of order. If this point of order is not a valid point of order, the minister will be warned for the second time—

**The Hon. A. KOUTSANTONIS:** Yes, sir; thank you, sir.

**The SPEAKER:** —and it would be something of an Olympic record for a minister to be removed before question time.

**The Hon. A. KOUTSANTONIS:** It would be, sir, and I know your keenness for order in the house. I just remind the member for Waite about the relevance of the bill. Perhaps he could get back to the bill.

**Ms Bedford:** Good point.

**The SPEAKER:** What a happy point, yes. The member for Waite—the bill.

**Mr HAMILTON-SMITH:** Thank you, sir. We listened attentively—

**The SPEAKER:** To your text.

**Mr HAMILTON-SMITH:** Certainly, sir. We listened attentively while the minister gave his second reading, so I hope he will do the same from here on. The introduction of MRRT came at a time when iron ore exploration saw \$27 million invested in SA in June 2012. Within nine months, this had slumped to \$9 million, a 67 per cent decline. In July 2012, \$43 million was spent in SA on copper exploration but, following the cancellation of the Olympic Dam expansion, this slumped 67 per cent, to \$14 million in the March quarter.

The fact is that this Labor government has delivered the highest capital costs for mining projects in the world and low productivity. The results are now in; just look at the ABS statistics. In February, the state government's Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) chief executive, Geoff Knight, said the mineral resources rent tax had 'increased our sovereign risk' and destroyed investor confidence. When asked whether or not he agreed with Mr Knight's comments, the minister responded, 'No I don't...I do not agree with my chief executive, I think he was mistaken to say that...Geoff Knight is wrong.' That was on the ABC on 19 February.

In May, DMITRE's deputy chief executive, Paul Heithersay, criticised the MRRT, indicating it had resulted in SA's declining rank in the internationally recognised Fraser Institute's mining investment index. I do remember the former premier coming into the house regularly and touting the Fraser Institute's findings. Whatever the Fraser Institute said, the former premier would note, had to be correct. Well, of course, now that the Fraser Institute is saying things the government does not want to hear, they have changed their tune.

Today's independent analysis is regularly showing that those senior staff are correct, not the minister. Labor senior departmental executives know that Labor's policies are killing off investment and quashing jobs growth. It is time for the Labor government to listen. But what do they do? They bring in this bill. They bring in this bill to grab yet more cash out of the mining industry, which is already struggling. Not only that, this measure comes after a budget where the minister, instead of reinvesting in mining, ripped money out of the mining sector.

Let me just run over it, because I was shocked when I read the budget. Labor spent \$88.2 million in the previous year but then cut that to \$81.3 million in 2013-14, a reduction of \$6.9 million. When the minister is spending that amount on mining and then he cuts it down to a much smaller amount the following year, you have disinvested from the mining sector. You have stripped money away. In a classic case of smoke and mirrors, the part-time Treasurer, the current Premier, tried to claim that his 'budget provides further funding so that we can fully realise the benefits of the mining boom', despite these new initiatives being overwhelmed by much larger cuts.

Minister Koutsantonis's overspruiking of the new Mining and Petroleum Services Centre of Excellence is designed—

**The SPEAKER:** Member for Waite—

**Mr HAMILTON-SMITH:** Yes, Mr Speaker; I meant the member for West Torrens.

**The SPEAKER:** The member for West Torrens or the minister for mining.

**Mr HAMILTON-SMITH:** Indeed, sir. Excuse me, I lost myself in all the excitement. The member for West Torrens has been overspruiking the petroleum services centre of excellence—a very good initiative—in order to hide these other cuts. What we do is get out there and talk about what we are doing, so that we do not have to talk about what we are not doing—the money we have cut away.

Hardest hit were grants and subsidies down from \$12.3 million to \$7.5 million. Savings initiatives will remove \$2.3 million. I note that geosciences surveys were to be cut by another \$1.6 million, and \$1.2 million was to be cut from the Plan for Accelerated Exploration (PACE) 2020. This is the big scheme that the minister and his colleagues have been going around touting as their great success story—the PACE scheme—so what do they do? They cut money from it in the last budget: 'We've got something that is really, really successful, so let's just slice it up and throw it in the wastepaper bin.'

That accelerated exploration is actually very welcomed by the industry but of course it was hit with a \$1.6 million increase in regulated fees and charges, and funds were to be fiddled

between financial years, assets written down and adjustments to annual and long service leave provisions changed for public servants, so the minister really whooped into the mining department and the mining budget. Poor old Mr Heithersay and his people are out there trying to do a good job—and doing a very good job, may I say—and the minister is out there taking their money away.

You can only deliver with the resources you are given. I have to say that everybody in the industry tells me that they are really happy with the service being provided by the department. They are a little less enthusiastic about the service being provided by the Labor government, but the department is fine. It just seems that this Labor government keeps getting in the way by cutting their funding so that they cannot do the things they need to do.

The fact is that there is significantly less being invested in mines and energy this year than last year. The ABS confirmed that mineral exploration investment had collapsed, as I mentioned earlier, and I did hear the finance minister indicating that SA had now missed the mining boom under Labor's watch. The Minister for Finance understands. He said, 'We've missed the mining boom under Labor's watch,' and he is part of that Labor government.

The budget sent the wrong message to the mining industry. Of course it was a message of decline both in activity and government investment and that is simply not good enough, so the government has little to be proud of in mining. It surfed the buoyant wave of prosperity which it had not created but which had been created by international economic circumstances and the Howard government. Now of course it has come off the trough, and what is its response? Instead of reinvesting, it is cutting and cutting and cutting.

The government claims it is introducing this bill to align royalty payments in SA with 'some other Australian jurisdictions'. The minister claimed in his second reading that the bill is needed to align large mineral producers' royalty payment arrangements with those of petroleum and geothermal producers who already pay royalties monthly. What a great guy; what a great initiative. He is actually doing this for the good of the industry, just to align things.

It is a bit like all those other little alignments that Labor likes to engage in, both federal and state. It is called harmonisation or alignment or some other term and then you find out that really there is quite another agenda because, as I have mentioned, the bill will rip money out of the industry. In fact, a one-off \$31.6 million will be the temporary windfall for the budget position by bringing forward royalty payments from biannual to monthly payments from large mineral producers. It is really about \$31.6 million; it is really about propping up this incompetent state Labor government's budget and financial mismanagement.

At present, miners pay royalty on 31 January and 31 July in biannual bulk payments. Transitioning to this new payment arrangement will require monthly payments to government. While the 31 July 2013 payment will proceed, as required for the retrospective six-month period from 31 January 2013, the bill seeks to bring forward the obligation to pay throughout this financial year to a monthly basis after proclamation. So there are considerable problems with the way the bill has been managed and brought before the house as well as the substance of the bill.

The minister told the house on 4 July that 30 mine operators would be affected, but at a departmental briefing on 19 July the minister's advice to the house was corrected as it was confirmed that only 21 operators would be captured by the measure. I am not sure what the figure is today; perhaps the minister could tell us when he responds. Of the 300 producers in SA, these 21 producers represent approximately 98 per cent of mineral royalty revenue collection. A further 10 companies sit just outside the \$100,000 trigger. I want to mention who some of those companies are, because when they read this *Hansard* they will understand the significance for them.

The government apparently has indentured agreements with BHP Billiton Olympic Dam Corporation Pty Ltd, OneSteel Manufacturing Pty Ltd, and Flinders Power Partnership. Companies that I am aware of that are over \$100,000 include: OZ Minerals Prominent Hill Operations Pty Ltd; Dominion Gold Operations Pty Ltd (Challenger); Iluka (Eucla Basin) Pty Ltd; Hillgrove Copper Pty Ltd (Kanmantoo); Termite Resources NL (Cairn Hill); Boral Resources (SA) Ltd; Heathgate Resources Pty Ltd (Beverly); Exco Operations (SA) Ltd (White Dam); the Cheetham/Ocsalt Pty Ltd; Rocla Pty Ltd; Southern Quarries Pty Ltd; Penrice Soda Products Pty Ltd; McLaren Vale Properties Pty Ltd; Gypsum Resources Australia Pty Ltd; Holcim; Southern Iron Pty Ltd (Peculiar Knob, Arrium); and Hanson Construction Materials Pty Ltd.

Of course, there are a number of other companies sitting just outside the \$100,000 trigger, who I understand include: Hallett Brick Pty Ltd; Futuretop Developments Pty Ltd; Schmidt, Trevor

Robert; Adelaide Brighton Cement Ltd; Clinton Quarries Pty Ltd; Bowjen Nominees Pty Ltd; Trenel Pty Ltd; Gambier Earth Movers Pty Ltd; McDonald Earthmovers Pty Ltd; and Mineral Holding Pty Ltd. Perhaps the minister could clarify to the house in his response just how many companies are going to be caught up in this measure. Is it the 30 mine operators that he told the house on 4 July would be affected? Is it the 21 operators that were advised on 19 July during a briefing to this side of the house, or is it a new figure? And is there a likelihood that some of these people sitting just outside the \$100,000 trigger will be caught up and, if so, when?

The bill proposes that the charges be implemented retrospectively from 1 July 2013, even though the bill is only being considered now, in October, and will then go off to the other place and may or may not be passed before the end of the year—I mean, we just do not know. It has been a very sloppy handling of the measure if the government argues that it is a budget measure. The administration and acquittal of payments will remain a biannual process, but companies will need to adjust their procedures to provide for monthly payments. There will also be transitional provisions as companies adjust from one payment practice to another that will involve compliance costs. The affected operators will need to have paid \$100,000 or more the preceding financial year or the minister will have discretion to deem a mining operator as relevant to the measures contained in the bill.

Some of these companies produce different amounts from one year to the other and, just because they produced \$100,000 last year, they may be caught up in something that they should not be required to pay this year because their revenues have fallen below \$100,000. I am not quite sure how the minister proposed to deal with such cases. It seems to be that whatever your performance was last year will determine what happens to you this year.

It is worth noting that three companies are exempt from the provisions, as I mentioned a moment ago, which some in the industry find curious. BHP and Arrium are not affected by the bill as their royalty payments are contained within their respective indenture acts. Flinders Power Partnerships has a separate agreement with the government, which is outside the Mining Act 1971 and therefore will not be affected by the bill, as I mentioned a moment ago.

I am advised that a further company, Heathgate Resources, has special arrangements in place under the Mining Act in respect of royalty payments. Perhaps the minister could clarify that in his response. It has been revealed that at least two other companies have also approached the government for special arrangements in respect of royalty payments. I would like to know whether the minister could confirm that, because there needs to be openness and there needs to be accountability, and if special side deals are being offered to certain companies without visibility by others in the marketplace, that would be wrong. If the government has any other side deals, private arrangements, royalty holidays or exemptions from the Mining Act, perhaps the minister could explain that, so that all in the industry could have a fair view of the playing field.

Consultation with stakeholders by the government over this matter has been poor, I should say. It was one thing just to come out and announce this measure with virtually no consultation in the Mid-Year Budget Review. There may have been some consultation of an informal nature, but I think everyone was caught off guard, because on page 53 of the Mid-Year Budget Review the government said this—and apparently it took the whole industry virtually by surprise:

The government will reform mineral royalty payment arrangements for mineral producers with expected annual royalties of more than \$100,000. For those producers, royalty payments will be required to be made monthly in arrears from 1 July 2013. At present, most producers are required to make royalty payments six monthly in January and July each year. This change will align the timing of royalty payments for large mineral producers with existing arrangements for petroleum producers. This change will also bring timing of royalty payments for large mineral producers in South Australia into line with arrangements that apply in Western Australia and to large producers in New South Wales.

There will be no change in royalty payment arrangements for smaller mineral producers with expected annual royalties of \$100,000 or less.

The revised arrangements will mean that the government will receive royalty payments on a more timely basis and this is expected to have a one-off revenue benefit of \$31.6 million in 2013-14.

That is what just came out as an edict. Let me tell the house what the reaction has been from industry. I could use many examples, but I will do that by just getting into the *Hansard* and telling the house what the Cement Concrete & Aggregates Australia Association had to say about this in a letter that they wrote to the Premier on 30 January 2013. We had the edict around Christmas that this would happen, and this is the industry's response:

Dear Premier

Since re-establishing our Adelaide Office in December 2011, Cement Concrete & Aggregates Australia (CCAA) has achieved a great deal.

We have worked closely with Minister Conlon on heavy vehicle registration issues, we liaised with the EPA on Waste Derived Fill specifications, we were privileged to have Minister Wortley and Minister Koutsantonis attend our Environment Health and Safety awards night and we continue to receive tremendous service out of DMITRE and DPTI on a range of issues affecting the industry.

CCAA has also praised your government publicly on policy issues such as, the planning changes in the CBD (including lifting and height restrictions), the Housing Construction Grant, abolishing stamp duty on off the plan apartments and most recently planning changes to the inner rim.

All in all, our experiences in dealing with your government have been cordial, professional and overwhelmingly positive.

I make an aside remark that that is a good thing. The document further states:

On behalf of the companies we represent, I would like to acknowledge this work and sincerely hope we can continue to build this relationship in 2013...

However, it is not possible to always agree and unfortunately, my first correspondence to you as Treasurer must express concern on behalf of CCAA members, which have been caught in the Mid Year Budget Review initiative to collect royalties monthly, for mineral producers paying royalties in excess of \$100,000.

Our preliminary investigation indicates that just 24 companies—8 of which are members of the CCAA—will be affected by this policy change, which according to Mr Snelling's Media Release dated 20 December 2012 will see an increase in revenue of \$31.6 million from 1 July 2013.

This policy change will lead to increased costs in administration, monitoring and reporting and is another impost on an industry which is suffering due to a downturn in the construction industry.

It also comes off the back of 18 per cent increases in fees and charges announced earlier in the year and increased regulatory, compliance and administrative costs connected with the amendments to the *Mining Act 1971 (SA)* and *Mining Regulations 2011*.

These fee increases and additional regulatory burdens makes doing business in SA harder and as we have sadly seen recently, puts South Australian jobs at risk.

While this decision was taken by the former Treasurer, CCAA is disappointed it was not consulted about this change in policy prior to it being announced. As such, I would be grateful for a departmental briefing at your earliest convenience and your consideration of delaying or modifying the announced change which, if left unaltered will negatively impact on our industry.

And it is signed by the state director.

**The Hon. A. Koutsantonis:** Who is that?

**Mr HAMILTON-SMITH:** Todd Hacking. Read the letter—haven't you read the letter? Have you read the letter? You should have read the letter and you should have responded to it. What this industry association is saying (and I have confirmed it with individual members of the association) is that they were not consulted before this edict when the Mid-Year Budget Review was released. It is not the information that the house was given.

Secondly, they are saying that this comes on the back of increases in charges and fees—they say an 18 per cent increase in charges—and it comes on the back of other imposts that have been put before the industry. That is what stakeholders think of this measure and, of course, they are not alone. Another miner I spoke to said this:

...any potentially perceived negative change to state royalties or other state taxes are certainly of concern to us as it creates uncertainty and reduces competitiveness in attracting the foreign investment required to move our projects into production.

The industry—far from welcoming this measure—sees it as very counterproductive; indeed unfair, unheralded and unreasonable.

The government says that they made the announcement in December, and that subsequent to the announcement the minister wrote to stakeholders outlining the proposals and has spent seven months discussing how to proceed with government. I just put this point: what happened to 'consult and decide'? We have clearly had confirmation here that this decision has been announced and then defended.

The current Premier's promise that he would consult and decide in this particular example is patently wrong. This is just good old 'announce and defend'. So, nothing has changed and we may as well have premier Rann back because it is the same old government out there, doing

whatever it feels like doing, bailing itself out of its economic woes by ripping money out of the mining industry and then setting about trying to defend the decision.

Only after this bill was drafted (not that long ago) has the government met with extractive producers to genuinely walk through how the monthly regime will work from an administrative perspective. How can you really work through with the stakeholders how the measure will be introduced until you have drafted the legislation? To say that you can just announce it in the Mid-Year Budget Review and then expect the industry to understand all the nuances of when this will be introduced, how it will be introduced and what it will mean for their business is just patent nonsense. That is the thinking of people who have never run a business in their life; that is the thinking of the Labor Party.

You need a bit of legislation and you need the details of the measure so that then there can be genuine consultation. A better way to do this would have been to consult in the first instance about whether it was the right thing to do at all, then draft some legislation, conduct some thorough and proper consultation with stakeholders about the implementation and transitional arrangements and then announce the measure. Instead, we have got it completely back to front.

The government has acknowledged that it was—perhaps it has done so now—at the time of second reading, still to consult with some stakeholders, including OZ Minerals, Challenger, Beverley and others. That was admitted freely at the briefing so, even then, it still had not consulted with certain key players.

The government claims to have had positive feedback, including that the measure would make cash flow management easier for miners. I do not know where it got that from. I would very much like the minister to tell us in his response just exactly which miners rushed up and gave him a big kiss on the cheek when he announced this measure because they were overjoyed at having to pay extra royalty money sooner. I would really like to know the names of those companies. Who were the ones that gave you such positive feedback and were so delighted that their cash flow would be made easier by having to part with \$31.6 million much earlier than they had otherwise budgeted for?

The government also says that administrative arrangements should be manageable and that this will enable miners to 'get tighter with their controls around invoicing and receipting of money'. Isn't that lovely? We want \$31.6 million off you and, you know what, you will be better off because you will get tighter and your controls around invoicing and receipting of money will be better.

I mean, really, is this government living in cloud cuckoo land? Is this government so out of touch that it can somehow tell people, 'We are hitting you for \$31.6 million of extra royalties, but it is going to be really good for you; don't you worry.' It sounds like the sort of language Idi Amin would use when he said to the poor people of Uganda, 'Do not run from the police. The police are your friends and, besides, you cannot run faster than bullets.' It is that sort of logic. They just do not get it.

I consulted with the industry when this measure was announced and the reaction I got from them was quite at odds with the reaction the government claims it received. I know what they said to me, so perhaps the minister could get up and name the companies that have enthusiastically embraced this measure, as he suggested in his second reading.

Stakeholders have expressed the view that, at a time when the industry is under pressure—and I just read into the *Hansard* an example—the cash flow burden of having to provide an unbudgeted \$31.6 million in the current financial year will put pressure on jobs and investment in mines across the sector. You see—and I say this to all government ministers—companies have to do a budget. It goes out several years, usually, but it certainly goes out thoroughly in the financial year underway.

When you announce, in the middle of a financial year in a Mid-Year Budget Review, that you want \$31.6 million out of the industry that they have not budgeted in their cash flows to provide to you, you have got a problem. They have not got the cash flow. They are going to have to go and find it. Who knows what jobs have been lost, who knows what changes have had to be made, but \$31.6 million is a lot of money for this industry to cough up in these particular times.

The other point, can I just say, is a point of principle, which has also been raised with me by the industry; that is, simply, moving from biannual to monthly payments is nothing more than a windfall extraction of \$31.6 million by government from the sector which, at this point, along with



the retrospective nature of the legislation, simply cannot afford it. The retrospective nature of this is something, as a matter of principle, that the industry feels uncomfortable about, even though it was heralded in the Mid-Year Budget Review.

We are introducing some legislation in October, which may not be passed until November, which is going to go back and make changes from July. It would have been much better, in my view, to have postponed this measure by another year, perhaps implemented it a year from now, or a year later than planned, so that companies could then budget for the change.

But we all know why that is not happening—because the government is engaged in a desperate grab for cash because it needs the money now. They have messed up the books of account now. They are in trouble now; they need the \$31.6 million now. Who cares about the industry, who cares about their workers, who cares about these small businesses and family businesses? Let's just get the money in.

As I have mentioned, the aim of the bill is simple: it is a transparent grab for cash, with an election-year bolster to the government's budgetary position. You want this money in your books, in your bank account, before March. It comes at a particularly poor time for the mineral resources industry; capital investment is becoming increasingly constrained, and commodity prices are declining.

I have mentioned the budget cuts the government has made to the mineral resources sector, down from \$88.2 million to \$81.3 million. This flows on the back of those budget cuts. I have talked about difficult trading conditions; Terramin recently announced that its Angas zinc mine would go into abeyance, and mineral explorer UXO Resources announced that it would be ceasing trading.

On 16 July this year, Oz Minerals, which will be captured by the bill, announced that 61 jobs were to be cut from its Prominent Hill operations. There have been further bad news announcements from Oz Minerals and Prominent Hill in recent times, and I notice that its share price, as late as yesterday, took another whack as a result of a forecast downturn in production.

The government admits that the extractive industry sector, including quarries in the construction sector, are under pressure and, as mentioned previously, a number of companies have indentures of special agreements with government in respect of royalties, in response to cost pressures those enterprises are facing. We cannot be doing side deals with certain people that are not visible while making others pay; it is just not fair on the payers.

I have also mentioned the retrospective nature of the legislation, because the bill puts in place royalty payment arrangements which will take effect from 1 July, even though the bill is unlikely to be proclaimed, as I have mentioned, until late 2013, presuming it passes the parliament. In effect, the measure proposes retrospective arrangements, and I have covered all that. Businesses affected have developed their financial plans based on existing royalty payment arrangements, and this bill has crashed into those financial plans and messed them about.

In summary, I think that the justification for the bill is very weak, very weak indeed, and it is principally driven by this craving to grab \$31.6 million in a cash grab in a pre-election year. Not all other Australian jurisdictions have similar arrangements, I am advised, with only Queensland and Western Australia applying monthly royalty payments, to varying extents. I am happy to be qualified on that, but the impression given that every other Australian jurisdiction has these arrangements, I am advised, is not correct; it is wrong. So, we have based this on a flawed premise.

Although the industry might accept the principle of monthly payments, I think that the way in which the government has gone about introducing this measure has been most unfortunate. I think that it would have been better, as I have mentioned, if the transitional arrangements had involved the bill taking force not on 1 July this year but on 1 July next year—in 2014, that is.

The opposition did consider its position in that regard, and we considered whether we would make amendments. However, we have abided by a principle that you are claiming this to be a budget measure; you are claiming this to be a revenue measure. This is what you want to do; you are the government; you need it for your budget to survive, so we have decided not to oppose the implementation timings. It is what you want; you can take responsibility for it with stakeholders, and you can wear the consequences.

The measure will bring mining royalty payments into line with oil and gas arrangements and will provide for more regular cash flow to government on an ongoing basis as miners move from biannual to monthly payments—but, of course, at their expense. The government has spent

an extraordinary amount of time sitting on this initiative. I must say that I am surprised, and maybe the minister can explain to the house why it is so, that a measure announced back at Christmas is only now being debated.

I would be curious to know why this could not have been brought in in February or March, why it could not have been decided upon by both houses prior to the budget so that before 1 July all the stakeholders would have known what was coming and could have budgeted accordingly. Is it deliberate or is it just the case that the government could not get its act together in bringing this matter forward sooner? I would very much welcome information from the minister in that regard.

The opposition believes that the parliament has been put in a position by the government given that this is a budget initiative where it must support the measure with the qualifications that I have mentioned. We, therefore, do not propose to amend it. This is something that Labor wants. This is \$31.6 million of cash that Labor intends to grab. This is a measure which was introduced with no consultation and which is retrospective and reflects this government's inability to govern competently.

Be that as it may, we are not going to get in the way of exposing that to everyone involved. So you can have your bill; we will not be opposing it. The industry is aware of what has happened, they know they will now have to part with royalty payments they had not budgeted to part with. They know that the process has been mismanaged and they know who to hold accountable about it in March 2014. With that measure, I indicate that the opposition will be supporting the bill without amendment.

**Mr GRIFFITHS (Goyder) (11:52):** I wish to speak briefly about this and to raise one question for the minister. I have noted from the list provided by the shadow minister, the member for Waite, that the impact will be felt across businesses based in metropolitan and regional areas and outer—

**The Hon. A. Koutsantonis:** Say that again, sorry?

**Mr GRIFFITHS:** The businesses are based across all areas, like head offices in Adelaide, activities outside Adelaide and outer areas and that sort of thing. I found it very interesting because it impacts across so many different parts of the state. I have taken particular note that in the \$31.6 million that is intended to come through as a short-term bonus because of timing issues—and that is what the budget figures relate to in the 2013-14 year.

There are a couple of interesting accounting terms that I have learnt over the years. One is horizontal fiscal equalisation and one is vertical fiscal imbalance, and the effect that an increased revenue opportunity has upon a Grants Commission transfer that occurs through to the state. With this \$31.6 million coming through because of cash flow management, because of the monthly payment requirements and an increased amount that is coming through this year, I can only presume that it has a negative impact upon grant revenues. The minister is shaking his head on this, but the reason relates to the question I asked when the decision was made about the desal plant and to double it from 50 gegalitres to 100 gegalitres.

There was an additional payment made by the feds of a grant of \$216 million, I believe, but then the corresponding drop in Grants Commission flow that came through related to the fact that it was only worth only between \$7 million and \$9 million in a positive sense in additional dollars. The reason I am asking the question relates to things that I have seen occur in the past and things that I have been aware of, and I am wondering if the minister can provide a formal answer to that as part of what we are talking about later on. It is an issue. I understand that in desperate financial times you have come to make this decision.

I have a level of frustration, as the member for Waite does also, about the level of negotiation or non-negotiation that has occurred with the industry and about the impacts it will have on them and the challenges for them in difficult times when they are trying to prove resources and expand their opportunities. For this there is a real issue that I would like to see some details on. I would like some clarification, too, on the number of mines—and I know that the second reading talks about 30, the member for Waite has talked about 21 as being the revised figure—and what that will be.

I stand up before you to talk about mining, not as someone who knows a lot about the industry but as someone who is particularly interested in it now because of proposals in my own electorate which are rather challenging, it would be fair to say. I do so, though, out of respect for the fact that mining has occurred in my own electorate over 155 years.

**The Hon. A. Koutsantonis:** That's why they went there.

**Mr GRIFFITHS:** The minister says 'That's why they went there', and I understand that also. The economy of the state was so dependent on those mining activities 150 years ago that with that, and the activities in Burra, it pulled us out of desperate financial times. The challenge now, though, is to try to marry the expectations of a community which has been based upon a very different form of industry—that is agriculture—compared to an economic diversification opportunity. As a member of parliament who tries to be responsible and look at opportunities to grow the economy and to contribute to communities, I am attracted to it for that reason, but I must admit, minister, I have sent one letter to you recently seeking your attendance at a public meeting and I understand that that may not be occurring.

**The Hon. A. Koutsantonis:** No.

**Mr GRIFFITHS:** No? But there may be a visit by a DMITRE officer at a 3 November public meeting that is potentially going to be held also. It is a really tricky one for communities to deal with and it relates to the royalties issue because I know that about \$200 million comes in from royalties statewide. I would love us to be in the range of the Western Australian experience where the cash opportunity to grow the economy is enormous. There is no doubt about that, but there are some very difficult balancing acts that need to occur between where mining happens and the impact upon communities, because it is easy for one to think that, when it is out of sight and out of mind, it is all okay. It has an impact upon the environment but we feel as though it is managed appropriately and there are very stringent controls in place.

However, when mining opportunities are pursued in inner areas—in agricultural areas which have a long productive history—that is when people, rightly so, exercise their democratic right and stand up and ask questions. As you make a decision about the proposal, there will be some challenging times for me as a local member to try to balance community desires, what I would like to see occur in the future, and what mining needs to do to interact with communities and agriculture to work appropriately. To me, I suppose, it all links to this discussion about the opportunity for royalties revenue and state financial growth.

I have listened intently and read the second reading explanation from the minister, and listened intently to the member for Waite in his summation on this, and it raises a great challenge for the mining companies to manage cash-flow issues relative to the monthly payments when they occur, the increased payment that will be incurred in the 2013-14 financial year, and how we as a state actually manage it as an industry going forward. I do not intend to ever stand up and say 'No' to mining in any particular area. I understand that there are some who would call for that.

I am about processes and about the fact that, in 156 or 157 years of government in South Australia, we have developed a set of processes that allows things to be pursued and considered, and legal opportunities exist for those who are for or against to put those positions, and for them to be reviewed. Then it is up to the minister and the government to make that decision, and that is what I hope to be a part of one day—a group of people who will make important decisions like that.

It is important that we put some balance into the debate that occurs in this chamber and not only consider the financial aspects but also the physical aspects that impact on people. Like the member for Waite, I understand you have made this decision and you are prepared to live with the consequences. There will be the short-term impact, and a time when share prices of currencies seem to go all the time, and prices for returns on the commodities seemingly change all the time. It will represent a challenge to the industry. They have contacted the member for Waite and he has quite eloquently, I think, put their concerns before you, but the decision has been made. It figures in the forward estimates and the current financial year, and what the changes will be in future years, and I will be interested to see what the impact will be.

I urge the minister, as part of what he does in his role as minister when considering proposals, to look at the fact that there are so many different sides to any equation. When it comes to mining, there has to be an appropriate level of consideration given to community concerns and a balance has to be found between ensuring that diversification happens and the state's economy grows as a result of that diversification, but the bottom line also includes the impact on real people, which I and other members are constantly contacted about. Therefore, we want to ensure that the debate occurs in this chamber, and that you as the responsible minister (and any person who assumes the role in the future) understands the implications.

**Mr PEGLER (Mount Gambier) (11:59):** I have some concerns with this bill when I read the minister's second reading contribution. He refers to a one-off benefit of \$31.6 million to the

state for the 2013-14 financial year and yet in 2011-12 the total royalties were \$119 million, of which \$79 million was taken up from already existing indenture terms, so that only leaves \$40 million that will have to be paid monthly rather than six-monthly in arrears.

Either royalties have gone up a lot in the last two years, or mining has gone up a lot, or there may be some other simple explanation for those figures, but, looking at these figures at the moment, I have trouble working out how we get to this \$31.6 million; hopefully, the minister can address that matter in his third reading.

**Mr PEDERICK (Hammond) (12:00):** I also rise to make a contribution on the Mining (Royalties) Amendment Bill 2013. I certainly support the comments made by our lead speaker, the member for Waite, and the member for Goyder, who is having some interesting interaction with farmers on the Yorke Peninsula regarding the proposed copper mine over there.

I understand that a group of farmers, interacting with Rex Minerals, has developed their access arrangements. I think access arrangements are one of the key sticking points with any mining proposal, especially on what is called the 'inside country'. I have often spoken in this place about my time in the Cooper Basin 30 years ago. Many people say, 'That's somewhere a long way away; anything that happens up there won't affect us. We're not concerned about mining in that area; it's only productive farmland areas that we are concerned about.' Certainly, having been a farmer myself before coming into this place, I am very concerned about our farmland and that we do have enough to feed ourselves and the nation and to export around the world.

The simple fact is that we do not own the wealth that is under us in mineral resources—that is the sovereign right of the state. The biggest thing we need to do as a state, and what the government needs to do, is to make sure that the interaction between property owners and miners can be done in a smooth fashion. I know that the Mining Act has been amended since some of these activities occurred in my electorate in regard to the commencement of the Terramin mine at Strathalbyn. I note that Strathalbyn has not been in my electorate for a while, but I still deal with the Terramin mine as an issue, being part of the consultative committee, but also the mine at Mindarie, which was operated by Australian Zircon.

I think there is still a long way to go as far as getting the appropriate access arrangements and agreements in place, even from the first of the port of call, so that the miners and the landowners have appropriate discussions about the access. Even before I became a member of this place, I was talking to community members, and they were very concerned about the way things were being dealt with. Thankfully, a lot of that has changed over time—a lot of it—but there is still some angst about the access arrangements. Occasionally, it is the attitude of the miners, who think that they can just walk in and do what they like. That cannot happen and should never happen.

As I said, I fully understand that we do not have the sovereign right to the minerals if we have them in our soil, but there needs to be some mutual understanding. The member for Goyder, in his contribution, alluded to how long these people have been on their properties. Some of them have been on this land for well over 100 years, and if someone comes in and says, 'Well, look, essentially we are going to purchase it,' they have to go through the proper purchase framework. I believe a premium should be paid for property if it is essentially being compulsorily acquired, especially if it has to be for the site of an open-cut mine or something like that. There certainly needs to be proper mediation, especially in regard to waivers and any work done within 400 metres of a farmer's residence and so on.

The problem we have seen over time is that not always has the right thing been done. This causes a lot of angst for not just the communities but also for miners down the track, new mines that want to open up, and there will be more on this inside country, the more common farming country we have, as time goes on and as minerals became scarce and people wish to look for these minerals.

Yes, some of these mineral-laden areas are very historic, like the one at Strathalbyn, which has a long history of mining in the past. Certainly Yorke Peninsula was based on mining in the early days. The mineral sands extraction that has been happening in regard to the Mindarie operations was a real mess for a while, when the initial miner, Australian Zircon, got way out too far in front of the mining process: their rehabilitation was not being done in the appropriate manner, and it created a huge mess. This is where you get mining companies that are, I believe, underfunded, and they were not going to keep up with their proper commitments as they should.

I must pay due respect to the former mining minister, Paul Holloway, with whom I had a great relationship in the time he was minister. He came up there, assessed the situation and saw that the problems at Mindarie had to be resolved. I have also mentioned in this place the discussion about foreign investment, whether it be with mining or farmland. Frankly, if the Chinese had not got involved in Mindarie it would still be a mess, I think. They put in about \$40 million, and that has really changed the focus there.

Part of the rules of Murray Zircon in reopening the sand mining operation there, the mineral sands, was to complete the rehabilitation. That was proceeded with and the mine was reopened again recently. That goes with a full end-use contract (in fact there is probably a better name for it), but the Chinese investors obviously want to use the sands in their ceramics and other things in China, so they have an end use for this mineral sand. They have to go a long way for it—about 20 metres in places, and that is a lot of scraper hours, so as a stand-alone mine it might be struggling, but there is certainly an end use needed by one of the investors.

It is an ongoing issue. In regard to mining in this state, and certainly on these close, almost suburban, mines and Strathalbyn—certainly with the Terramin facility being within a kilometre of the town—it has created a lot of angst at times, some unfounded but a lot of it well founded. I know the miner generally over time has worked with issues about making the mine work with the community, but now we are at a place where, essentially at the end of September, full mining operations have ceased and 115 people are out of work.

Whatever happens here will be interesting as time goes on, but it has given a huge economic benefit locally. I certainly know of businesses in the Strathalbyn district that have really benefited from this mine operating, and now they will not have that opportunity.

Some businesses have explained to me that they would not have been able to expand or operate at their level of staff if this miner was not buying goods locally and so I must acknowledge that, but we have a long way to go to making sure that mining operates effectively on these close proximity mines in the suburban country or inside country to get it right. As part of that process we have to make it economic for miners to operate and, as the member for Waite rightly indicated, this bill talks about where the government will have a \$31.6 million temporary windfall for the budget position by bringing forward royalty payments from biannual to monthly payments from large mineral producers.

As the member for Waite rightly said, this was a government who, when they came in 11 years ago, was receiving hundreds of millions of dollars annually they had not even budgeted for from GST windfall. Yet here we are, because they are scratching the decks to find some cash, we are almost blowing out to close to a \$14 billion deficit by 2016. This state is in real strife and our budget is only somewhere a little bit north of \$15 billion a year. Here we are where we see again another department—another minister—looking to find a way just to bring some money forward. This money was going to come in anyway, but because this government has done such a poor job of running this state, they have had to bring this forward to get it on the table.

It was interesting that this was discussed in the Mid-Year Budget Review, but it has taken until now for this debate to take place. So, what we will see, and it is written in the transitional provisions in the bill, is the fact that the minister can essentially do what he likes if this bill goes through—and, obviously, it will not get through until we have nearly finished sitting for the session. He will be able to go back to the miners and upset their whole royalty program for this financial year, which started several months ago on 1 July 2013, and they will have to change all of their arrangements. Yet, it would have been simple if the brain bubble to do this had come into place, because there was no consultation initially, and this bill could have been introduced early in the year quite simply, but no, it has taken this long to get it to the debating stage.

As I said, the bill does propose that the changes will be implemented retrospectively and have the effect that operators will need to have paid \$100,000 or more the preceding financial year as royalties or the minister will have the discretion to deem a mining operator as relevant to the measures contained in the bill. As I indicated, there was little or no consultation early on when this bill was thought up and it was only after the bill was drafted that the government met with extractive producers to walk through how the monthly regime will work from an administrative perspective. At the time of the briefing in July, the government acknowledged that they were yet to consult with some of the key stakeholders, including OZ Minerals, Challenger, Beverley and others.

I note that apart from Terramin, with 115 workers losing their jobs only in the last few weeks, OZ Minerals put off 60 workers the other day, so it is not all cream cheese out there in the

mining field at the moment, as we know. It is tough. There are people getting put off. This state was supposedly going to be living off the mining boom. Apart from all these other miners that are operating in the state, we were going to have the Olympic Dam expansion and that was going to basically save us. Certainly, on this side of the house, we did all we could to make sure that the legislation with regard to Olympic Dam went through in a timely manner but, sadly, that expansion has not happened. Just on reflection, the government suddenly realised that there was a primary industries sector in this state. It only took the collapse of the Olympic Dam proposal for that to happen though.

As I indicated, trading conditions throughout the state are very difficult at the minute. We are seeing mines either closing or cutting jobs. The government has had this initiative on the table for too long: it should have been brought before this house earlier in the year. As has been indicated by previous speakers, and I have indicated, bringing this funding forward is purely a budget measure. It is a one-off and was going to happen, anyway, and this will happen if it goes through this place and the other house.

I am certainly concerned at the way this bill has come about and I am certainly concerned about the impact on a mining community which is already struggling in this state with the loss of jobs and, in some cases, the slowing down of mining operations; so anything like this, which I believe will have an impact on mining investment in this state, is not a good thing. We see it as something that the government has brought in because of the poor way they have handled the budget and it will come at a cost, it will come at a cost not just from a local perspective but also for co-investors like the Chinese and the Murray Zircon project at Mindarie.

They will have regard to whether they look at this as a favourable place to mine. That is yet to be seen, if and when this legislation goes through the whole political process. We have had quite a vigorous debate about this on our side of the house and we note that it is part of the budget process. We have moved to not oppose the bill, but it is just a cash grab by a government that is out of control.

**Mr TRELOAR (Flinders) (12:17):** I, too, rise today to make a contribution to this debate with regard to the Mining (Royalties) Amendment Bill. This bill was introduced by the Minister for Mineral Resources and Energy in July this year and seeks to change the timing of mineral royalty collections for producers with an expected royalty obligation of greater than \$100,000. The member for Waite has listed a number of companies that will be affected by this and a number of companies also that sit just below that \$100,000 figure and, of course, will not be affected but may well be in the near future should their businesses prosper and flourish.

The bill will provide for a one-off payment—temporary windfall, we are calling it—of \$31.6 million for the government. This will be much valued by a government in dire financial difficulty and, no doubt, they will be pleased to inject it into their budget operations. About 30 mine operators will be affected by this bill. They will be required to pay their royalty payments on a monthly basis rather than twice yearly. There are about 300 mine producers in South Australia and 21 of these producers represent approximately 98 per cent of the mineral royalty revenue collection.

I have listened intently to the contribution from the member for Waite, who did diligent and informative research, as always, and made a great contribution, but also the members for Goyder and Hammond who, as am I as the member for Flinders, are dealing with particular issues in our own electorates relating to mine expansion and mining exploration. The minister is well aware of what is going on in regard to exploration. It is a highly prospective part of the state at the moment. Much of the electorate of Flinders lies within the Gawler Craton. There is much activity there and many tenements have been let. Of course, the obligation on the companies who gain the tenement is to carry out exploration work. This comes as a surprise to existing landowners, landholders, businesses and communities, because they have been rather settled in their agricultural pursuits for 100 years or more.

The member for Goyder reflected on the fact that in the very early days it was actually the efforts of mining that secured this state's prosperity, because the colony was very nearly bankrupt until mining was first undertaken. Copper was first discovered at Kapunda then Burra and, finally, in the Copper Triangle, which the member for Goyder now represents. So, mining has been a part of our state's economic activity for a long, long time, although not so much in recent years, particularly within the agricultural areas or 'inside country', as the member for Hammond referred to it.

Over much of our history, mining activity has occurred in faraway places, often well up north where a hill or two has been discovered with something of value and we have simply removed the hill and capitalised on that mineral wealth. Of course, royalties are paid on that and they are an important part of any state's budget revenue. Revenue from royalties is not significant in South Australia. It is expected to grow to about \$200 million in this current financial year. It is important, but nowhere near as significant as in some other states.

Interestingly, the states that are doing really well from a budgetary position are those that have large and active mining operations, namely Western Australia and Queensland. We are behind the eight ball a little bit, because a lot of our mineral wealth is very deep, and it is difficult and expensive to get out. This was certainly highlighted by the failure of the Olympic Dam project to get up. However, the mineral wealth does not disappear. As technology, the world financial situation and demand for resources improve, I am sure that at some point that project will go ahead and this state will be able to capitalise on that.

We have a number of mines on Eyre Peninsula that will be affected by this bill. As the member for Waite mentioned, GRA mine gypsum out at Penong and have done for 100 years. They have a resource that will keep them going for some hundreds of years into the future, so they are in business for the long term. It is nice to see a mine site being managed and productive over a long period of time. Iluka mine mineral sands out at Jacinth Ambrosia north-west of Ceduna and have hit upon a particularly wealthy seam of mineral sands. They have discovered an old shoreline and are simply following that along. They, too, look like being able to be active as a mine for many years to come. The other company that is probably going to be affected in my electorate is Cheetham Salt, which will be required to pay their revenue payments on a monthly basis now rather than six monthly. Cheetham Salt are also at Penong and have an incredibly large resource.

These companies have had to readjust their revenue flows and revenue commitments to the government. I cannot say that it would be easy because, as has been suggested already by a number of speakers, the mining industry is not as buoyant as it was a few years ago. There has been a distinct lack of consultation, and that has come through loud and clear. Mining companies now are accepting of this. They accept the inevitability of having to manage their budgets differently, but what is apparent is the lack of consultation that was undertaken by the government in the lead-up to this bill.

I urge the minister to consider how to best use this increase in revenue that the government will find itself with. The point I make is, of course, in regard to DMITRE as the regulator of the Mining Act and their obligations to do that work diligently and well. It has come to my attention, and I am sure the minister's attention as well, that not all explorers undertake and adhere to the Mining Act as they should. I am not suggesting that everybody does the wrong thing intentionally, but from time to time the Mining Act and the obligations under that act, such as the environmental obligations that go with exploration, are overlooked or glossed over. I think DMITRE certainly has a responsibility as a regulator to ensure that the act is enforced as it should be. There is no surer way to get a community or a group of people offside than to see breaches in the regulations.

I think a properly-resourced DMITRE with a proper number of staff to be able to inspect and enforce would be of benefit to the mining industry and communities both, so I would urge the minister that that be a consideration in the way this money is spent. I hope it is not just lost in general revenue, although I suspect that that is probably what will happen. Given that it is a revenue stream that comes directly from the mining industry, I think consideration should be given to properly resourcing DMITRE as the regulator to be able to undertake its responsibilities as it should.

**The Hon. L.R. BREUER (Giles) (12:25):** I want to speak on this mining bill because I must declare an interest in this. I come from a steel town that is solely dependent on the mine that is operating next to it and I come from a long line of Cornish miners. Mining is really important in regional South Australia, so I am getting a bit tired of all the doom and gloom that I have been hearing this morning about what is happening out there. If it had not been for mining, there would be thousands of people in regional South Australia who would not be working, who might not ever have had a future.

Our communities have had incredible injections of funding both through wages and through companies coming into our areas. I see many Aboriginal people out there getting training and jobs who might never have had any opportunity if it were not for the mining industry. So we in regional South Australia owe a great deal to the mining industry and what is happening out there. It is not all

roses, of course, and, yes, it was a huge blow that the Olympic Dam expansion did not go ahead. It has certainly affected my electorate considerably. Also the lower resource prices have affected us in the electorates out there.

So that was a blow, and there are other smaller companies that appear to be going under, but it is still our future. We should not be talking down our state. We should not be talking down the mining industry; we should be as positive as we possibly can about it because it is the future of our state and certainly it is the future of our regions. I have lived there all my life and I know that certainly now in my area we have a much better situation. Prospects are much, much better than they ever were when I was elected 16 years ago. So it depresses me that we are being so negative about some of these issues.

I want to congratulate initially Frank Blevins and his Labor government for having the foresight to implement the programs of exploration that happened so many years ago. That was really the start of what happened here in South Australia. I also want to express appreciation to all those companies that had the guts to arrange the finance to go out there and explore and come up with so many opportunities for us. I also want to thank the public servants who worked out there and gave support and assistance to communities particularly to attract companies into their areas, and also the companies.

I think our current Labor government and particularly this minister who is sitting here in front of me have done an incredible job, and I want to thank them. They have kept the flame alight in South Australia. They have kept the mining industry going. I want to thank the minister and the government for having the guts to keep pushing and supporting the mining industry in the way that they have. This minister is a real go-getter. He makes things happen. He is seen out there in our electorate regularly and he has earned a lot of respect out there, so I want to thank him for that.

Mining is the future of our regions. It is certainly the future of my electorate and so I am very positive about it. While we do have things that are happening that we may not be happy about, it is going ahead. It will go ahead, and we should support it in every way that we can.

**The DEPUTY SPEAKER:** If the minister speaks, he closes the debate.

*Members interjecting:*

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (12:29):** I listen with interest. I will work backwards and leave the best till last. I think the remarks from the four regional members is telling of the impact mining is having on regional communities and the anxiety it is causing some farmers. My message to the farming community, as a metropolitan inner western suburban seat holder, is that I do not necessarily understand the concerns that farmers are going through because I am not a farmer, and I do not pretend to be and I do not pretend to have all the answers, but I am prepared to listen.

In terms of Eyre Peninsula, we established extra funding to make sure that we have an Eyre Peninsula engagement group. DMITRE is very keen to get this right, because the reality is this: despite some of the naysayers, mining is part of our future prosperity. Mining is going to be very, very important, and mining and agriculture have to co-exist. We have to get that formula right. It is going to take leadership; it is going to take leadership from regional members of parliament, and it is going to be tough. It is going to be tough for whoever holds the seat of Giles, for whoever holds the seat of Goyder, and for whoever holds the seat of Flinders. It is going to be very tough to walk that fine line.

Whatever role I am playing in this parliament, I want to be on the side of the members who are making the tough decisions, because it is always difficult to go out and say honest truths or home truths to some people who do not want to hear them. It is very, very difficult, and I do not envy what the member for Goyder is going through in Yorke Peninsula, because it is difficult; it is very difficult. When you are talking about an expansion of mining on the scale that Rex Minerals are talking about, it can make it very difficult for a lot of dryland farmers to understand what that means for them.

Again, on Eyre Peninsula, generations of families working on the land are being told that there could be an open pit, or there might not be an open pit; there might be a generator or desal plant; there might be a port, there might not be a port; there may be a rail line; or there may be a road. It is very disconcerting, and it is causing a lot of anxiety. It is tough enough being a farmer,



and it is tough enough being a farming family, without having this kind of uncertainty. We are doing the very best that we can to try and alleviate that.

As best as I can, as an inner-suburban member of parliament, I am trying to understand the fears, concerns and aspirations of those farmers. I will say this to them: like any business, regardless of what is going on in terms of a mine, if you are planning to build a shed, build it; if you are planning to expand your farm, expand it; if you are planning to sow a crop, sow it. Do not let mining or potential mining stop you from engaging in your business.

The best message the government can give farmers is to go about their business as they normally would. I am not saying, 'Ignore reality,' but I am saying, 'Run your small business; don't try to run theirs.' Do not try to run the mining company's business; do not try to anticipate where they are going to go. When it is time, they will come, they will tell you and they will consult with you, and we will deal with it then, but we have to respect not just the mining company and the mineral resources that are there to benefit all of our communities but also the small businesses being run on the land.

Once that mutual respect is in place, we will get better outcomes. I have been quite tough on a lot of contractors (mainly young and inexperienced contractors), who have gone out, throwing notices of entry at the last minute, seeking signatures in back paddocks on the back of a ute from farmers to gain entry. That is unacceptable behaviour; I know that, they know that, the farmers know that and the opposition knows that. It has got to change, and it will change.

In terms of what this all means, I want—if you will allow me, Mr Deputy Speaker—to talk about conservative governments and the way they are treating royalties and perhaps see a snapshot of what may come if the government is not successful in being re-elected in March. Basically, what the member for Waite has done today is try to use language that insinuates we are increasing royalties; we are not.

But I will give you an example of where governments have increased royalties on the basis of the MRRT, which you so quickly criticised in your response to the bill, even though no mining company in this state pays it. The governments of Queensland and Western Australia increased their royalties in response to the MRRT because they would receive a refund. Now the MRRT is to be abolished by the Abbott government.

In the interest of productivity, and in the interest of lowering royalties, what are Colin Barnett (Liberal Party hero) and Campbell 'Can Do' Newman doing about their royalty increases? Well, they are leaving them right where they are. So much for members opposite being the party of low taxation and interests of business. So much for the party that cares so much about mining companies that it does not want to increase royalties.

I will take our record on mines against members opposite any day of the week. Their great claim to fame is that they took South Australia from four mines to four mines—a record in eight years. That takes rare talent not to grow your mining industry even by one. That is a rare achievement, and only members opposite can claim that title, and you are welcome to it. You are welcome to that title.

I fear what will happen to mining if members opposite are elected, and I will tell you why I fear that. Do not believe me; read the remarks of the member for Waite during the BHP indenture. Read what he said about BHP and the indenture. I wonder what the member for Heysen is thinking, sitting up in her office, listening to the member for Waite talking about encouraging the mining industry when she had to drag him kicking and screaming through their party room to accept the indenture. Remember that? Silence. Why is there silence? Because he is guilty—the guilty party.

The man who did not want the indenture passed, the man who did not want to see Olympic Dam expanded, the man who said it was a bad deal for South Australia, to come in here and lecture us about our commitment to mining—how dare you? Your colleagues were embarrassed by your behaviour. You kept the house sitting up all night trying to find a hole in the indenture and you could not do it.

Given what Colin Barnett and Mr Campbell 'Can Do' Newman are doing with mining, it is a bit rich to be lectured by members opposite and a bit rich to be lectured by this shadow mining minister: the man who did not want Olympic Dam to go ahead. He talks about increased royalties. What royalties have been increased? What royalties have gone up? None.

**Mr Hamilton-Smith:** I didn't say that.

**The Hon. A. KOUTSANTONIS:** Yes, you did, and I will get the *Hansard* to prove it. You did say royalties had gone up: 'increase in royalties, increase in royalties', continually, over and over again. He is a master of language—he is very good at language—but the reality does not speak to what he says. The reality is very different.

Again, you have to check the details. Royalties are not going up. This is not a tax grab. This is money we are owed anyway, and what is wrong fundamentally with receiving your royalties monthly? What is wrong with it? It is okay for Western Australia—no harm there, with that socialist Colin Barnett collecting royalties monthly, trying to stop the mining industry. What about Campbell Newman? Is he a socialist as well? Is he trying to destroy mining? Why does he collect royalties monthly?

So, let me get this straight: when the Liberals do it, it is a good idea, well-planned, well-thought, well-constructed policy and it is only appropriate that they pay royalties monthly. When Liberals increase royalties, it is only appropriate and the right thing to do. The MRRT, of course, is an unfair tax, so let's lift it to try to get the rebates, to try to make the MRRT fail—that is all okay.

When Labor attempts—one, we did not increase royalties, and two, the MRRT does not apply to our major resources here in this state (copper and uranium) and we do not have anyone paying it in this state, and we do not increase royalties—Labor bad. So, we go back to the old adage: if I float I am a witch and need to be executed, and if I drown I am innocent.

Quite frankly, the idea of someone like the member for Waite, who did everything he could to try to use the indenture in some sort of weird leadership grab, to try to delay and try to prove that it was bad for South Australia—to come here and lecture me about my commitment to mining. I know Todd Hacking very well and I do a lot for his industry. Whenever he asks me to go out and visit an extractor's mine, I go. Whenever he has a concern, I listen.

I absolutely understand their fears and concerns about this but, ultimately, the issues that are coming to my door from the mining industry are not about monthly royalties. They are about native title, Aboriginal heritage, environment issues and local community issues. You want to talk about mining? Let's get serious and talk about mining. Let's talk about the challenges mining is going to face in the 21<sup>st</sup> century. Do not come in here and try to make a cheap political point because, quite frankly Martin, you are better than that.

Ultimately, to grow this industry, it needs to be bipartisan. The one thing you do not want to do is turn this into a political fight, because that is what you have in New South Wales and Queensland and their mining industry is on its knees. Do not try to politicise mining; do not try to create this us and them. What's next? CSG, no fracking. What's next? Shut the farm gate. What's next?

Are we seriously going to try to politicise the mining industry? That is exactly what the Greens want; it is exactly what they want. The only way for South Australia to grow its prosperity is for this parliament to be united to try to grow our mining industry for our future prosperity. Quite frankly, it does not suit you, Martin, to try to attack this industry or me on this issue.

**The DEPUTY SPEAKER:** Point of order, the member for Mount Gambier.

**Mr PEGLER:** The minister is referring to the member for Waite as 'Martin' rather than 'the member for Waite'.

**The DEPUTY SPEAKER:** Yes, I am sure the minister would concur and obviously needs to refer to—

**The Hon. A. KOUTSANTONIS:** I apologise to the people of Waite for calling their representative by his Christian name. The member for Waite, has attempted, quite frankly—and he did it quite well—to turn this into some sort of disaster for the mining industry, but the reality is that it is not and we all know it is not.

You can tell it is not by the contributions we received from other members of parliament who are concerned about the real issues going on in mining—community engagement, land access, water issues, the environment. It is not about monthly payment of royalties. I think that is the stark difference between the thinkers and the shouters. The member for Waite did in fact try to weave some serious questions into his political speech. He asked: which is the right number? Is it 30—did you say 30 or 31?

**Mr HAMILTON-SMITH:** 31.

**The Hon. A. KOUTSANTONIS:** Is it 31 or 21 companies that will be paying this? Of course, petroleum producers in this state have been paying monthly royalties for a long time. That has not seen Santos move. That has not seen Beach Energy close its doors. In fact the chief executive of Senex, Ian Davies, was awarded the Queensland Businessman of the Year by the Brisbane mayor last night and he says publicly that he chooses to invest his money in South Australia rather than Queensland because we are a better and safer jurisdiction to invest in.

Is that really the sign of an industry that is on its knees? Is that really the sign of an industry that is being badly administered? Is that the sign of an industry that has bad leadership and bad regulations? Quite frankly, to criticise the department about their consultation is unfair. Criticise me, but not them. I have to say that I think the people at the head of our department right down to the people doing the community engagement are well respected by community, by industry and by the government and they should be well considered by the opposition. I think most members do hold them in very high regard. I think the consultation has been good.

The member for Waite said we did not consult before we announced it. It is a budget measure. The member for Waite was part of a government for four years. In every single one of those budget decisions that he made when he was a member of that government, not once did he go out to consultation first, but he wants me to do that. So there is one set of rules for the member for Waite and one set of rules for the rest of us.

What he is really saying is that if he is elected in March, he will go out before every budget and consult with industry about every budget measure. That is what he basically said, so I will be holding him to that, if they are successful, because that is what he said here today. He has criticised us for not doing exactly that and I think that is a bit rich. He knows it is a bit rich, but of course, do not let that get in the way of your story because that is a fact.

What will this bill do? It aligns the mineral producers with the state's petroleum producers with regard to the timing of royalty payments. That has to be outright socialism, doesn't it?. How dare we align both our industries' payments at the same time. What is wrong with that? As I said earlier, petroleum producers have been paying it monthly since the 1990s. It generates a one-off cash benefit to the state of \$31.6 million. That is not extra royalties. That is not new royalties that we would not have received otherwise. It is a timing issue, but the member for Waite thinks it is a cash grab. He does not think we can bring things forward in a budget forward estimates. He thinks you can only calculate for one financial year.

It will only apply and have an impact on large and more sophisticated producers who pay in excess of \$100,000 in royalties per annum. It will align the payment focus with the other major mining jurisdictions. Why would we want to do that? Well, if you are an iron ore company who has set up in Western Australia, and we want you to invest in Eyre Peninsula or the Braemar, gee, does it make business sense to have everything aligned with the way things are done in Western Australia in terms of the payment of royalties, regulations, approvals and business taxes and charges so they do not have to design a brand-new, entirely different computer system to run all this? Gee, does that make business sense? Or should we increase red tape for the member for Waite and have them change their systems when they come to South Australia?

Here we are, Australia's first iron ore jurisdiction, overtaken by Western Australia, with mass deposits on Eyre Peninsula and the Braemar of magnetite and haematite. We want to grow those industries, and we are trying to do as much as we can to make our jurisdiction as attractive as possible for those companies already investing in iron ore to come to South Australia. Apparently, that is bad thing; apparently, that is me wrecking the mining industry. It will not increase the administrative burden for producers, despite what members have said, and I think ultimately it is a good bill. Quite frankly, I am a bit surprised by the controversy it has generated. I will explain this. I will read out the explanation I have received by the department about how we generate the \$31 million cash benefit.

I am advised that the one-off cash benefit is generated by a change in the timing of payments. Currently, payments are received in January and July. What will now happen is that the payment received in July will be spread into the 2013-14 year and progressively paid monthly as opposed to being captured in the 2014-15 year; so, that is not an increase in royalties. In terms of you saying that I have not consulted with OZ Minerals, I have. I have spoken to Terry Burgess at length about it and I asked him if he had any real concerns. The first time I mentioned it to him he said there were no problems at all. You quoted a lot of people anonymously in your contribution—

**Mr Hamilton-Smith:** One.

**The Hon. A. KOUTSANTONIS:** One, was it? Yes, you quoted someone anonymously. Well, I am not the type of person who does retribution.

*Mr Hamilton-Smith interjecting:*

**The Hon. A. KOUTSANTONIS:** Fine.

**Mr Hamilton-Smith:** You'd better get your facts right.

**The Hon. A. KOUTSANTONIS:** Sure; I am getting my facts straight.

**The DEPUTY SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** Why the member for Waite could not have come to see me and say, 'Look, I've gone out to consult'—other shadow ministers do this; this is generally how government works—I've been out to consult and these are some of the issues that have been raised with me. There is this one company in particular that's doing it a bit tough and they're a bit unsure how this is going to impact on them. Can you speak to them?' Not the member for Waite. The member for Waite waits in his sniper's perch, just waiting, waiting for the parliament to resume.

**Mr Hamilton-Smith:** You're an easy target.

**The Hon. A. KOUTSANTONIS:** He's got this.

**Mr Hamilton-Smith:** You're an easy target, Tom.

**The Hon. A. KOUTSANTONIS:** Talking about easy targets, I heard you on FIVEaa on Monday. It was an impressive performance. I hope your colleagues were listening.

**The Hon. P. Caica:** He was very good on smart meters.

**The Hon. A. KOUTSANTONIS:** Oh, yes; he was very good on smart meters—devastating stuff, devastating. He waited until the parliament was sitting to spring this on me. So how am I to respond to that? How does a minister respond to an email the member for Waite has produced talking about what this one mining company, I assume, is worried about? How am I meant to respond to that? Well, I cannot. I cannot because I do not know whether it is an extractive company or whether it is a mining company, whether they are producing it or whether they are about to produce, whether they are based here or whether they are based interstate, what their real issues are or what their turnover is, and whether can we help them?

The other issue is about side deals. The government does not do side deals. I do not do side deals. Indentures are public. Indentures are not secret documents. Where are the side deals coming from? I know you are very concerned about royalty relief. Why would I not grant royalty relief to companies that are doing it tough just before they expand? Why not? We want them to grow, we want them to stay, we want them to invest. Ultimately, we want the jobs here in South Australia, so quite frankly I would much rather a collaborative working relationship with you—

*Mr Hamilton-Smith interjecting:*

**The DEPUTY SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** I would much rather a collaborative working relationship with the opposition on this industry rather than its childish attempts to politicise it for cheap political points. I think it does not do you any justice at all. I commend the bill to the house.

Bill read a second time.

In committee.

Clause 1.

**Mr HAMILTON-SMITH:** The act will have come into operation by 1 July 2013. Could the minister explain to the committee why this bill was not brought sooner to the parliament so that it could have been enacted prior to 1 July and, given that it has been brought to the house after 1 July, why we could not have made the commencement date 1 July 2014 or, at the very least, 1 January 2014 or at some point after its enactment by the house.

**The Hon. A. KOUTSANTONIS:** I am advised there is no retrospective adjustment to the bill. Monthly payments will only start once the legislation has passed. If the amendment is passed in November, then by 31 December the first monthly payment will be made in accordance with the schedule that will be forwarded. The royalty payment period for July to November will be made as

per normal, as part of the six-month mining return processes currently in place. Why did I not do it earlier? Because I was consulting. I am guilty of speaking to the industry about this bill and I am guilty of not making it retrospective.

Clause passed.

Clauses 2 to 4 passed.

Clause 5.

**Mr HAMILTON-SMITH:** Under part 17DA(2) and (3), could the minister just explain how many companies now will be caught by this legislation and in particular what happens when a company may have had over \$100,000 of turnover last year but expects to have less than \$100,000 worth of turnover this year? In other words, they triggered the threshold last year but they have fallen short of it this year. Can they ask for an exemption? How many companies are caught by it?

**The Hon. A. KOUTSANTONIS:** I am advised there are 21 of these companies affected and, yes, they can seek exemptions if they think their royalties will sink below \$100,000. I am also guilty of being reasonable.

**Mr GRIFFITHS:** This relates to my second reading contribution about the Grants Commission transfer of funds as a result of additional revenues. Can you just outline the situation?

**The Hon. A. KOUTSANTONIS:** Because they are not extra royalties, they are not new royalties, we have not increased royalties, there is no effect to HFE—none. That is the advice I have received. For example Western Australia, in increasing its royalties, will have an HFE effect one way or the other, but ultimately this is not an increase in royalty. We are not increasing the rate, so it should have no impact on the Grants Commission.

**Mr GRIFFITHS:** I do respect that there is no increase in the royalty rate, but it is the cash-flow management situation that results from additional revenue for that year and then it balances out in future years, as it would always be—

*The Hon. A. Koutsantonis interjecting:*

**Mr HAMILTON-SMITH:** Yes, I understand that. So, there is no change at all because of that because the rate itself is not impacted? Even though additional revenue is more, for a short term only there is no impact at all?

**The Hon. A. KOUTSANTONIS:** That is the advice I have received.

Clause passed.

Schedule 1.

**Mr HAMILTON-SMITH:** In regard to schedule 1, Transitional provisions, can the minister explain (and he may have touched on it a moment ago) how this is going to work? We have a bill here that will be enacted at some point between now and Christmas, and then it will be proclaimed. Could you just go over for the committee how it will affect companies caught up in this, the 21 companies on the ground? How will they now have to pay, and how will it be transitioned into being?

**The Hon. A. KOUTSANTONIS:** The first point is that they do not pay in advance: they pay in arrears. The second point is that if the bill passes in November they will be paying in December; if the bill passes in December, they will be paying in January. If a company makes an application to be exempt because it believes that it will fall below the threshold, it will have to show that to me and we will grant the exemption. They are the quite reasonable and sensible transitional provisions that are in place in the bill to make sure we make this as easy as possible to get in line with the other two major mining jurisdictions in the country.

Schedule passed.

Title passed.

Bill reported without amendment.

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (12:56):** I move:

That this bill be now read a third time.

**Mr HAMILTON-SMITH (Waite) (12:56):** Just to address the bill as it has come out of committee, and to clarify a few points in regard to the measure, I think the minister will find that the opposition has not argued at any time that this is an increase in the royalty rate or an increase in royalties. I think he needs to read the *Hansard*. What we have established is that it is going to be a cash-flow problem for a number of companies, and I think that is an important point.

Can I also clarify some aspects of the debate, as it has come out of committee. For the minister's attention (and I hope he is listening), he made a couple of statements that were factually incorrect; one of them was in regard to the BHP indenture. I just inform the minister that I voted for that measure both in the party room and in the parliament. He needs to check the record. I did argue that the government had drafted a poor indenture and that it could have been improved, and I did that in the party room and in the parliament. So, he is quite factually wrong on a number of things he has said, but of course we are used to that.

I think the ultimate evidence of the failure of the government's negotiation regarding that indenture is that the whole thing fell on its face and did not proceed, which was partly as a result of the government's actions. As the bill comes out of committee, the opposition is determined not to oppose it, so I signal that we will be supporting it in the other place. We accept that it is a budget measure, in a sense, although it was not announced at the Budget but in the Mid-Year Budget Review, which is a curious way to go about things. Be that as it may, we will not be opposing the measure, so we commend it to the other place.

Bill read a third time and passed.

*[Sitting suspended from 12:58 to 14:00]*

#### **CHILD SEX OFFENDERS REGISTRATION (MISCELLANEOUS) AMENDMENT BILL**

His Excellency the Governor assented to the bill.

#### **EQUAL OPPORTUNITY (SPORTING COMPETITIONS) AMENDMENT BILL**

His Excellency the Governor assented to the bill.

#### **TORRENS UNIVERSITY AUSTRALIA BILL**

His Excellency the Governor assented to the bill.

#### **LEGAL PRACTITIONERS (MISCELLANEOUS) AMENDMENT BILL**

His Excellency the Governor assented to the bill.

#### **PAPERS**

The following papers were laid on the table:

By the Speaker—

Auditor-General—

Part A: Audit Overview Annual Report 2012-13

Part B: Agency Audit Reports—Volume 1 Annual Report 2012-13

Part B: Agency Audit Reports—Volume 2 Annual Report 2012-13

Part B: Agency Audit Reports—Volume 3 Annual Report 2012-13

Part B: Agency Audit Reports—Volume 4 Annual Report 2012-13

Part B: Agency Audit Reports—Volume 5 Annual Report 2012-13

Part B: Agency Audit Reports—Volume 6 Annual Report 2012-13

Part C: State Finances and Related Matters Annual Report 2012-13

Employee Ombudsman—Annual Report 2012-13

By the Minister for Planning (Hon. J.R. Rau)—

Development Plan Amendment—Adelaide (City) Development Plan—Institutional (St Andrew's) Report by the Minister

By the Minister for Industrial Relations (Hon. J.R. Rau)—

Construction Industry Long Service Leave Board—

Actuarial Report 2012-13  
 Annual Report 2012-13  
 WorkCover Corporation—Annual Report 2012-13

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

Regulations made under the following Act—

Liquor Licensing—

Dry Areas—

Coffin Bay—Cummins—Port Neill—Tumby Bay—New Year's Eve 2013

Cowell Area 1—New Year's Eve 2013

Lobethal Area 1—Lights of Lobethal 2013

Victor Harbor—Schoolies Festival and New Year's Eve 2013

By the Minister for Health and Ageing (Hon. J.J. Snelling)—

Death of—

Dallas Dixon Austin Report of actions taken by SA Health following Coronial Inquest

Norman Ebanezer John Smith Report of actions taken by SA Health following Coronial Inquest

By the Minister for Transport and Infrastructure (Hon. A. Koutsantonis)—

Regulations made under the following Act—

Harbors and Navigation—Restricted Areas—Lake Bonney (South East)

By the Minister for Road Safety (Hon. M.F. O'Brien)—

Community Road Safety Fund—Annual Report 2012-13

By the Minister for Manufacturing, Innovation and Trade (Hon. T.R. Kenyon)—

South Australian Commercial Marine Scalefish Fishery Management Plan

South Australian Commercial Southern Zone Rock Lobster Fishery Management Plan

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

Maralinga Lands Unnamed Conservation Park Board—Addendum Annual Report 2011-12

## ANSWERS TO QUESTIONS

**The SPEAKER:** I direct that the following written answers to questions be distributed and printed in *Hansard*.

### HOUSING SA

**563 Dr McFETRIDGE (Morphett)** (9 July 2013). With reference to 2013-14 Budget Paper 4, vol.1, p. 93—

1. What has happened to Aboriginal Housing SA stock and how is Aboriginal Housing coordinated now that it is part of Housing SA?

2. How much does the government have in the funding pool set aside to pay Housing SA council rates and will the government pick up the difference between the 25 per cent paid now to local governments and any losses to councils with the transfer of houses to non-government organisations?

**The Hon. A. PICCOLO (Light—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers):** I have been advised:

1. As at 30 June 2013, Housing SA has 1,784 dwellings identified as state owned and managed Indigenous housing. These properties are tenanted by Aboriginal and Torres Strait Islander clients. Tenancy and property management services are administered from local Housing SA regional offices by Housing SA staff.

2. Housing SA is budgeted to spend \$43.7 million on council rates for the 2013-14 financial year. We are having ongoing discussions with local government in relation to the transfer of stock management to the community housing sector.

#### REMOTE AREAS ENERGY SUPPLIES SCHEME

**585 Mr HAMILTON-SMITH (Waite)** (30 July 2013). What is the total cost per annum of the Remote Areas Energy Supplies Scheme?

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development):** I am advised the total cost per annum of the Remote Areas Energy Supplies scheme; servicing ten state government owned sites, 16 Aboriginal communities including connected homelands and subsidising three independent operators in 2012-13 was \$10,110,000.

For the ten state government owned sites and three independent operators, \$7,543,000 expenditure was offset by \$1,564,000 in revenue, equalling a net operating balance of \$5,979,000.

For the 16 Aboriginal communities and connected homelands, \$8,043,000 expenditure was offset by \$3,912,000 in revenue, equalling a net operating balance of \$4,131,000.

#### NATIONAL ELECTRICITY MARKET

**596 Mr HAMILTON-SMITH (Waite)** (30 July 2013). What aspects of the National Electricity Market regulatory regime concern the government, are further reforms required and if so, what are the details?

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development):** I am advised on 7 December 2012, the Council of Australian Governments endorsed the comprehensive Standing Council on Energy and Resources' energy market reform package 'Putting Consumers First'.

The reforms consist of four key areas that will drive better outcomes for consumers, namely strengthening network regulation, empowering consumers, competition and innovation, and ensuring balanced network investment.

The government has already delivered on two of the commitments, with the National Energy Customer Framework and deregulated retail prices being introduced on 1 February 2013. Other government initiatives include improving the network regulatory appeals mechanism to ensure the paramount concern is the long-term interests of consumers.

The first steps are being taken towards a stronger consumer voice, through a proposal for a national consumer advocacy body. Consumers are also able to make better choices about their energy uses through increased access to consumer energy data and greater incentives for demand-side participation to avoid or defer the need for additional investment in generation and networks.

The government will again take a lead role in delivering some of these national reforms. In the latter half of 2013 I will seek the support of the South Australian Parliament for reforms to improve the network regulatory regime appeals mechanism and implement smart meter consumer protections.

The government is also seeking to ensure that there are no impediments to the functionality and efficiency of the competitive sectors of the National Electricity Market.

#### WOOMERA GEOSCIENCE SURVEY

**599 Mr HAMILTON-SMITH (Waite)** (30 July 2013). Which components of the Woomera Geoscience Survey program have been cancelled or will be incomplete as a result of the \$1.6 million reduction in expenditure?

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development):** I am advised none.



### PACE 2020 INVESTMENT PERFORMANCE

**600 Mr HAMILTON-SMITH (Waite)** (30 July 2013). How does the government monitor performance of the investment made into PACE 2020, by what mechanism and which key performance indicators are used to monitor its success?

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development):** I am advised PACE 2020 is fundamentally aligned to the State Strategic Plan Targets T41 and T42, namely:

41. Minerals exploration—Exploration expenditure in South Australia to be maintained in excess of \$200 million per annum until 2015; and,
42. Minerals production and processing—Increase the value of minerals production and processing to \$10 billion by 2020.

At a detailed level, each project within PACE 2020 defines a series of outcomes and deliverables which are monitored and reviewed throughout the life of the project to ensure delivery success.

### PORT PINE BARGING OPERATION

**601 Mr HAMILTON-SMITH (Waite)** (30 July 2013). Has the government been approached about an interim plan to set up a barging operation at Port Pine as an interim measure for a bulk mineral export port, what work has been done to date and what is the cost and viability of such a plan?

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development):** I am advised there is significant interest in Port Pirie as a potential solution to facilitate mineral exports through a barging operation.

WPG Resources Ltd has approvals in place that would support the establishment of an iron ore barging operation with Flinders Ports at Port Pirie and is currently reviewing opportunities for further mining developments that, if developed, could make use of the Port Pirie approval.

Flinders Ports has also identified alternative options should the demand to export greater volumes be required by the resources sector.

The government provided a grant to the Port Pirie Regional Council to further investigate options to develop Port Pirie as a bulk mineral export port. This work is yet to be completed.

### WHYALLA PORT EXPANSION

**602 Mr HAMILTON-SMITH (Waite)** (30 July 2013). What contribution did the government make to Arrium's port expansion at Whyalla and what is the status of the \$200 million project?

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development):** I am pleased to report that Arrium has completed its port expansion at Whyalla. On the very day that the Honourable member put forward this question, the 30<sup>th</sup> of July, I was in Whyalla to speak at the official opening of the expanded port.

The government has contributed by providing a strong and reliable regulatory environment through the Environmental Protection Authority (EPA), the Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) and the Department of Planning, Transport and Infrastructure (DPTI), and a thorough system of account-management across government, also through DMITRE.

Arrium's Chief Executive of Mining, Mr Greg Waters, specifically acknowledged the substantial contribution made by the government, through strong and effective regulations at the official opening of the port facilities.

### RESOURCES ENERGY SECTOR INFRASTRUCTURE COUNCIL

**604 Mr HAMILTON-SMITH (Waite)** (30 July 2013). The 2013-14 Budget Paper indicates that the government has endorsed recommendations of the Resources Energy Sector Infrastructure Council—what are those recommendations and what plans does the government have to fund their implementation?

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development):** I am advised the Resources and Energy Sector Infrastructure Council developed five recommendations following the completion of their 2011 Infrastructure Demand Study.

They are outlined in a 'Directions Statement' released in December 2012 and that I can provide to the honourable member.

#### GRANT EXPENDITURE

In reply to **Mr GARDNER (Morialta)** (20 June 2012) (Estimates Committee B).

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development):** I have been advised:

For the Department of Planning, Transport and Infrastructure (DPTI):

Name of Grant Recipient	Amount of Grant (\$)	Purpose of Grant	Subject to Grant Agreement (Y/N)
Treasury	85,000,000.00	Payment to extinguish a loan facility provided to the SA Cricket Association by the Treasurer	Y
SA Police	35,579,000.00	Contribution from the Community Road Safety Fund for SA Police programs	N
Department of the Premier and Cabinet (DPC)	10,686,000.00	Payment for cash collection services provided by DPC (Service SA)	Y
Taxi Service Providers	9,973,834.65	Taxi subsidies payable to individuals with limited mobility under the South Australian Transport Subsidy Scheme (SATSS)	N
City of Port Augusta ***	5,000,000.00	Development of major sports hub	Y
Treasury	4,804,341.16	Indentured ports dividend payable to Treasury	Y
Country Bus Operators	4,565,900.86	Subsidies payable to bus operators in SA country areas for passengers eligible to travel at concessional rates	Y
Various sporting groups ****	3,873,860.00	Community Recreation and Sports Facilities Program (CRSFP)—Generally for facilities and facility planning	Y
Land Management Corporation ***	2,500,000.00	Cheltenham Open Space	Y
YMCA Aquatic & Event Services ****	2,278,000.00	Subsidising YMCA loss in their management of SA Aquatic & Leisure Centre (SAALC)	Y
Various local councils ****	1,774,000.00	CRSFP—Generally for facilities and facility planning	Y
Local Government Councils	1,725,088.85	Funds provided for road safety works on both council and SA government owned roads	Y
District Council of Coober Pedy **	1,667,496.00	Annual operating subsidy to an independent operator in the Remote Areas Energy Supplies (RAES) program	Y
Metropolitan city councils ***	1,320,814.00	Tramway Park	Y

Name of Grant Recipient	Amount of Grant (\$)	Purpose of Grant	Subject to Grant Agreement (Y/N)
DPC ***	1,130,000.00	Reimbursement of expenses incurred for the Integrated Design Strategy	Y
City of Marion	1,070,000.00	Transfer of surplus land to the City of Marion to be maintained as open space, with one-fifth to be used as a vegetation recycling depot	Y
SA Cricket Association	1,009,281.00	Ex gratia payment for the Adelaide Oval project	Y
Department for Transport, Energy and Infrastructure ***	1,000,000.00	Greenways Cycle Paths from the Planning & Development (P&D) Fund	Y
City of Mt Gambier ***	1,000,000.00	Railway Precinct—Open Space Development	Y
SA National Football League	959,837.00	Ex gratia payment for the Adelaide Oval project	Y
City of Charles Sturt ***	860,000.00	Coast Park	Y
City of Marion ***	800,000.00	Oaklands Wetlands	Y
Various vendors	797,194.86	Transport Subsidy Scheme expenses associated with the administering the SATSS	N*
City of Norwood Payneham and St Peters ***	564,211.00	St Peters Street Plaza	Y
Department of Environment, Water and Natural Resources ***	550,000.00	Million Trees Program	Y
West Beach Trust ***	549,647.89	Reimbursement of Tax Equivalent Regime payments	Y
Town of Gawler ***	500,000.00	Gawler Peri/Urban Rivers Project (Precinct F)	Y
City of Salisbury ***	500,000.00	Civic Town Square	Y
Andamooka Power House **	490,478.00	Annual operating subsidy to an independent operator in the RAES program	Y
Country Bus Operators	483,650.39	Subsidies payable to bus operators in SA provincial cities for passengers eligible to travel at concessional rates	Y
Metropolitan city councils ***	475,500.00	Sturt River Linear Park	Y
Taxi Service Providers	462,646.44	Taxi subsidies payable to individuals with limited mobility—Journey to Work	N*
Various sporting groups ****	440,276.00	Move It—Generally for programs or facilities that encourage inactive people to be physically active on a regular basis	Y
Australian Energy Market Commission **	435,651.00	South Australia's funding obligation to the Australian Energy Market Commission	Y
National Transport Commission	433,490.00	To contribute to the national road, rail and intermodal transport reform agenda	Y

Name of Grant Recipient	Amount of Grant (\$)	Purpose of Grant	Subject to Grant Agreement (Y/N)
Hockey SA ****	424,000.00	State Facilities Fund—replacement lights at State Hockey Centre	Y
City of Marion ***	400,000.00	Railway Terrace streetscape	Y
Various metropolitan city councils	399,917.00	State Cycling Blackspot Program	Y
Local Government Councils	341,003.00	Remote Aerodrome Safety Program	Y
Great Southern Rail	330,000.00	To assist with the refurbishment and operation of the Overland rail service between Adelaide and Melbourne	Y
Various sporting groups ****	302,463.00	Active Club Program—Generally for facilities, programs and equipment	Y
City of Mount Gambier ****	300,000.00	BMX facility	Y
Various vendors	300,000.00	Ex gratia payment for the Adelaide Oval project	Y
City of Port Adelaide Enfield ***	271,750.00	Water Sensitive Urban Design Bio-retention Demonstration Project (Stage 2&3)	Y
Hockey SA ****	263,000.00	Replacement lights at State Hockey Centre	Y
Various applicants (1,227 applications at \$500 each) **	253,000.00	Solar hot water rebates	N
District Council of Elliston ***	251,143.00	Elliston Sculpture Park and Great Ocean View Development	Y
Rural City of Murray Bridge ***	250,000.00	Revitalisation of the Murray Bridge town centre—Bridge Street and Sixth Street	Y
YMCA Aquatic & Event Services ****	243,993.00	Subsidising YMCA additional loss in their management of SAALC	Y
Department of Environment, Water and Natural Resources ***	240,737.00	Craigburn Farm Open Space Development	Y
Various Regional and District councils	232,366.00	State Cycling Blackspot Program	Y
Netball SA ****	220,000.00	Loan subsidy on ETSA Park	Y
Outback Communities Authority	211,940.00	Remote Aerodrome Safety Program	Y
Various applicants **	209,830.63	Payments made under the Remote Renewable Power Generation Program (RRPGP)	Y
South Australian Freight Council	200,000.00	For the development and improvement of the SA freight and logistics industry	Y
Various sporting groups ****	166,500.00	Statewide Enhancement Program (StEP)—Generally for core business, programs, events, facilities	Y
District Council of Mount Remarkable ***	164,478.00	Port Germain Foreshore	Y
Various sporting groups ****	160,192.00	IRIS—Generally for programs targeting inclusion initiatives	Y

Name of Grant Recipient	Amount of Grant (\$)	Purpose of Grant	Subject to Grant Agreement (Y/N)
SA Police	157,000.00	Payment for the Rural Highways saturation policing strategy initiative (Saturation Funds). Focus on reducing road trauma on rural roads through additional patrol hours and high visibility policing in regional areas	N
City of Tea Tree Gully ***	150,000.00	Dry Creek Linear Park	Y
Adelaide City Council ***	150,000.00	North East Park Lands Activity Hub—Stage 2	Y
Local Government Councils	145,185.73	Funds provided for road median maintenance on both council and SA government owned roads	Y
City of Port Lincoln ***	141,000.00	Port Lincoln Linear Trail	Y
Various Councils	139,869.78	Upgrading of boat ramps	Y
Treasury	105,729.79	Lincoln Cove Marina Dividend	Y
Various schools ****	100,300.00	CRSFP—Generally for facilities and facility planning	Y
Adelaide City Council ***	100,000.00	SPLASH Adelaide	Y
District Council of Robe ***	100,000.00	Obelisk Walking Trail, Robe	Y
Various sporting groups ****	86,500.00	'Fair Enough' Campaign	Y
Department of Transport, Energy and Infrastructure ***	80,000.00	The Parks Community Centre from the P&D Fund	Y
Dalfoam Pty Ltd **	76,780.00	Annual operating subsidy to an independent operator in the RAES program	Y
KESAB	75,000.00	To provide support funding to KESAB for the Road Watch Program	Y
Oak Valley (Maralinga) Inc.	70,000.00	Remote Aerodrome Safety Program	Y
Department for Transport, Energy and Infrastructure ***	65,791.00	Amy Gillett Bikeway (Stage 3) from the Planning & Development (P&D) Fund	Y
Wheelchair Sports ****	50,000.00	Ross Smith Secondary School land indoor sports facility business case	Y
Regional City and District councils ***	45,000.00	Open Space Strategy	Y
Taxi Service Providers	40,043.84	Taxi subsidies payable to individuals with limited mobility—Tertiary Education Scheme	N*
Various local councils ****	40,000.00	IRIS—Generally for programs targeting inclusion initiatives	Y
Various sporting groups ****	40,000.00	StEP—To assist with employing sports administrator trainees	Y
Various sporting groups ****	40,000.00	StEP—To deliver Starclub club development programs, improving sports clubs governance	Y
MBM P/L ****	36,330.00	Parks Community Centre	Y
Sustainable Focus Fees **	35,779.50	Payments made under the Remote Renewable Power Generation Program (RRPGP)	Y

Name of Grant Recipient	Amount of Grant (\$)	Purpose of Grant	Subject to Grant Agreement (Y/N)
The Barossa Council ***	35,000.00	Tanunda Urban Design Framework	Y
Local Government Association Mutual Liability Scheme	34,200.00	Contribution for aerodrome inspections	N
Aboriginal Lands Trust	32,000.00	Remote Aerodrome Safety Program	Y
City of Port Lincoln ***	32,000.00	Parnkalla Trail Foreshore	Y
Mid Murray Council ***	31,250.00	Morgan Riverfront (Stage 2)	Y
District Council of Yankalilla ***	30,000.00	Yankalilla Urban Design Framework and Structure Planning Project	Y
Various sporting groups ****	30,000.00	StEP—For programs that assist with delivering water safety initiatives	Y
Cycling SA ****	26,000.00	Start gates for Adelaide Superdrome	Y
City of Onkaparinga ***	20,000.00	Noarlunga Centre Health and Education Precinct Master Plan	Y
District Council of the Copper Coast ***	18,000.00	Kadina Central Business District Revitalisation	Y
Various local councils ****	14,000.00	Starclub Field Officers	Y
City of Port Adelaide Enfield ***	10,000.00	Parking Spaces Project	Y
Various local councils ****	10,000.00	StEP—To deliver Starclub club development programs, improving sports clubs governance	Y
District Council of Grant	8,310.88	South Australian Boating Facility Advisory Committee (SABFAC) Projects	Y
University of South Australia—Sylvia Birdseye Scholarship	6,156.00	A scholarship for women intending to pursue a program in civil engineering at the University of South Australia	Y
<b>Total Grants</b>	<b>\$193,803,738</b>		

\*\* These payments relate to the Energy Division from 1 July 2011 to 31 December 2011. The division transferred to DMITRE from 1 January 2012 as part of the Machinery of Government (MoG) restructures, and represents expenditure for those six months.

\*\*\* These payments relate to the Planning section of the Department of Planning and Local Government (DPLG) that transferred to the department from 1 January 2012 as part of the MoG restructures, and represents expenditure for those six months.

\*\*\*\* These payments relate to the Office of Recreation and Sport (ORS) that transferred to the department from 1 December 2011 as part of the MoG restructures, and represents expenditure for those seven months.

Note: The above lists grants paid by the department's Controlled and Administered Items

For Renewal SA:

Renewal SA incurred no grant expenditure for the 2011-12 financial year.

For HomeStart SA:

HomeStart SA incurred no grant expenditure for the 2011-12 financial year.

### ADVANCED MANUFACTURING STRATEGY

In reply to **Mr MARSHALL (Norwood—Leader of the Opposition)** (22 June 2012) (Estimates Committee A).

**The Hon. T.R. KENYON (Newland—Minister for Manufacturing, Innovation and Trade, Minister for Small Business):** An Act of Parliament is not required to create the Advanced Manufacturing Council (AMC), which is a non-statutory advisory body reporting to the Minister for Manufacturing, Innovation and Trade.

While the Manufacturing Consultative Council had been in operation since 2003, it was decided that a new focus was required for the development and implementation of policies, strategies, and programs to support the growth and international competitiveness of advanced manufacturing, in line with the government's strategic priority—growing advanced manufacturing. The establishment of the Advanced Manufacturing Council and development of a strategy for driving high-value manufacturing in South Australia, were key initiatives to achieve this priority.

In 2012-13 the total budget for the AMC was \$670,000. This included \$119,000 for Executive Officer support. The remaining amount covered board fees, travel, meeting expenses and small projects. The funds were allocated from within the \$8.3 million Advanced Manufacturing Strategy budget announced in the 2012-13 State Budget. The department has allocated specific project budgets for the programs identified in the Advanced Manufacturing Strategy.

### SAFER COMMUNITIES, SAFER POLICING

**The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:05):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. J.W. WEATHERILL:** This morning, I was delighted to be able to address the annual South Australia Police Association Conference. Over the past several weeks, I have been speaking about this government's plans to build a stronger South Australia. We have made a series of policy announcements in relation to jobs, skills, public transport and investments in services and infrastructure. These policies will provide a lasting foundation from which we will build a strong economy that will bring financial security for decades to come.

This morning, I had the opportunity to release our fourth policy in just three weeks: Safer Communities, Safer Policing. Crime and community safety continues to rank as one of the principal concerns in the community. It remains the foundation on which we can deliver healthy, cohesive, thriving communities. While our communities are much safer compared with 11 years ago, there is more that we can do.

A national report released earlier this year found Adelaide to be Australia's safest of the nation's 30 largest cities in respect of crime rates. Adelaide has the lowest crime rate, at 2,365 incidents per 100,000 people. This rate was significantly lower than the next capital city, Hobart, which was the fourth safest of Australia's 30 largest cities. However, statistics can never quantify the personal impact of being a victim of crime.

We know that public confidence is at its highest levels in areas where police are a constant visible presence, where they make themselves easily accessible, take time to tell people what they are doing to tackle crime in the area and listen and respond to people's concerns. This is why we make the choice, despite challenging economic times and tight budgets, to continue to recruit record numbers of police.

Our government's police recruiting program has meant that South Australia now has over 800 more officers than it did 11 years ago, with a further 50 officers to be recruited by the end of the year. A well-resourced police force is integral to creating a feeling of safety in our communities. Those advocates for small governments should consider this simple reality: we will not compromise on community safety.

Today I announce a new \$1.7 million pilot program that will deliver every frontline officer in the Elizabeth local service area with their own personal iPad-style tablet. If successful, it will be part of a long-term mobility strategy that will see all frontline officers issued with iPad-style tablets, the rationalisation of desktop computers in stations and static in-vehicle mobile data terminals.

The trial will complement other technology currently being trialled or rolled out, including smartphones for foot and mounted patrols, mobile fingerprint scanners and automatic numberplate recognition. It will also complement Program Shield, which is this government's response to replace SAPOL's ageing IT system; in fact, the new IT system went live today.

I know that many things get in the way of our police doing the job they signed up to do. I know that, if these obstacles were removed, they would spend more time actually policing. Introducing the mobile technology will enable frontline officers to carry out job-critical tasks in their communities rather than losing time returning to the station to complete their work. Fully deployed, the increase in productivity for all officers allocated a tablet is estimated to be 366 hours per day. This is equivalent to deploying approximately 64 additional sworn officers.

The policy also outlined a number of reforms to reduce and eliminate harm caused by firearm crime and increase public safety. While firearm-related crime is only a small proportion of all recorded crime in South Australia, each incident involving a firearm has a serious impact on our community. The reforms recommended by SAPOL include a new indictable offence for traffic in firearms, with a maximum penalty of imprisonment for 20 years.

They also provide our police with greater search powers and the authority to seize equipment used in the manufacturing and altering of firearm parts, tougher penalties for reactivating a deactivated firearm and a new aggravated offence for possessing a loaded firearm.

The policy also provides for new protections for our police. When, in the course of duty, officers are spat on, bitten or otherwise assaulted in a way involving exchange of bodily fluids, it is patently unfair that under current laws it is the assaulted police officer and not the offender who must be tested.

During 2012-13, South Australian police officers were exposed to blood or other bodily fluids on 409 occasions. The government will introduce legislation that will require offenders who bite or spit at police to undertake a blood test. This will minimise the stressful experience an officer and their family endures after such an encounter and, if required, they can begin appropriate treatment. I am enormously proud of our record in community safety over the last 11½ years, however, there is more to do. We will continue to advance policies that will make our community safer.

### YOUNG OFFENDERS

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (14:11):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. J.R. RAU:** The front page of today's *Advertiser* features an article regarding an application by two offenders for release on licence ahead of the expiry of their non-parole periods. I can confirm with the house that the two offenders were convicted in 2009 for a murder committed when both were youths. Both were sentenced to life imprisonment, with different non-parole periods. The non-parole periods will not expire until 2017 and 2018.

Despite the fact that both offenders are now over 18, they continue to serve their sentence in a youth training centre because of an order to that effect made by the sentencing judge. Both offenders have applied to the Supreme Court to be released on licence under section 37 of the Young Offenders Act 1993. This is despite the fact their respective non-parole periods have not expired.

Section 37 allows a young offender who has been sentenced to life imprisonment, and who is being detained in a youth training centre, to apply for release on licence into the community. Section 37 was included in the Young Offenders Act 1993 when it was first enacted. The Young Offenders Act 1993 was a replacement for the Children's Protection and Young Offenders Act 1979.

The offenders' lawyers argue that section 37 allows for release even when an offender is still subject to a non-parole period. The DPP is arguing the contrary point, that is, that this section does not apply to an offender who has been given a non-parole period. Yesterday, Justice Kelly of the Supreme Court, indicated that this case warrants a referral to the Full Court of the Supreme Court. It is likely that this will be argued before the Full Court in November.



Let me make this clear to the house: the government absolutely opposes the idea that a youth convicted of murder should be released ahead of their non-parole period. It is outrageous to even contemplate the application of the law in such a way. I am not willing to wait for the Full Court to decide this issue, and have begun working with my department to prepare legislation to address this matter.

The legislation will make sure that young murderers cannot apply for early release. I will seek to introduce this legislation during this sitting week. Given what is at stake, I will be calling on members in both houses to work with the government to pass the legislation to make sure early release of these or other young offenders is not possible.

#### **ECONOMIC AND FINANCE COMMITTEE**

**The Hon. L.R. BREUER (Giles) (14:16):** I bring up the 81<sup>st</sup> report of the committee, entitled 'Annual Report 2012-13'.

Report received and ordered to be published.

**The Hon. L.R. BREUER:** I bring up the 82<sup>nd</sup> report of the committee, entitled 'Changes to Compulsory Third Party Insurance'.

Report received and ordered to be published.

#### **NATURAL RESOURCES COMMITTEE**

**The Hon. S.W. KEY (Ashford) (14:18):** I bring up the 88<sup>th</sup> report of the committee, entitled 'Annual Report 2012-13'.

Report received and ordered to be published.

#### **PUBLIC WORKS COMMITTEE**

**The Hon. P. CAICA (Colton) (14:18):** I bring up the 486<sup>th</sup> report of the committee, entitled 'South Road Upgrade (Torrens Road to River Torrens) Early and Associated Works'.

Report received and ordered to be published.

### **QUESTION TIME**

#### **CHILD PROTECTION**

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:20):** My question is to the Premier. Can the Premier explain why he ruled out an independent inquiry to investigate the southern suburbs school alleged sexual assault case and yet on Friday last week the education department CEO has now announced an independent inquiry?

**Mr Pisoni:** Quick, Jennifer, get up, quick!

**The SPEAKER:** The Minister for Education. I call the member for Unley to order.

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:20):** The Premier has been very clear that we are not going to conduct a royal commission into every incident in a school, but what we undertook to do was to meet with the family concerned, and we met with them on Friday 27 September. We met with them, I think from memory, for about an hour and a half, in which we discussed all of the issues that they had to raise, and the family were very keen to have independent eyes over the issue of non-mandatory reporting taking place. So, in thinking about that, and in consultation with me, the chief executive wrote to the Ombudsman to ask him whether he would be prepared to undertake that as an investigation. That is why we did it.

**The SPEAKER:** A supplementary from the leader.

#### **CHILD PROTECTION**

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:21):** So whose decision was it to move to an independent inquiry? Was it yours, minister, was it the Premier's or was it the chief executive's?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:21):** We—

**The SPEAKER:** The minister will await the call.

**The Hon. J.M. RANKINE:** Sorry.

**The SPEAKER:** The Minister for Education.

**The Hon. J.M. RANKINE:** It's lovely to have just a little bit of power. It was done in consultation. Most particularly, it was done after having the discussion with the family, understanding their concerns, and doing what we can to ensure that they are comfortable with the outcome of any investigation.

**The SPEAKER:** A further supplementary.

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:22):** Given that the minister has explained that she met with the family on the 27<sup>th</sup> of last month, can the minister explain why it took the chief executive until 11 October to actually arrive at this decision for an independent inquiry and, indeed, why was that decision made late on a Friday afternoon when the minister was on holidays?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:22):** I said in this place last time, and I think the chief executive reiterated, we were not going to do anything that was going to jeopardise the prosecution. This matter is before the courts, and so the chief executive officer sought the advice of SAPOL and he sought the advice of the Director of Public Prosecutions. Once we had that advice, he referred it to the Ombudsman.

*Mr Goldsworthy interjecting:*

**The SPEAKER:** And I call the member for Kavel to order.

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:23):** My question is to the Premier. Can the Premier confirm that the scope of the Ombudsman's investigation into the handling of the southern suburbs school alleged sexual assault case cannot include the role of the education minister's office?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:23):** I know the leader has tried very hard to assert that the request for an investigation into a teacher not lodging a mandatory report had come to my office. Now, let me just say that didn't happen and no-one, other than you, has suggested that it did.

**The SPEAKER:** The minister will not refer to the leader by the second person, and I call her to order. Is this a supplementary?

**Mr MARSHALL:** Yes.

**The SPEAKER:** Supplementary, Leader of the Opposition.

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:24):** I would like to ask the minister about the scope of the Ombudsman's inquiry and whether or not it can investigate actions of the minister's office as part of that investigation?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:24):** The chief executive has outlined the complexities of this issue to the Ombudsman and passed on the request of the families that he investigate whether a mandatory report should have been made.

**The SPEAKER:** Leader, is this a supplementary?

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:24):** Yes, it is, sir. Why does the minister believe that her office shouldn't be independently investigated over its handling of the southern suburbs school alleged sexual assault case?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:24):** Sir, I know he wants to muddy the waters, but I have outlined very clearly to this house that we received a copy of correspondence that went to the

Parent Complaint Unit in late May. The very next day, we actioned that letter by referring it to the Minister for Police because that was the major concern expressed by the parents—

**Ms Chapman:** What would you know?

**The Hon. J.M. RANKINE:** The major concern expressed by the parents was a delay in charges being laid against this perpetrator. We actioned it straightaway.

**The SPEAKER:** The deputy leader is called to order. Leader.

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:25):** My question is to the Minister for Education and Child Development. As the minister said yesterday in relation to the southern suburbs sexual assault case, that the family 'were very appreciative' that the Ombudsman had been called upon to undertake the review, can the minister advise when she last spoke to the family?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:25):** On 27 September.

**Mr Pisoni:** Before the announcement.

**The SPEAKER:** The member for Unley is warned a first time. Leader, is this a supplementary?

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:26):** It certainly is, sir. Given that neither the minister, nor her office, nor anyone from the department has spoken with the family since before the minister's holiday, how can the minister claim that the family 'were very appreciative'?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:26):** Apart from it being on the public record, as I understand—it was published in the newspaper—

*Members interjecting:*

**The Hon. J.M. RANKINE:** —as I understand, but I also understand that—

**Ms Chapman:** How would you know?

**The SPEAKER:** The deputy leader is warned a first time. Would the minister be seated. The leader should be aware that the standing order, or the practice of the house, is against asking ministers whether statements in the media are true; it does not prohibit our referring to reports in the media, otherwise, we would be somewhat crippled in our dialogue. Minister, you have the call.

**The Hon. J.M. RANKINE:** It was on the public record: it was in the newspaper. I am sure the paper hasn't misquoted the family. But, I understand that—and I am happy to correct myself if I am wrong, but I think there have been conversations with the family with the chief executive of the department. But, I am happy to correct that if I am wrong.

**Mr Pisoni:** No, you might as well correct it now: there hasn't been.

**The SPEAKER:** The member for Unley is warned for the second and final time. The leader.

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:27):** Does the minister know whether the family have been advised that the Ombudsman won't be investigating the minister's office?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:28):** As we know, the Ombudsman has very wideranging powers, and I am sure that if he has any questions in relation to operations in my office he will put those queries to me.

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:28):** Just for clarity—

**The SPEAKER:** Is this a supplementary?

**Mr MARSHALL:** It certainly is. The minister has just indicated that the Ombudsman has wideranging powers, and if he wants to make investigations into the minister's office, or the minister handling this particular case, then he will have a perfect entree. I just want to make sure that that is exactly what you have said.

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:28):** This is an issue that is being investigated; it is an issue around whether a teacher at a southern suburbs school erred in not making a mandatory report. That is the issue.

*Mr Marshall interjecting:*

**The Hon. J.M. RANKINE:** That is the issue.

*Mr Marshall interjecting:*

**The SPEAKER:** The leader is called to order.

**The Hon. J.M. RANKINE:** My office actioned the letter that was received in May the very next day.

### STATE ECONOMY

**Ms BEDFORD (Florey) (14:29):** My question is to the Premier. What recent news has emerged about South Australia's economy, and are there implications for government policy?

**The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:29):** I thank the honourable member for this important question. Since this house was last convened, we have seen a number of reports which have found that the South Australian economy is getting stronger. Last Thursday, it was pleasing to see the headline unemployment rate fall by 0.8 per cent to 6 per cent.

At the time of the spike in the unemployment rate earlier in the year, those opposite were celebrating while the government expressed caution as a result of the ABS warnings about the methodology for that particular number. This stabilisation in the unemployment rate vindicates the government's caution about that data. In addition to this encouraging result on unemployment, we also have seen strong growth in business confidence.

On 4 October, the Sensis Business Index found that small and medium enterprise confidence rose by a strong 14 percentage points during the September quarter to a 24 per cent net balance. This result shows confidence in the state is seven points above the national average. Sensis reports said that, 'Among the states, Queensland and South Australia were the most optimistic about the future direction of the economy.' This followed the BankSA State Monitor report—

*Members interjecting:*

**The Hon. J.W. WEATHERILL:** —which also found—I know this is awful news for those opposite. I know this pains them. This followed the BankSA State Monitor report, which also found that business confidence rose sharply in South Australia between May and September with a rise of 18.6 index points to 112.7 index points overall.

This growing confidence has been reflected in the performance of the construction sector, supported by the government's initiatives to drive residential construction and our ongoing infrastructure program. Data from the ABS on dwelling commencements—the number of new homes that are under construction—found that, on a trend basis, the number of dwelling commencements in the June quarter was 17 per cent higher than a year earlier. This compares strongly with an 11 per cent rise across the nation.

At the beginning of this year, the Leader of the Opposition said that the government's measures to support the economy were a false economy. Like the infrastructure program, like the construction and industry support, these are so-called 'false measures'. Well, they underpin the confidence that we are now seeing in our economy. We believe there is nothing false about 8,700 jobs in the South Australian economy over the forward estimates because of this infrastructure program.

We don't think there is anything false about the extra dwellings under construction, like the 17 per cent extra which will be built in the year to June quarter. The economic data shows that the

only thing false about the South Australian economy is the opposition's claims of gloom and doom. I think that there is a growing sense of confidence in the South Australian economy, and those opposite should just get on board.

#### STATE ECONOMY

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:32):** A supplementary, sir.

**The SPEAKER:** A supplementary—leader.

**Mr MARSHALL:** Can the Premier confirm or report to the house the number of jobs that have been lost in South Australia in the last four months?

**The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:32):** In trend terms, our economy continues to grow and jobs continue to grow, so no jobs have been lost. We continue to grow. The state continues to grow in terms of its employment growth. Those opposite continue to talk down the South Australian economy in a way which is not reflected in any of the economic statistics which are being presented. I know that they search hard for every shred of data that points—

**Mr VAN HOLST PELLEKAAN:** Point of order, sir.

**The Hon. J.W. WEATHERILL:** —in another direction, but they are proven—

**The SPEAKER:** Premier—

**The Hon. J.W. WEATHERILL:** —wrong by the published data.

**The SPEAKER:** Premier, there is a point of order from the member for Stuart.

**Mr VAN HOLST PELLEKAAN:** The Premier was clearly asked how many jobs have been lost and is now debating.

**The SPEAKER:** That is a bogus point of order, and I call the member for Stuart to order. Premier, are you finished?

*Members interjecting:*

**Mr MARSHALL:** Further supplementary, sir.

**The SPEAKER:** Before the supplementary, arising out of the contretemps while that question was being answered, I call the members for Morialta, Finniss and Heysen to order and I warn the member for Kavel for the first time.

#### STATE ECONOMY

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:34):** I would just like to clarify the Premier's points. I asked how many jobs were lost in the last four months. I think the Premier said that jobs had been created in the last four months. Can we have some confirmation that that is the Premier's position—that we have created jobs in South Australia in the last four months—and, if so, how many?

**The SPEAKER:** It's up to the Premier whether he wants to add anything.

**The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:35):** No.

**The SPEAKER:** No? The member for Torrens.

#### BRITANNIA ROUNDABOUT

**Mrs GERAGHTY (Torrens) (14:35):** My question is to the Minister for Transport and Infrastructure. Will the minister update the house on recent developments at the Britannia roundabout?

**The SPEAKER:** The Minister for Transport, remembering, of course, that pride is a sin.

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:35):** Yes, sir; and my life is about falling down and getting up again. I thank the honourable member for her question. I can inform the house with great pleasure and humility that

since this morning the new dual Britannia roundabout is open for business. Road surfacing and line marking works, as part of the \$3.2 million upgrade of the intersection, have been completed.

The larger roundabout has been created and the smaller removable roundabout at the intersection of Wakefield Road and Dequetteville Terrace is scheduled to be installed by the end of October. With line marking being completed and the final asphalt being laid, since this morning motorists have been using the dual roundabout layout under a 40 km/h speed restriction. Traffic bollards are marking out the position of the smaller removable roundabout as well as the soon to be installed traffic islands. This provides motorists with a greater opportunity to familiarise themselves with the new layout whilst the remainder of construction works are finalised.

The Britannia roundabout has had the highest number of total crashes and the fourth highest record of casualty crashes of all intersections in Adelaide. In the five-year period from 2008-12, of the total 308 crashes reported, 47 were casualty crashes. This is why the Department of Planning, Transport and Infrastructure undertook sophisticated traffic modelling to demonstrate that this cost-effective solution will deliver real benefits to road users.

In fact, I can report to the parliament that the cost-benefit ratio for this project is 8.1:1. That means there is an \$8.10 return to the economy for every dollar we spent on the construction of the roundabout. I know that the now defunct infrastructure SA policy announced by the opposition would have supported such an infrastructure program. It is just a pity that members opposite do not support cost-benefit ratios.

The reconfiguration of the Britannia roundabout will also allow traffic to move safely and more freely through it. The scheme overcomes the problems of the old roundabout by increasing the distance between Wakefield Street and Dequetteville Terrace and increasing the capacity of the intersection. It creates a junction of Wakefield Street and Dequetteville Terrace separated from the intersection of Fullarton Road and Kensington Road.

Further, improved overhead signage and lighting will ensure people are in the right lane before they enter the intersection and will assist in making the entrance to the roundabouts safer. The project will be delivered and in place before the end of November 2013. The scheme, involving two proper roundabouts, will make the intersection safer and reduce afternoon traffic congestion. I encourage members opposite, and indeed all members of the house, to visit [www.infrastructure.sa.gov.au/content/Britannia](http://www.infrastructure.sa.gov.au/content/Britannia)—

*Mr Pengilly interjecting:*

**The Hon. A. KOUTSANTONIS:** —that's a computer, for the member for Finniss—to view an animated guide on how to navigate the dual roundabout and for further information. The member for Norwood, sir, need not be afraid anymore.

#### BRITANNIA ROUNDABOUT

**Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:39):** Supplementary question: can the minister confirm that the second roundabout is then going to be dismantled prior to the Clipsal street race and then rebuilt again after the race?

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:39):** Yes: she may have been listening to my first answer when I said 'the removable roundabout'. In its very nature it is removable so, yes, when we do have the Clipsal race, which I know that members opposite enjoy attending on Thursdays and Fridays, it will be—

*Mr Goldsworthy interjecting:*

**The Hon. A. KOUTSANTONIS:** The member for Kavel is criticising his intelligence. Sorry.

**Ms CHAPMAN:** I have asked a simple question about whether—

**The SPEAKER:** Yes, I get the point of order, and the Minister for Transport was carrying a call to order and a warning from earlier proceedings and I warn him now for the second and final time where he joins the member for Unley on the precipice, and I warn for the second and final time that insurrectionist, the member for Kavel. Were there any more supplementaries on the Britannia roundabout? If not, I will call the leader.

**BRITANNIA ROUNDABOUT**

**Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:40):** If I may have a second supplementary, what is the cost to the taxpayer of the annual dismantling and reassembly?

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Transport and Infrastructure, Minister for Mineral Resources and Energy, Minister for Housing and Urban Development) (14:41):** I shall seek an answer and deliver it to the member for Waite forthwith.

**CHILD PROTECTION**

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:41):** My question is to the Minister for Education and Child Development. Did any of her ministerial advisers call the mother of the girl who was allegedly assaulted at the southern suburbs school on 1 July just prior to the release of the Debelle inquiry to advise that the alleged sexual assault case was to be investigated?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:41):** I understand there was a conversation on 1 July and I think that was in relation to a follow-up email that was received from the mother over the weekend some time, so it was 1 July. Can I also advise the house I have checked in relation to contact with the family and I understand the CE advised the lawyers that have been engaged by the family that the matter had been referred to the Ombudsman, so I understand that it was the request of the lawyers that all of those matters go through them, so the CE undertook that.

**CHILD PROTECTION**

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:42):** A supplementary question: given that the minister has confirmed that there was contact between the ministerial adviser and the family on 1 July advising that there was going to be an investigation, why then was the matter not investigated when contact was made on 1 July given that the minister's adviser told the mother that it would be?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:42):** I am getting a little bit tired of the Leader of the Opposition verballing me. What I said was there was a telephone conversation in response to an email that was sent by the mother. I don't have the detail of the content of that conversation but I know that there was a phone contact on 1 July.

**CHILD PROTECTION**

**The SPEAKER:** A further supplementary?

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:43):** Yes. Prior to 24 September, did the minister receive a written briefing about this matter as the mother claims she was told by the minister's office during that phone conversation?

**The SPEAKER:** I don't think that is a supplementary but you could ask it as another question. First of all, I will go to the member for Reynell.

**JOB CREATION**

**Ms THOMPSON (Reynell) (14:43):** My question is to the Minister for Employment, Higher Education and Skills. Can the minister inform the house about the government's jobs and skills policy and how it will support skills and jobs in the regions?

**The Hon. G. PORTOLESI (Hartley—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy) (14:43):** I thank the member for Reynell for this important question and her continued interest in job creation in Adelaide's south. I am pleased that the state government's recently released jobs and skills policy sets out a very strong strategy for further job creation and reinforces this government's continued commitment to education and training.

Our strategy deliberately involves government, communities, business and industry working together to create new local opportunities for job seekers. For example, we are expanding our Skills for Jobs in Regions program to deliver flexible and responsive local projects and career development services which meet the needs of job seekers, employers and the community. This aims to create up to 14,000 jobs for people in local communities over the next three years. It will

provide sustainable jobs with local employers who are on board right from the start with a commitment to providing jobs for people who are trained and ready for work.

Skills for Jobs in Regions will have a particular focus on working with communities, including southern Adelaide, northern Adelaide, western Adelaide and the Upper Spencer Gulf. We are also working closely with local employers and business leaders in those communities.

I am pleased to announce the establishment of 15 new industry leaders groups that include local leaders, obviously, with strong links to industry across a range of sectors, including advanced manufacturing, resources, transport, finance and agriculture. Mr Anthony Kittel, chair of the Southern Adelaide Industry Leaders Group and managing director of Redarc Electronics, has shown a strong commitment to Adelaide's south—

*An honourable member interjecting:*

**The Hon. G. PORTOLESI:** —yes, he's outstanding—by investing in training and research and development. The practical, on-the-ground experience of people such as Anthony will play a very important role in this policy. These industry leaders groups will work with existing networks to better connect, coordinate and respond to training, skills development and local needs.

I do believe that this partnership approach to jobs and skills, together with our investment in major infrastructure projects, will continue to create sustainable and long-term opportunities for South Australians. I take this opportunity to thank the regional networks and members of our new industry leaders groups for their passionate commitment to working with government to create more jobs in a competitive and changing economy.

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:46):** My question is to the Minister for Education and Child Development. Prior to 24 September, did the minister receive a written briefing about this matter, as the mother claims she was told by the minister's office?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:46):** When we received the correspondence from the mother that was dated 26 May, we did a number of things. We referred the most urgent matter, obviously, off to the Minister for Police, and that was in relation to the concern that the matter hadn't progressed and that the alleged perpetrator hadn't been charged, and there was some concern that the police had indicated some concern that it may not make it through the court processes.

So, that was the priority but, obviously, information was also sought from the department in relation to the actions of the school. But, also, information was sought about the mandatory reporting requirements of the department. There was a question seeking contact details for the manager of the grievances department. Those two issues were complied with by the Parent Complaint Unit.

There was also concern expressed about the delay in being able to lodge a report on the Child Abuse Report Line. That information came into my office, and I have since written to the family and apologised, outlining why there were delays and what we are doing to address that that piece of information wasn't passed on to them. But let me just say that the very important issue about this matter going to court and the concerns of the parents were dealt with the very next day.

**The SPEAKER:** Supplementary.

#### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:48):** Can we just clarify that, in fact, the reports to the mother were incorrect and that no written briefing was provided to you as the minister?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:48):** I have just outlined everything that we have done and the information that we sought. We certainly sought information about the Child Abuse Report Line, and I have apologised that that information wasn't passed on. It's not news to people in this house, but I understand how incredibly frustrating it has been for people wanting to lodge a report. Sometimes, there have been lengthy delays, but we have put a lot of resources in to try and amend that. One of the things we have put in is the electronic notification, so teachers and police officers,



in particular, can lodge online reports, which will free up people on the phone to be able to take those reports.

### CHILD PROTECTION

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:49):** Supplementary, sir. I appreciate that the minister has outlined the actions that were taken, but can we just ask the minister whether she can confirm that the reports made by her ministerial advisers to the mother were incorrect when stating that a written briefing had been provided to you as the minister?

**The SPEAKER:** Does the minister wish to add anything? The Minister for Education.

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development, Minister for Multicultural Affairs) (14:50):** Sir, I don't have the detail of the conversations, but obviously we sought information from the department. I don't know how many times I have to say the same thing.

### CARERS RECOGNITION WEEK

**The Hon. L.R. BREUER (Giles) (14:50):** My question is to the Minister for Communities and Social Inclusion. Can the minister advise the house on how the government is promoting the welfare of carers in our community?

**The Hon. A. PICCOLO (Light—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers) (14:50):** I thank the honourable member for her important question. Carers provide ongoing support to family members or friends who live with a disability, mental illness or a chronic condition or who have some sort of terminal illness or who are aged and frail. It is estimated that around 220,000 people in South Australia provide some sort of care to family or friends on a daily basis.

Caring can be emotionally taxing and physically draining. Carers have the lowest wellbeing of any large group measured by the Australian Unity Wellbeing Index. Carers often ignore their own health and are 40 per cent more likely to suffer from a chronic health condition themselves. Health problems such as back pain, anxiety and depression can also be directly linked to their caring role.

In many cases, carers miss out on important life opportunities, particularly for paid work, a career or educational advancement. It is important to reflect, however, that, despite these challenges, carers act out of love for a family member or friend and would not have their life any other way.

In upholding their dedication, hardworking organisations such as Northern Carers Network and Carers' Link Barossa & Districts (both in my region) and numerous other service providers provide counselling and support to ensure that the wellbeing of carers is kept strong, with the peak organisation Carers SA providing overall advocacy support, amongst other things. As a community, we have a responsibility to rally around carers, where possible, and recognise the invaluable work they do.

This week across Australia is Carers Recognition Week. I was fortunate enough to spend some time with a group of carers this morning, before the sitting of parliament, to discuss their stories. I have also had the opportunity in the last few months to meet with young carers, who, through Carers SA, meet on a regular basis to discuss ways on how to overcome the common challenges of growing up with such big responsibilities. I am also aware that a young carers group has started in my own town of Gawler; I look forward to working with them as well.

To help carers in their role, the South Australian government provides an approximate amount of \$2.9 million in annual funding for support services for carers under the age of 65, and we do that in conjunction with Carers SA. The Department for Communities and Social Inclusion also facilitates a high level carers' roundtable, and I was fortunate enough to attend one of their recent meetings. This forum provided me with valuable feedback on the many issues facing carers, especially how they can connect with the NDIS and what it would mean for them in the long term.

The introduction of the NDIS will change not only the life of people living with disability but also those who provide their care and support. At some point in our life, almost all of us will rely on the care of a loved one or friend, particularly in our old age. I strongly encourage all members to consider how they can assist carers in their community. For further information on carers week and carers in general, people can visit [www.carers.sa.asn.au](http://www.carers.sa.asn.au) or call the Carers Counselling and Advisory Service on 1800 242 636.

**CONSULTANTS AND CONTRACTORS**

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:54):** My question is to the Premier and Treasurer. Can the Treasurer comment on whether he believes that taxpayers received value for money when we spent \$25.6 million on consultant costs on selling the forests and lotteries, as outlined on page 16 of the Auditor-General's Report?

**The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (14:54):** I obviously haven't had an opportunity to consider the Auditor-General's Report, as it has just been handed down—

*Members interjecting:*

**The Hon. J.W. WEATHERILL:** I preface my remarks by saying that I haven't had an opportunity to consider the Auditor-General's Report, which has just been distributed. I can make some general remarks about the forestry sale; that is, the Auditor-General makes the observation that there was a comprehensive framework, and he gives it a clean bill of health in relation to the way in which that was undertaken in a general sense.

*An honourable member interjecting:*

**The Hon. J.W. WEATHERILL:** I am not addressing the specifics of the matter: I am giving you the general assessment that has been made.

**Mr Pengilly:** You haven't read the report; you just said that.

**The SPEAKER:** The member for Finniss is called to order at last.

**The Hon. J.W. WEATHERILL:** Mr Speaker, I am more than happy just to sit down and answer these questions in the allotted time we actually set aside to answer Auditor-General's questions, but I was attempting to be as helpful as possible to the house with the very limited access we have to this information.

What I can indicate is that I understand that it is also one of the findings of the Auditor-General that the price that was achieved for the sale of the forests was actually in the upper bounds of all of the possible reserve prices that were capable of being achieved for this particular sale, so that is a substantial achievement. In a general sense, a clean bill of health has been given to the way in which the process has been undertaken.

There are some matters that have been raised, matters of detail. In a transaction as complex as this, you would imagine that there are some learnings, but in a general sense it was approved as a thorough and comprehensive process which has achieved extraordinary value for money for the South Australian taxpayer.

I might just contrast that with the sale of the TAB, where I think we paid somebody to take it off our hands at the end of the day; I think that is how the transaction ended up. So desperate were they to hand over public assets, by the time you net out all of the costs we ended up basically handing over a public asset. Those opposite are the only people in the world who actually thought that punting was a risky business for the person running the books.

**The SPEAKER:** Point of order.

**Ms CHAPMAN:** That is clearly debate.

**The SPEAKER:** In that the Premier is not responsible for the sale of the Totalizator Agency Board?

**Ms CHAPMAN:** Thankfully, no.

*Members interjecting:*

**The SPEAKER:** I uphold that point of order. Has the Premier finished? Before proceeding to the next question, I was mistaken: the member for Finniss is warned a first time, not called to order, and the members for Adelaide and Hammond are called to order and warned a first time each. Leader.

**HEALTH, ORACLE CORPORATE SYSTEM**

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:57):** My question is to the Treasurer. Can the Treasurer outline to the house the reasons for the very substantial blowout in

the costs of the implementation of the Oracle system within the health department, from an original estimate in 2009 of \$22.8 million to a massive re-estimate in December 2012 of \$62.4 million?

**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) (14:57):** This is an issue that has been dealt with plenty of times in the parliament; it's not new. I will have a look at what the Auditor-General has had to say in the Auditor-General's Report. I am more than happy to take questions during the time that will be allocated on the Auditor-General's Report in the course of sittings.

*An honourable member interjecting:*

**The SPEAKER:** Was that an interjection from the member for Unley? Oh, someone was throwing his voice onto your lips; the member for Waite, you are suggesting, was the ventriloquist. A supplementary from the leader.

#### HEALTH, ORACLE CORPORATE SYSTEM

**Mr MARSHALL (Norwood—Leader of the Opposition) (14:58):** Can the minister outline to the house whether the number contained on page 44 of the Auditor-General's Report—that being the updated approved cost of \$62.44 million for the Oracle system—will be the final amount or whether there has been any further slippage since the numbers were given to the Auditor-General in December 2012?

**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) (14:58):** Well, give me an opportunity to have a look at the Auditor-General's Report and I will be more than happy to come back to the house with a precise answer, but can I say that Oracle is absolutely critical to improving the financial management of the Department for Health.

One of the key issues I have heard the opposition complain about is prompt payment of bills, and the Oracle system is a tool that will be very important to ensuring that Department for Health bills are paid in a timely fashion, which is something I am sure all members of the house would want to see. It is a necessary investment which we have made into improving the financial management of the Department for Health, and I can't understand why anyone would take issue with that.

#### HEALTH, ORACLE CORPORATE SYSTEM

**Mr MARSHALL (Norwood—Leader of the Opposition) (15:00):** A supplementary, sir. It is directly a supplementary, sir.

**The SPEAKER:** How many supplementaries have you had on this one?

**Mr MARSHALL:** One.

**The SPEAKER:** So this is your second supplementary?

**Mr MARSHALL:** Correct.

**The SPEAKER:** Good. Go ahead.

**Mr MARSHALL:** Thank you, sir. My supplementary is: can the minister outline to the house what the likely completion date for the rollout of the Oracle system will be—all phases as originally envisaged when it was taken to cabinet in 2009—and what the total revised budget for this implementation will be?

*Members interjecting:*

**The SPEAKER:** The member for Schubert is called to order and the member for Heysen is warned for the first time. Minister for Health.

**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) (15:00):** The implementation of phase 1, Oracle financials, was completed in July 2010. Phase 2 was partially deployed in December 2010 with the deployment to the Department for Health and Ageing, the SA Health Distribution Centre, Mount Barker hospital, Modbury Hospital and the Shared Services SA accounts payable team.

A number of issues were experienced subsequent to the implementation of phase 2, procurement and supply chain models, of the Oracle corporate systems project to release one site; that ceased further deployment. These issues include system defects, whereby the system configuration didn't behave as intended; data issues, where the quality of data converted from legacy systems to Oracle was poor, and subsequent data capture errors were made; and user issues resulting from insufficient training and change management.

Phase 3, approval of Oracle corporate systems, approved by cabinet on 17 December 2012, supports the completion of the procured pay and supply chain systems deployment to the remaining sites. The completion of the deployment will enable SA Health to fully realise benefits previously associated with the program, around \$10 million per annum.

The program board was established to oversee the phase 3 implementation. This board involves key representation from both the local health networks and the Department for Health and Ageing. It has been focused on the development of a project plan, associated costings and cabinet submission for phase 3. The direct program costs associated specifically with phase 3 across SA Health have been determined at an additional \$25.349 million.

In addition, due to the delay in the completion of the complete deployment of Oracle corporate systems, transitional staffing is required in both finance and procurement to enable continuity of support services, which is an additional cost of \$15.150 million over two years.

During the period of deployment of the Oracle corporate systems project, total costing for the implementation of the Oracle corporate system is approximately \$62.4 million (which I think is consistent with the figure just mentioned by the Leader of the Opposition); that includes \$15.150 million in transitional and staff funding.

Phase 3 also recognises the full scope and significant scale of the deployment and addresses the areas of deficiencies experienced through phases 1 and 2. I have quite bit of extra information here that I can continue to read, but I think my four minutes might be just about to expire.

**Mr MARSHALL:** Supplementary, sir.

**The SPEAKER:** A third supplementary?

**Mr MARSHALL:** Well, I would like to give him some more time to answer this.

#### **ENTERPRISE PATIENT ADMINISTRATION SYSTEM**

**Mr MARSHALL (Norwood—Leader of the Opposition) (15:03):** Why should the people of South Australia have any confidence in the government whatsoever with the implementation of the EPAS—a \$408 million system—when the government has had a 200 per cent blowout in the implementation of a simple Oracle system originally forecast to only cost \$22 million?

**The SPEAKER:** Leader, if that isn't debating a question I don't know what is. Secondly, I hope the leader won't squeal if and when a minister replies in the same tone. Minister for Health.

**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) (15:04):** I have great confidence in the delivery of the EPAS project, and we have seen the first rollout to the Noarlunga Hospital which has been—

*Ms Sanderson interjecting:*

**The Hon. J.J. SNELLING:** Contrary to what might have been the hopes of the opposition, the rollout of EPAS to Noarlunga has been incredibly successful.

**The SPEAKER:** The member for Adelaide is warned a second time.

**The Hon. J.J. SNELLING:** For the first time, having been down there and spoken to the staff at the coalface, the staff who are delivering health services to South Australians in the Noarlunga Hospital—for the first time, one observation is made, and that is that nurses have time to spend with their patients rather than writing up notes and having to sit around the nurses' station. More time is able to be spent by nurses in the direct delivery of care to patients.

I have no doubt that the opposition have a problem with that—no doubt at all the opposition do not like to see that happening. I know they do not like to see the successful delivery of a program by this government. This government has had vision in health, something sadly lacking in the opposition, something the opposition never showed when they had an opportunity to be in

government and something the opposition have not shown in the last 10 years they have been in opposition.

This government has been determined to reform our health system, to make sure that we have the capacity to deliver better health care to South Australians. There is an increasing demand in health, of course, that we have to grapple with. What was the answer that the opposition had when they were last in government? Privatisation: privatisation of the Modbury Hospital. It is wonderful to see those crocodile tears from the Leader of the Opposition, but they have no sympathy for South Australians. They have no interest in the health care of South Australians. They have no interest in the health policy whatsoever.

All they are interested in is stirring up a bit of trouble, and when something goes well, when a project is delivered, what do we see? Squealing: squealing like stuck little pigs from the opposition. That is all we hear whenever something goes well. This government can be proud of what we have delivered over the last 10 years or 12 years in the health portfolio. I will not resile from that for a minute.

**The SPEAKER:** Well, that was nostalgic. The leader, with a fourth supplementary, which is probably out of order.

#### **ENTERPRISE PATIENT ADMINISTRATION SYSTEM**

**Mr MARSHALL (Norwood—Leader of the Opposition) (15:07):** I do appreciate your indulgence, sir. Can the minister outline to the house what the time frame is for the rollout of the EPAS system to hospitals in country SA, as originally promised by the government, and can the minister outline whether this is included in the \$408 million envisaged with the existing EPAS budget line?

**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) (15:07):** This is EPAS you are talking about, not Oracle?

**Mr MARSHALL:** Yes.

**The Hon. J.J. SNELLING:** The original cabinet decision was for EPAS to be rolled out to several country hospitals, not all of them.

**Mr Marshall:** All.

**The Hon. J.J. SNELLING:** No, it was not. The original cabinet decision—

**Mr Marshall:** It was.

**The Hon. J.J. SNELLING:** No, don't mislead the house. The original cabinet decision was for EPAS to be rolled out, from memory, to I think Mount Gambier Hospital and at least one other hospital. It was never part of the original cabinet decision to proceed with EPAS, on the budget that was allocated for it—for it to be rolled out to all country hospitals. I can only go on what was in the original cabinet decision. There has been no change in the scope of the project since that original cabinet decision and the budget that was allocated to it. The budget that has been allocated to it is for EPAS to be rolled out to the hospitals as described in the contract.

**Mr Marshall:** So nothing for country SA?

**The Hon. J.J. SNELLING:** No. Last time I checked, Mount Gambier Hospital was in country South Australia. Maybe the member for Mount Gambier might be surprised to hear that the Leader of the Opposition does not consider Mount Gambier Hospital to be part of country South Australia, and there is another location. I think it might be Port Lincoln Hospital, but I will get back to the house—but it has always been the case. There has been no change in the scope of the project since the original cabinet decision was made with regard to which hospitals EPAS will be rolled out to.

#### **PACIFIC 2013 INTERNATIONAL MARITIME EXPOSITION**

**Dr CLOSE (Port Adelaide) (15:09):** My question is to the Minister for Defence Industries. Can the minister tell the house about South Australia's presence at the Pacific 2013 International Maritime Exposition?

**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) (15:09):** I thank the member for Port Adelaide for her question. Techport SA is in her

electorate of Port Adelaide and will be the centre for maritime industry, maritime military sustainment and building for generations to come—a very special investment that this government has made and can be proud of.

Last week, I attended the Pacific 2013 International Maritime Exposition in Sydney to reinforce South Australia's dedication to naval shipbuilding systems and sustainment. Held in Sydney every two years, Pacific is the major international maritime exposition in the Asia-Pacific region, featuring a large trade exhibition supported by specialist defence and technology conferences.

South Australia was well represented with a strong delegation of local industry, such as ASC, BAE Systems, Babcock, Raytheon, Saab and Siemens Australia, promoting their capabilities to national and international delegates. We were also represented by smaller companies like Hill Defence Products, Ultra Electronics, MG Engineering, and Nova Systems. South Australia is home to some of the nation's largest and most complex naval projects: the multibillion dollar through-life-support contract for the Collins class submarines, and the \$8 billion air warfare destroyer project.

Defence is a critical industry for South Australia, forming the foundation of our advanced manufacturing future. This is why it is important that we continue to engage with senior leaders from national and international defence companies, as well as senior defence personnel, including the incoming defence minister, Senator David Johnston.

The state government, along with members of the Defence SA Advisory Board, chaired by General Peter Cosgrove, hosted the Defence SA state dinner. At this dinner, we showcased South Australia's dedication to maintaining our reputation as the defence state. We showed this through: Defence SA, the nation's only dedicated defence agency, and our formidable Defence SA Advisory Board; our continuing investment in Techport Australia, the nation's premier naval shipbuilding hub; our long-term support for the Defence Teaming Centre; and our long-term focus on delivering highly skilled workers that are so crucial to the industry's success.

The defence minister (Senator Johnston) acknowledged in his speech that South Australia is undoubtedly the defence state of Australia, and other states would have a lot of catching up to do. The government cannot rest on our success so far. We will continue to maintain our position as the No. 1 state for the defence industry.

Over the next 20 years, Australia's future naval fleet investment is of around \$250 billion. This will require all levels of government, industry and academia to work together. That is why the state government has written to Senator Johnston, and I have spoken to him privately, to recommit the commonwealth to an Australian build solution for the future submarines to be assembled at Techport Australia.

It is important to reinforce the critical need for a clearly defined path forward and timely decision-making so that industry and state governments can invest and prepare. South Australia is uniquely positioned to play a pivotal role in delivering Australia's future naval fleet, given our world-class infrastructure at Techport Australia, our strong industry base and the critical mass of high-end shipbuilding and sustainment skills in our state.

#### **STANDING COUNCIL ON LAW AND JUSTICE**

**The Hon. M.J. WRIGHT (Lee) (15:13):** Can the Attorney-General please inform the house about the outcomes of last week's Standing Council on Law and Justice?

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (15:13):** I thank the honourable member for his question. Last week, I attended the second meeting of the Standing Council on Law and Justice for 2013. The council is made of the commonwealth, state and territory attorneys-general, the commonwealth Minister for Justice and the New Zealand Minister for Justice. A critical issue of discussion was a greater national approach to tackle criminal gangs, because we know these gangs do not know any borders. This is a national issue affecting communities across the country.

At the council I raised the very important issue of South Australia Police and other state and territory law enforcement agencies having difficulties obtaining from financial institutions (in particular, banks) electronic information to assist us with unexplained wealth investigations. This information sharing should not be too arduous for Australian banks, given current technology.

I now intend to write to the banks who have indicated to SAPOL that they are unable to provide electronic records, and will continue my discussions with the commonwealth in order to secure their support for ensuring that this important issue is properly resolved.

I also raised with the commonwealth the importance of banning international members of the so-called Mongols Motorcycle Club from entering Australia. I spoke directly to the federal Attorney and justice minister, but I will now be writing to the Minister for Immigration and the Australian Federal Police stating my concerns and emphasising the importance of ensuring that these characters are kept out of the country.

In regard to other justice matters, building on from the passing of recent legislation to establish a fines enforcement agency in South Australia, the state government emphasised the importance of the commonwealth working with the states to allow more efficient and effective collection of unpaid fines. Access to records, such as employer and bank account details held by commonwealth agencies, including the ATO and Centrelink, is crucial for this task. Restricting overseas travel for individuals who have unpaid fines will be another important tool for tackling this problem.

Too often, fine defaulters pay their debts to the taxpayer last, and this is not good enough, and the government will continue to work to change this. Other issues that were discussed included an expression by me about concerns regarding the current classification regime for video games and the commonwealth's intention to establish a new standing council on law, crime and community safety. This council will bring together attorneys-general, police ministers and police commissioners.

#### **ADELAIDE OVAL**

**The Hon. S.W. KEY (Ashford) (15:16):** My question is directed to the Minister for Tourism. Can the minister inform the house about what the state government is doing to promote South Australia and the redeveloped Adelaide Oval to the AFL and interstate AFL clubs?

**The Hon. L.W.K. BIGNELL (Mawson—Minister for Tourism, Minister for Recreation and Sport) (15:16):** Every two months the commercial managers of the AFL's 18 clubs get together for a meeting, and that meeting is always held in Melbourne. Last week, we managed to get the clubs to come to Adelaide for their meeting after working with many of the AFL clubs and the AFL itself. We wanted to get them here to show them first-hand the Adelaide Oval and how amazing it is, and they were very impressed with what they saw.

They had their meeting at the Convention Centre in the Panorama Suite which, of course, looks out onto the footbridge that is being constructed, and the backdrop, of course, is the magnificent Adelaide Oval. After their meeting we took them on a tour of the Adelaide Oval. Darren Birch, the commercial operations manager of the AFL, I really want to thank for all the work that he and his staff put in. He went on radio that afternoon and described the Adelaide Oval in this way:

[It was] unbelievably impressive. The structure, the design, the way that the Adelaide Oval architecture is being maintained, the trees at the end, the grass slope, it's going to be an absolutely unique place to watch football...the AFL's really proud of the stadiums that we play in around the country but what is happening at Adelaide Oval absolutely takes the cake, it's fantastic.

What we want these clubs to do next year is bring their fans with them. We know that Collingwood this year took 6,000 fans to the Gold Coast for their game against the Suns. We know that Geelong took 5,000 up there. When they do their commercial contracts with their sponsors the clubs write into those contracts one or two interstate trips each season. These people have never brought fans to South Australia because they have not liked Football Park, they have not liked going there.

We didn't want them to turn up next year and say, 'Wow, isn't Adelaide Oval fantastic, we should have brought our corporates, we should have brought our fans.' We wanted to get them here early and get them to see first-hand what was happening at the oval and convince them that they should be bringing their fans and their corporate sponsors here from the very first game that they play at the new Adelaide Oval. They were very impressed, and they have all promised that they will be bringing their fans here.

We took them down to McLaren Vale the day after. We took them to the Adelaide markets for breakfast and then down to Gemtree Vineyards, then Wirra Wirra, and then lunch at Star of Greece, to show them the opportunities that they can provide their sponsors, people who pump millions and millions of dollars into the AFL each year, who we want to pump money into our economy.

We know that the average two nights spend on people coming to Adelaide, at the very low estimate, is around \$400 a head. We know for the corporate sponsors it is at least \$800 a head, and we want that money coming in to our state from next year. We have had very good feedback from the clubs already. Sam Eustace at the Gold Coast Suns said:

As a State you should be extremely proud of the new development at Adelaide Oval and I have no doubt that it will drive significant tourism numbers for AFL games. We have experienced significant interstate visitors at Metricon Stadium with multiple visitor nights and outstanding economic impact for the local economy, and we are sure you will have the same.

The tour on Wednesday of the iconic Adelaide Market, through to Gemtree, Wirra Wirra and the Star of Greece were unforgettable and will be a wonderful experience for visiting corporate partners and fans alike. We look forward to seeing you next year at Adelaide Oval.

So, we are promoting not just the stadium but we're also—

**The SPEAKER:** Minister, I think that's a compelling and more than adequate answer.

**The Hon. L.W.K. BIGNELL:** I've still got some time on the clock.

**The SPEAKER:** I'm sure you have. The member for Unley.

#### CHILD PROTECTION

**Mr PISONI (Unley) (15:20):** My question is to the Premier. During his time as education minister did he or his office ever follow up with the education department and ask for further information after being advised of a critical incident?

**The SPEAKER:** Premier. That's a very open-ended question.

**The Hon. J.W. WEATHERILL (Cheltenham—Premier, Treasurer, Minister for State Development, Minister for the Public Sector, Minister for the Arts) (15:20):** If I understand the question, it is: did we ever follow up and ask for information after being advised of a critical incident? I am sure we did. I am sure that on any number of occasions we had drawn to our attention matters that could be described as critical incidents. Remember, of course, that 'critical incident' in the education department is a term of art which is used to describe everything from a grazed knee through to some of the most very serious matters. But at various times I am sure there were critical incidents drawn to our attention about which we asked for further information.

#### ANANGU PITJANTJATJARA YANKUNYTJATJARA LAND RIGHTS ACT

**The Hon. L.W.K. BIGNELL (Mawson—Minister for Tourism, Minister for Recreation and Sport) (15:21):** I table a copy of a ministerial statement entitled 'Review of the APY Land Rights Act 1981', made earlier today in another place by my colleague the Hon. Ian Hunter.

#### CLIMATE CHANGE REVIEW

**The Hon. L.W.K. BIGNELL (Mawson—Minister for Tourism, Minister for Recreation and Sport) (15:21):** I also table a copy of a ministerial statement entitled 'Major State Climate Change Review', made earlier today in another place by my colleague the Hon. Ian Hunter.

#### GRIEVANCE DEBATE

##### ENERGY PRICES

**Mr HAMILTON-SMITH (Waite) (15:21):** I rise to advise the house of an energy policy announced by the opposition over the weekend, and I hope the minister for energy is able to stick around and listen carefully, because it contains some very innovative ideas on how we might get people's power prices down. The one question that everyone on this side of the house asks when stakeholders come in—

**The Hon. A. KOUTSANTONIS:** Point of order, sir.

**The SPEAKER:** A point of order from the Minister for Transport.

**The Hon. A. KOUTSANTONIS:** There is a bill before the house about smart meters, the Statutes Amendment (Smart Meters) Bill, No. 180. The member for Waite is now debating that bill in grievances.

**The SPEAKER:** Member for Waite, I am not sure if you were pre-empting debate or not, but nothing in the member for Waite's grievance should pre-empt debate on that bill.



**Mr HAMILTON-SMITH:** Thank you, sir. Can I ask that the clock be reset, if it hasn't already. Thank you, sir. Mr Speaker, I think the Minister for Mineral Resources and Energy's interjection just indicates how touchy he is on this. He has no energy policy. The government has announced nothing. There has been silence. But the opposition has an energy reform policy, entitled 'Empowering the Consumer', and we announced it on the weekend. There is one thing that we ask, whenever someone comes into our office, particularly if they are a network company, and that is: how can we get people's power bills down? It is quite apparent, and it is enunciated in our policy, that the first and most important thing that needs to be done is regulatory reform.

The Productivity Commission released an excellent report earlier this year on the need for reform. It is pushing up the cost of energy across the country. The Productivity Commission's work is very, very focusing and compelling, and it points to fundamental flaws in the system that require national and consumer focused measures that remove the interlink regulatory barriers to the efficiency of electricity networks. It is a mess.

I encourage people to look at our report. It is on our websites. There are a number of things that need to be worked through, through the SCER, through the national reform arrangements. What this government should have been doing and this minister should have been doing is showing leadership and pushing for those reforms.

The second feature of our policy is monthly billing cycles. We want to see retailers offer to consumers, on a voluntary basis, an opportunity to see their account on a monthly basis so they have a signal as to their usage and so that they can better manage their affairs.

Of course, it must be an actual usage and, for that reason, in our policy we are getting behind the idea (on a voluntary basis only) of enabling retailers to offer smarter technologies to users in the way of smart meters so that they can better manage their own electricity usage so that all sorts of new opportunities are provided to them in regard to off peak management of their electricity devices—be it the washing machine, the dishwasher, the pump, you name it.

We want to see the same benefits extended to consumers, both households and small business, as are presently enjoyed in the hot water service which is hard wired to off peak. We want to see those benefits passed on. This can be done at no upfront cost to consumers with most of the costs absorbed by the retailers if they had monthly billing because simply they will offer contracts in a deregulated market that make it so.

The fourth point is that we want to abolish the Residential Energy Efficiency Scheme (REES). All the stakeholders agree pretty much that this has run its course. It is pushing up bills by \$14 a year. We want to see it gone. There are other measures we will announce later to help those in need. Combined with these measures—abolishing the REES, smart meters, monthly billing and a regulatory form—we think we can deliver benefits well in excess of \$200 a year to consumers and possibly better.

In regard to smart meter technologies more generally, I want to bring the attention of the house to work done by Professors Jonathan Borwein and David Bailey and their excellent articles, pointing to the fact that smart meters only transmit data for roughly 1.4 seconds a day at very low wattage. According to BC Hydro in Canada:

Exposure to radio frequency during a 20-year life span of a smart meter is equivalent to the exposure during a single 30-minute cell call.

Even this reckoning is exceedingly generous since the typical cell phone is held to the ear whereas smart meters are typically many feet away from humans. The World Health Organisation, in its report on electromagnetic stations and wireless technology, has completely refuted concerns that these were a health concern by saying there is no convincing scientific evidence that the weak RF signals from base stations of wireless networks cause adverse health effects at all.

No matter how many scare tactics are applied out there, we live in a modern world. We have mobile phones, we have iPads, we have computers, we have modern technologies, and smarter technologies are going to come to the way we manage electricity. This is a great policy. I urge South Australians to have a look at it on our website. We are out there setting the agenda from opposition on energy reform.

Time expired.

**CARPENTER, B.S.**

**The Hon. L.R. BREUER (Giles) (15:27):** Today I want to pay tribute to a wonderful young man who recently passed away in Whyalla. Bailey Stephen Carpenter, who was born on 19 November 1999, passed away on 27 September 2013 after losing his long battle with cancer. He was just 13 years old. Bailey's death was felt with great sadness by the Whyalla community because he was an inspirational young man and he touched many lives. His father, Steve, described him as determined, smart and gifted. He also was a real character. Bailey was fun to be with and he was a good friend to many people who found him to be one of those people who rarely come into our lives but certainly make a real impact on us as individuals and as a community.

Bailey was born with a condition called retino blastoma and at just four months old he had a cancer removed from behind one of his eyes and then at the age of six he had his second tumour removed, so Bailey was blind from six years old. Although he was faced with a lot of adversity, Bailey would push through it all and always had a huge smile on his face. He did a lot of things that most people would not dream that a blind person could do.

He liked riding his quad motorbike, he played guitar, he loved to kick the footy. He had a training football with an elastic called a mark master and he loved to kick the footy around with his mates. He used to kick it around all the time. Although he was blind, Bailey learned to play the guitar and he had aspirations of one day becoming a famous guitarist. I understand his guitar teacher was into heavy metal and so there was music like AC/DC and Metallica that he played. I am glad I wasn't around when he played that.

In his early years, he loved to be on his scooter and he often used to ride it to Memorial Oval Primary School. Sometimes his mother said he would ride to school alongside her and she would be screaming, 'Stop! Left! Right! Go!'

Bailey attended Memorial Oval Primary School, and I want to pay tribute to the school there because they gave him a lot of support over the years. He certainly made many friends there, including Tennyson, my grandson, and he was loved by all who were there with him. The other students did not see his disability: they just saw him as a determined, tough, young friend who was fun to be with and who also had a great sense of humour, which often was at his own expense.

The school and his friends never left him out of anything. Modifications were made to all sorts of activities and he took part in them. His love of athletics saw him selected to attend the SAPSASA Athletics Carnival, which is an important carnival in country South Australia, and he won two silvers and a bronze medal at that carnival.

He loved his family and his siblings, Dylan and Jenna, very much. He loved family time with them and talking to them, and he liked to assert his seniority, being the older brother—and I can identify with that. The Carpenters said that through all Bailey's battling, because he was diagnosed about 12 or 18 months ago again with cancer, he really never once complained.

The family are hoping that many will hear of Bailey's story and be inspired by his willpower and his determination and that kids who think that maybe their goals are out of reach, that things are a bit too hard, or that they are not smart enough will never give up. Bailey achieved a lot of things that the family never thought he could—things that can be achieved no matter what obstacles are put in front of you.

I remember Bailey at Murninnie Beach, roaring around on his quad bike, laughing and enjoying the wind in his face. I thought, 'What an amazing child!' Of course, he was a very avid Crows supporter, which was very much in his favour as well. I think Bailey would have become a very great man, but he did leave instead an inspiration for us all. His last 12 months were extremely tough for him. He and his mother were in Adelaide for much of that time, in Ronald McDonald House, away from the support of their community and their family.

I want to pass on my sincere sympathy to Steve and Shelley. We cannot imagine their loss, but there is no more suffering for that dear little boy. I want to thank his parents for allowing us as a community to share him. I know he will inspire so many to change their lives. I also want to pay particular tribute to his parents, who gave their son a wonderful life. It is Carers Week. They have cared for him for all of his life, particularly during the last 12 months. I want to thank them for that, for giving us their son and for being such an inspiration and encouragement to us all.

### LAMEROO REGIONAL COMMUNITY SCHOOL

**Mr PEDERICK (Hammond) (15:32):** I rise today to speak about the devastating fire that caused, I believe, at least \$1½ million worth of damage to the Lameroo Regional Community School. The Lameroo school is a terrific community school which has strong academic tradition extending back to 1906, when the school was first opened in the Methodist Church Hall.

In 1990, after various iterations of a school, the Lameroo Regional Community School was established. This came about with the amalgamation of the secondary sections from the Pinnaroo, Geranium and Lameroo schools. Currently, there are approximately 180 students in attendance at Lameroo, with children travelling in from as far away as Geranium and Pinnaroo—up to 40 kilometres away—so this is essential schooling for our Mallee students.

On that fateful morning of Friday 4 October, during the school holidays, students, staff, parents and the local community were informed of the fire. These were obviously the ones who had not seen it happen. The blaze fully destroyed the technical studies, home economics, science and art rooms and very close to 100 per cent of the work these rooms contained.

I could not get to the school on that Friday, but I did have some contact with one of the local parents. I managed to get up to the school the next afternoon, a Saturday afternoon, and had a very fruitful meeting with some of the parents and some of the schoolteachers who were around so that I could get my own overview of the damage that had happened to the school—and it was significant.

I said at the time, 'I'm not a building inspector or an engineer, but I think that it's a bulldozer job.' Thankfully, from what I have been informed by the regional director, David Craig (I had a conversation with him only yesterday), the place will be bulldozed in the next fortnight and there will be new buildings on the same footprint. I fully commend that, and I will be watching that with interest over the next year or so—hopefully, it is sooner than that—to see that we have these buildings built back on the same footprint, with even better facilities than what was there.

It certainly impacted senior students at the school because a lot of the year 12 work has gone; it was in these rooms. Thankfully, the SACE Board is being receptive and will use photo evidence and teachers' professional opinions to make sure that students' final marks accurately reflect their work throughout the year.

It has certainly devastated the community to see what has happened with these school buildings. However, it is great to hear reports that Lameroo locals have rallied together to help the school in any way. Classes will be rotated round the town and the local bowling club and community hall will be utilised for some home economics classes. Local churches and community groups have also raised small funding support to assist the school and the students, whose lockers were destroyed. This is a small but generous gesture towards the rebuilding process.

I must pay tribute to the many CFS volunteers, which included CFS volunteers from Lameroo, Pinnaroo and Parilla, who worked hard to contain the fire, some in breathing apparatus, to stop it from spreading to other buildings.

When you hear of these things that happen in school holidays, you think that a firebug has been in, but it was an electrical fault. I know that there is nothing great to celebrate around that or around anything about a fire, but the fire cause investigators found that it was started by an electrical fault, so I guess that there is something heartening in knowing that. I note that a media story only this week stated:

At an assembly yesterday morning, principal Carissa Coleman's voice wavered as she apologised to senior students whose work had been lost. She said the SACE Board would use photo evidence and teachers' professional opinions to make sure students' final marks accurately reflected their work throughout the year.

The senior school coordinator, Julia Brookes, assured the students that none would be disadvantaged. I wish the school community and the town all the best in the rebuild of these school buildings. I will be watching with interest to see that the community get the outcome they deserve.

Time expired.

### BRAIN INJURY REHABILITATION COMMUNITY AND HOME SERVICE

**The Hon. S.W. KEY (Ashford) (15:38):** In noting Mental Health Week last week, I got talking to a friend of mine who is undergoing rehabilitation (she has an acquired brain injury after having a stroke) and then another friend of mine who is a carer for her 20-something son, again with an acquired brain injury from a car accident.

I am advised that there is one brain injury rehabilitation service in South Australia, and it is SA Health's Brain Injury Rehabilitation Community and Home service (known as BIRCH). It is for people who suffer a brain injury, perhaps from an aneurism or a car accident. What happens is that they gradually move through the inpatient and outpatient services provided by BIRCH. BIRCH also provides an integrated service of physiotherapy, psychology, speech therapy, occupational therapy, social work, neuropsychiatry and rehabilitation clinical services because, after a brain injury, all these areas may be needed for rehabilitation. The BIRCH team, as I understand it, talk to each other and they coordinate these services, which are delivered at home or at the centre at Felixstow.

I have been shown a draft proposal that would see BIRCH staff providing direct care to people with a brain injury one day a week, compared with five days a week at the moment. There are a couple of documents floating around—the Central Adelaide Local Health Network's 'Planning for excellence: proposed way forward' and also 'Report on community and stakeholder consultation, Hampstead Rehabilitation Centre'—and they are both dated September 2013.

In talking to people who have a brain injury, or their carers, it has been emphasised to me that it is important to understand the practical implications of brain injury such as: after a brain injury everything is very confusing—you do not know what has happened, what is happening now, or why you are in hospital. You can become tired very quickly because that part of the brain that is not damaged is working so hard to do everything. It is hard to concentrate for very long. You can only absorb new information in short, small segments, and often you cannot remember much of what anybody says to you.

It was particularly emphasised to me that you lose your driving licence; your sleep is often very disturbed—either you sleep all the time or you hardly sleep at all—and you do not understand simple daily tasks. I am told that these issues are quite common for people who have brain injuries or know people with brain injuries.

On top of that, they are also dealing with specific difficulties such as arms and legs that do not work anymore; they may have aphasia and are unable to read or write; they do not seem to understand anything that they say or what people say to them; they get very angry quickly and are unable to calm down; they also get used to being dependent on other people for everything including personal care; they do not understand the radio or TV; and the list goes on.

As I said, these are just some of the things that have been raised with me. I think it is particularly important that we make sure that we advance the services that are available to support people with a brain injury. Quite often people say that having a brain injury means that you are in a fog and it is really hard to work out what is going on.

There is rehabilitation available and there have been many successes which BIRCH can claim with the things that are being provided to them. From what I have heard, it is also important that services for people with a brain injury are coordinated and that it is not made more difficult for people with that injury or their carers to have to negotiate how to access services and how to move from service to service.

Obviously, the home care service is an excellent one, but there is also a need to see different professionals associated with that injury. I hope that the service continues in the way it is at the moment unless, of course, there are a lot more resources put into the area and it is improved. What people say to me at the moment is that they like the service they have now, and they want to make sure it is more readily available.

#### **RIVERLAND SPRING EVENTS**

**Mr WHETSTONE (Chaffey) (15:43):** I rise to speak about spring in October in the Riverland and Mallee. It really has been quite an opening of the season, particularly with everyone noting that when spring is upon us, everything springs to life—all the plants, the flowers, the trees, the vines—everything shows signs of life. I would like to mention some of the events that are happening in the region, particularly the Riverland and Mallee, and it is a showcase of what the region has to offer.

It is not just about offering the region to people here in South Australia: we have many international and national visitors coming to the region, particularly for the rose festival, because we have world-renowned David Ruston with his rose collection, and the whole region comes to life. I would like to start with some of the events that I have attended, and I would like to also acknowledge the volunteers who support all of these events along the way.

The Loxton show started off the October spring, and it has been a highlight of that region. It is a mini Adelaide show with wood chopping, livestock and equestrian events. One of the highlights of the Loxton show is the produce judging, and that is something that I am very keen on because I am a bit of a jam maker, and I do like to get in amongst the women and compete and compare our glossy jam. That was a really good event.

Then we moved on to the Pinnaroo Show. Pinnaroo is obviously the potato capital of the world, but one thing that the Pinnaroo Show is really renowned for is its Jack Russell racing. The Jack Russell racing really does draw the crowd, and many people save getting to the Pinnaroo Show until 4.30 in the afternoon to see the race. The farmers have finished their day and they come in and everyone brings in their Jack Russells and it really is quite a sight to see. I might like to say that I did manage to win a first place gold trophy for my jam at the Pinnaroo Show, so I am very proud.

Moving down to Barmera, we had the running of the sheep, which coincides with the Barmera sheep dog trials. It really was quite a spectacle to see a semitrailer load of sheep being let out of the truck up at the top end of the main street and running down to the football oval. Many people gather and it really is just a social function for people to watch the sheep run from one end of town to the other but then, as I say, the Barmera sheep dog trials proceed after that.

In amongst that we had the Riverland Auto Expo. The Riverland is very proud of its enthusiasm for motorsport, and it is not just about cars and it is not just about motorbikes. It is about tractors; it is about boats; it is about anything that has a motor in it, anything that moves, anything that makes a noise, anything that is shiny and people love to present. The numbers were down but, as I was made aware, there were six car shows on the October long weekend, so I think the Riverland performed extremely well.

From there I travelled to the farmers' market as I do every Saturday that I am in the Riverland. It was great to see a lot of our visitors coming into the region actually recognise the farmers' market. They go there and buy their produce because they know that coming into the region—into a fruit fly free zone—it is easier to buy your fruit and veg fresh from the producer at the market, rather than carting it all the way up from where you are coming from into the region. That word is travelling, and I think it is a great acknowledgment that people are now leaving their fruit and veg at home and coming up to the region to holiday and buy it up there.

Just quickly, we had the Barmera Main Street Markets and we had the Cobdogla Irrigation and Steam Museum open day. We had the Centenary of Rail in Alawoona—what a spectacle! We had many people there and I opened that up. I did meet people that had been there for many years. They got there when it was a railway town and moved in. One gentleman told me that when he started school it had 170 students, but by the time he got to year 6 the school was closed. The railway line had been put together, put into production and off they went. I also met an elderly couple that looked after me when I was two, so that was great.

Time expired.

### **BHUTANESE INTERSTATE SOCCER TOURNAMENT**

**Ms BETTISON (Ramsay) (15:48):** I rise today to share what was a really successful interstate soccer tournament held in my electorate. It was the Bhutanese Interstate Soccer Tournament held from 5 to 7 July. My office was very pleased to work with BASA, the Bhutanese Association in South Australia, to build support and organisation to host this interstate soccer tournament.

This is the only event of the Bhutanese community held at national level in Australia. The first championship was organised by Brisbane in July 2012 and the team from Adelaide, the Adelaide Dragons, won the tournament and then agreed to host the second tournament in Adelaide in 2013. We had participating teams from Hobart, Launceston, Sydney, Albury, Melbourne, Cairns and Brisbane. The aim of the soccer tournament is to reduce some of the factors that place Bhutanese youth at risk. These are some of the issues in regard to alcohol consumption and gambling.

One of the issues is that the journey of many Bhutanese refugees here to Australia is not commonly known. Many who may be considered to be ethnically Nepalese were asked to leave their country and were then settled as United Nations refugees in Nepal, and many were there for nearly 20 years. We had Bhutanese people starting to come to Australia from about May 2008. I am very pleased to say that many Bhutanese here in South Australia have settled into the

Salisbury area. A recent analysis of people born overseas shows that 2.9 per cent of people born overseas living in Salisbury were born in Bhutan and 3.9 per cent speak Nepalese, so this a growing ethnic group.

This was an alcohol-free family event and it was held at the Burton soccer stadium. Unfortunately, the weather was not that kind over the three days of the event, but many people turned out to watch. As part of the organisational group—I participated in two or three meetings—we talked about significant needs in relation to accommodation and travel for the participants between the airport and Salisbury and also between the homes of the billets and Burton oval every day. They had to consider issues like covering public liability insurance, providing food to the players, providing first aid, trophies and umpires. For what is still a fairly new ethnic group, I was very impressed with their organisational skills.

The tournament was supported by some fantastic cultural events on the final day, with wonderful Bhutanese dancing and, most importantly, the very famous momo—the vegetarian dumplings. I pay special tribute to Suren Ghaley, the Chairperson of the Bhutanese Australian Association of South Australia and Indra Adikhari, the general secretary of the association. Also involved was Sushil Niroula, who is a project officer with the Australian Refugee Association.

The association organised some fundraising when organising this event, but were also supported by the South Australian government. I thank the South Australian government for its \$3,000 towards assisting with this tournament. The Salisbury council also participated, as did Parafield Airport and Bunnings, where BAASA held several barbecues. Given that they are a group who does not eat beef, it was quite a unique event for them to provide sausages.

I thank my dad for giving a few lessons in how to barbecue. Woolworths also supported them, and there was some fundraising within the community itself with a film night and a table tennis event. The Bhutanese group is very active in this area and, under BAASA, there is also the Bhutanese seniors group, the Bhutanese ethnic school and the Bhutanese youth group.

#### **STATUTES AMENDMENT (ARREST PROCEDURES AND BAIL) BILL**

Adjourned debate on second reading.

(Continued from 11 September 2013.)

**Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (15:55):** I rise to speak on the Statutes Amendment (Arrest Procedures and Bail) Bill 2013. This is a bill that had been introduced in September by the government, and is a bill to amend the Bail Act 1985 and the Summary Offences Act 1953. The origin of this comes from an announcement by the Attorney-General in 2010, at the time he made a ministerial statement to advise that:

This government is taking decisive action to provide South Australia with a new, smarter bail process from next year.

There was advice made public by the Attorney-General at the time that cabinet had approved the preparation of amendments to achieve these greater efficiencies, in particular in the way the police and courts deal with minor offenders, and that there was going to be an extensive consultation process with a view to introducing amendments in 2011. The amendments foreshadowed at that time were to:

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

The Attorney may well have been right when he said in his ministerial statement that, 'The journey of a thousand miles begins with a single step, and this government has taken a further step in a clear direction.' However, it has not escaped the attention of the shadow attorney-general that it has taken 1,037 days since that ministerial statement for it to be effected; nevertheless, we are here.

The government provided a briefing on 19 September with representatives of the department and Senior Sergeant Onishko, who has been most helpful in providing information as to the practical impediments faced not just by the police, but some significant inconveniences outlined for those who may be arrested and/or members of their family. So, we found that most instructive and appreciated that clarifying contribution.

These initiatives always start with an expectation of promises and aspirational statements that often sound good, but sometimes when we look at how we achieve what are meritorious aspirations the implementation is somewhat more complicated. The key changes that ultimately ended up in this bill I think really fall into some six or seven categories, and I just want to briefly identify what they are.

Firstly, there is the procedure on arrest. Currently, under section 13 of the Bail Act there is provision for requirements that once a person has been arrested, when the person is eligible, to apply for bail. The new section clarifies that a person may be brought before the appropriate court, either in person or by video link or, if the person is in custody in a police station or designated police facility that is situated in a remote area and there is no video link available, by audio link. A remote area is defined as being 400 kilometres or more from the nearest appropriate court, but some other distance may be prescribed by the regulations in substitution for that distance.

Secondly, there are telephone reviews under section 15 of the Bail Act. There is provision for a review by a magistrate of a decision of a bail authority—that is, a police officer or a court constituted of justices—by an applicant for bail who is dissatisfied with the decision of the bail authority. The proposed section will allow a police officer of or above the rank of sergeant or in charge of the police station to contact the magistrate for the purposes of the telephone review if the police officer who was the original decision-maker is not immediately available to do so.

Thirdly, there is the question of extending the time limit for preparation of an application. Proposed substituted section 16 in the bill will allow the court to extend the time limit for deferral or a stay of release on bail where the Crown or police immediately indicate that an application for review of a magistrate's bail decision will be made. The amendment will allow for the time necessary to provide information to the Office of the Director of Public Prosecutions, such as charge sheets, antecedent reports and bail papers, especially in cases where criminal justice services are closed over a weekend or public holiday.

The fourth area of reform is in respect of the point of delivery. Proposed amendments to section 78 of the Summary Offences Act will relax the requirement for persons arrested without warrant to be brought to the nearest police station forthwith in certain circumstances. Then there is the investigation. Police would be enabled, under this bill, to detain a person, who has been apprehended without a warrant on suspicion of having committed a serious offence, for a period not exceeding that specified in the subsection for investigation purposes.

Finally, there is the duration. The bill places a two-hour limit on the amount of time that a person can be held at a designated police facility without obtaining authorisation from a magistrate. The time limit is four hours at a custodial police station. There is no question that it is in the interests of justice that those who are apprehended for the purposes of investigating and prosecuting an offence need to be treated fairly and that we need to, as far as practicable, ensure that there is a streamlining of procedures that best meets those who are in the role of investigation and apprehension—namely, our police force. Distance does create some tyranny, to both those enforcing the law and those who are apprehended.

We have a practice of bail—the opportunity under the Bail Act for persons to be released pending the final determination of their cases. That is not only sensible, it is necessary, otherwise our gaols would be overflowing. As would be consistent with the principle that one is innocent until proven guilty, assuming certain thresholds are met, including the protection and safety of members of the public and the community generally, that person can be released out of protective custody. There may well be a string of conditions attached, including places of residence, not leaving the state, not moving out of a certain area, undertaking regular attendances at police stations. All the conditions that are available in setting bail are available.

It is an important process, but it is one which the opposition agrees is timely for some review. We do not take issue with the government having looked into this matter. Obviously, we can comment adversely on the delay and their indication of these high ideals, but the promises in elections sometimes evaporate in priority as time goes by. In any event, what was missing from our

consideration when this bill was first tabled was some indication from bodies who are most affected.

We certainly had an indication at our consultation that senior jurists of the principal courts—the Supreme, District, Magistrates, and Youth courts—had been consulted. This also included the police, the Director of Public Prosecutions, the Legal Services Commission, the ALRM, and various departments and legal societies, including the Bar Association and the Law Society of South Australia, in enforcement, prosecution and defence roles.

I certainly had the impression at the time of the briefing that, except for the ALRM, there had been a general sign-off to support the progress of this bill. However, earlier this month we received a letter from the Law Society of South Australia outlining a number of concerns. The Law Society, as often they do, start with an endorsement of the aim of the bill to achieve efficiencies and to clarify ambiguities. As they rightly point out, these are commendable aspirations; however, they need to consider some technical amendments to ensure that we have the right balance.

The bill allows an audio link to be used when a person is more than 400 kilometres from a relevant court and a video link is not available. It could be used for matters such as an application to be released on bail or a telephone review of a bail decision made by a police officer or court constituted of justices. The society proposes that the definition of remote area be changed from 400 kilometres—that is, between a police station or designated facility and a Youth Court or Magistrate's Court, as the case requires—to 200 kilometres from the relevant court.

I think it is fair to say that if one were to take a compass (if people use compasses anymore), or some electronic equivalent, from Port Augusta and draw a circle at 400 kilometres, it would take up most of the state. In any event their recommendation suggests that that should be abridged to 200 kilometres. They note that the current 400 kilometre definition of 'remote' would not include areas such as Ceduna, Roxby Downs and Leigh Creek. Coober Pedy would be the largest populated centre that would come within the 'remote' definition.

We think that position is a reasonable one to take and that it will produce a situation where it would allow applications to a magistrate or Youth Court by audio link. It could reduce the time in custody spent by the offenders which would also save police resources and time. Our understanding, having had a brief conversation with the Attorney, is that they are sympathetic to considering that request and we would hope that that will be followed by some fruitful discussions with the opposition and other representatives of the parliament between here and another place. We otherwise consider aspects of the bill to be favourable.

The government have picked up another matter which is in need of attention, and we understand an amendment is proposed to clause 10 which will make provision for the responsible officer being within the definition rather than the person 'in charge of' which has been the phraseology used. Essentially, as we understand it, the new section 15(5) will provide under this amendment that when a person who has made an application for bail is dissatisfied with the decision, and the police officer who made the decision is not immediately available to contact the magistrate or telephone review, then the contact with the magistrate may be made by the responsible officer who is in charge of the cells rather than the officer in charge.

The reason given for this amendment is that the officer in charge may not have all the relevant information that the officer responsible for the cells has and the officer in charge may not be as available to contact the magistrate. If the responsible officer is not available, the call must be made by a police officer at or above the rank of sergeant. At first blush of the amendment that is being proposed today that will assist in resolving that matter. They are the two principal areas of concern for the opposition, one of which we trust will be remedied shortly, the other which will be under consideration. Some other technical definition matters that have been raised by the Law Society can be considered, I trust, in those discussions.

I thank John White, President of the Law Society. He and his subcommittee, the Criminal Law Committee of the Law Society, have forensically assessed this matter. For the general members of the public, they want an efficient system. They want to know that the police are not unfairly or unreasonably burdened with procedures, particularly in remote areas, which are too burdensome for them to undertake their duties or which impede them in other important duties. On the other hand, I think most right-minded, civilised members of the community expect that a person who is apprehended is treated fairly and that, during the preliminary detention of that person under arrest, they are held in custody in circumstances that are appropriate.



To my knowledge, there has not been a significant wave of complaint from either of the relevant parties about the treatment or otherwise of people who are in these arrest circumstances in remote areas, but the opposition accepts that we want these amendments to reflect less inconsistency and avoid any confusion in the future.

I think it is fair to say that the expectation that most people who are in an arrest circumstance necessarily want to travel and physically have their application for bail, or variation of bail conditions, for example, processed with them being present is not always consistent with what those people want. Obviously, some people are terrified in those circumstances. It can be a first time of arrest, and they are looking for some protection. If they are in an isolated area, they may feel under some threat or, certainly, vulnerable.

So, we need to ensure that there is a level of opportunity for them to be protected in those circumstances but, by the same token, a dusty trip for some hours in the back of a police wagon to a court is not necessarily something that is either comfortable or desired on their part. So, this produces some areas of reform where there is some mutual request for that to occur. What we will probably never be able to be clear about is ensuring that there is no opportunity for someone to be kept isolated from advice and opportunity to be represented in a court situation, where there is a vulnerability exacerbated by perhaps the limited language, for example, of the accused.

It is fair to say that we have had cases, in the sad history of South Australia, where the later disclosed behaviour of the investigative officers has been less than desirable. Indeed, one case I can think of which resulted, I think, in the last sentence for execution, which ultimately did not occur, was of Maxwell Stuart. The events that occurred in the police station then at Ceduna—decades ago now but nevertheless—became the subject matter of a number of appeals, including to the Privy Council, and subsequently resulted in the conviction, and then its overturning, of Maxwell Stuart, in respect of the death of a young girl. It is a bit like the Azaria Chamberlain mystery, which probably has as many legendary stories that go with it.

We need to be ensuring in this place that we do all that we can to ensure that those who are in a vulnerable circumstance, even if they are reasonably believed to have committed an offence, are treated with dignity and are duly protected. So, that is the balance the opposition seeks to achieve in considering these amendments.

I am heartened that the Attorney has indicated that there will be ongoing discussions and, accordingly, I will not detail the other technical amendments that I think need to be considered; some may well be absorbed and accepted by the government. Given the long gestation of this bill, I do not think that a few more days will hurt, but I am mindful of the fact that the legislative life of this parliament is nearing its conclusion; I think we have 12 sitting days left. With that contribution, I indicate that we will be supporting the bill.

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (16:21):** I thank the honourable member for her contribution. I am pleased that the opposition will be supporting the bill in this place. I do have one amendment, which I think the honourable member has seen, and I do put on the record that I have spoken with the opposition spokesperson in relation to this matter, the Hon. Stephen Wade, and agreed to have ongoing discussions between this place and the other place so that, if there are matters of further tweaking that can be done, they can be done between here and there.

I want to comment very briefly about the matter. The member for Bragg makes the point that this has been a work in progress for some time, and there is no doubt that the time is considerable. I say to the honourable member that that should not be taken as an indication by anybody that I do not regard this as an important matter. I am not seeking to make excuses, but there have been changes at various levels in various offices, where projects have been interrupted and recommenced and so forth. In this particular case, there has been extensive consultation about this matter, as I think the honourable member basically referred to in her remarks.

It might one day be that the honourable member finds herself at the other end of this particular conundrum. If one produces a bill in a vacuum, does not tell anybody about it and brings it in here, one gets criticised on the basis that one has not consulted. If one consults extensively—and this has been, by any measure, an extensive consultation—one gets criticised for the delay in bringing the matter in. In the case of the residential tenancies, that conversation went on for 10 years, and that indeed was an epic conversation, but it has been fixed; this parliament has dealt with that matter.

I am mindful of the fact that the deputy leader, the member for Bragg, would like things to move along a bit more quickly, and I am in her corner about that matter. To the extent that there have been bureaucratic matters which have slowed down the progress of this matter, that is regrettable but there was no design attached to that; it is just one of those things.

I do have something else I would like to say about consultation, and that is that there is nothing quite so frustrating in the business of consultation than to go out and consult with people who are interested, one would think, putting into the public domain, and sending letters to the people concerned directly, all of the matters that you wish to discuss and then, a couple of days before what everyone accepts has been gestating for about 2½ or three years is due to be debated in here, a light bulb goes on for one of the groups that have been in the consultation and a several-page missive turns up. That is even more annoying when the same group (and I am speaking here of the Law Society), advised departmental officers at the beginning of this year that they were content with the bill and had nothing to say.

I realise nothing is perfect in this world and consultation is probably the most vexing thing anybody in government can possibly have to deal with, because one person's consultation is another person's lack of consultation. I do say, by any measure, this bill has been the subject of extensive consultation, including with the Law Society, and in particular with the Law Society who, up until February or thereabouts, had the view that they had nothing to say, and then in a eureka moment, a letter dated 9 October this year, which goes to some nine pages, emanates from the society.

We will deal with whatever substance there might be in that matter between the houses and we will resolve things, hopefully without any ado. But I do make the point that if an organisation is involved with consultation, particularly when the government bothers to seek them out, and particularly when the government sticks stuff in front of them and says, 'Please, what do you think?' and particularly when they say, 'We think it's fine,' and then, several months later, two or three days before the matter is to be debated in this house, they have a eureka moment and send us a nine-page missive.

That is a bit frustrating, because one could ask exactly what have we been doing for the last 1,000 and however many days, as the honourable member said, in as much as the Law Society is concerned—apparently nothing. That is disappointing. There are other organisations that often do this sort of thing—last minute entrées in here—but, anyway, we do not have to talk about them because they are not a problem.

Can I say that none of these remarks are intended to suggest that the matters that are raised in the Law Society letter will not be dealt with between the chambers, and I suspect the only matter that is really of substance is this sort of default position of whether it is 400 kilometres or 200 kilometres, which appears to be a matter that needs to be discussed.

It seems to me on the fact of it, subject to any conversation we have, it is really almost academic, because it will be varied by regulation anyway, so we are only talking about what the default position might be and to my mind that is a matter—either way, whether it is 200 or 400 or 800 or 1,000—which can be fixed by regulation, so it is indicative, in effect. So I doubt whether that is going to be a stumbling block between anybody, as far as I am concerned.

I do not know whether we will need to go at length into committee; I guess we have to go in so that I can deal with my amendment. I want to conclude by saying to the honourable member for Bragg that I do appreciate the fact that the honourable member has been succinct in her remarks about the matter. I do appreciate the fact that the opposition is supporting the matter and, as I said, I do intend to resolve any outstanding issues, which I expect to be few, if any, between the houses.

Bill read a second time.

In committee.

Clauses 1 to 9 passed.

Clause 10.

**The Hon. J.R. RAU:** I move:

Amendment No 1[AG-1]—

Page 6, line 3 [clause 10, inserted section 15(5)]—

Delete 'in charge of a' and substitute 'the responsible officer for the'

Do you want me to speak briefly on it, or is it understood? Everyone is happy so I will leave it there.

Amendment carried; clause as amended passed.

Remaining clauses (11 to 17), schedule and title passed.

Bill reported with amendment.

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (16:30):** I move:

That this bill be now read a third time.

**Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (16:30):** I just wish to conclude the debate on this matter by recording my appreciation to the member for Stuart, the member for Chaffey and the member for Flinders, and the Hon. John Dawkins of another place, all of whom have had extensive experience in remote parts of South Australia, a person's residence and settlement there and livelihood, including court appearances. And, of course, those members regularly work with members of the police force in ensuring that there is civil order maintained in those areas, sometimes under adverse circumstances. I do not necessarily mean for the MP, although they often complain about having to travel long distances, but particularly in being able to assist in the sensible resolution of a number of these matters. I personally wish to record my appreciation of their advice on these matters.

Bill read a third time and passed.

#### **EVIDENCE (IDENTIFICATION EVIDENCE) AMENDMENT BILL**

Adjourned debate on second reading.

(Continued from 25 September 2013.)

**Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (16:32):** I rise to speak on the Evidence (Identification Evidence) Amendment bill 2013. This is a bill, as the government says, consistent with their police service policy of the 2010 election, which was offered by the then premier as an attempt to reduce the cost both in time and resources, particularly of members of the police force, in the requirement for identification of evidence, usually of persons, by identification through a physical line-up, rather than alternative processes such as use of photographs.

This bill is the government's third attempt to implement this policy and, whilst the government, and I think the Attorney-General in particular, has been publicly critical of views expressed and finally prevailing in the Legislative Council, the bills that had been presented by the government were sufficiently deficient that they needed considerable revision.

The position is that the Legislative Council has rejected the government's attempt in the two preceding bills and the government tells us that in this bill they have given some quarter to the issues raised from the Legislative Council debate during the defeat of the previous bills and accordingly have provided further amendment.

In particular, this bill is to include a statutory safeguard to ensure that the identification processes are adequate. The Attorney says that this new bill includes such a safeguard by replicating the procedure set out in part 7 of the Summary Offences Act 1953; namely, evidence will be inadmissible unless an audiovisual record of the identification process is made.

I will not traverse all the history of this; suffice to say that there has been a longstanding traditional assumption that the best identification evidence comes from identification parades, that is, personal line-ups. Whilst there has been a development of common law to support that, there has been some erosion of that, as a result of both academic and judicial expression, to support that alternatives can be used with certain safeguards, and that is the initiative that is ultimately taken up by the expansion of this bill. The new provision under the Evidence Act provides:

(1) In a criminal trial, evidence of identity of the offender obtained by means of an identification process is not inadmissible merely because the evidence was obtained by a process other than identification parade.

The new section further provides:

(2) In a criminal trial, evidence of the identity of the offender obtained by means of identification process is inadmissible unless—

and there are certain circumstances there, which principally relate to the audiovisual record of identification being made and kept, or that a judge is satisfied under the interests of justice threshold to admit the evidence.

There are amendments foreshadowed which the opposition will be agreeing to. I make a general comment that, although the opposition is very pleased that there has been a resolution to the extent that this bill be advanced, it is fair to say that when the government introduced, back in March 2011, the bill to remove the common law judicial preference for in-person suspect line-up parades over the other forms of suspect identification, as I previously referred to, there was opposition in the debate that identified that—ultimately with defeat twice in the Legislative Council.

In some attempt to progress this matter, back on 17 October last year the Hon. Stephen Wade in another place introduced an alternative bill. I mention that for two reasons; one is that the government obviously did not see fit to progress that bill, but did eventually bring in their own. However, I would like to make it absolutely clear that it was not the government's intention to let the benefits that were being sought in the original introduction of the bill to lapse and fall by the wayside because there had been a resistance of the government to accept the terms and conditions that were set by the Legislative Council.

I think our bona fides in this have been maintained throughout. In the process of providing an alternative process (in this case, the photographic identification process), we felt that it was always important that videorecording be mandated for identification parades and that judges should not be impeded or prohibited in the way that that was originally designed from being able to give warnings. In any event, what we have ended up with is, as I say, the third draft, and it is certainly improved. There are further amendments to be inserted. We will not be standing in the way of the progress of this bill, and—

**The Hon. P. Caica:** Let's get on with it, then.

**Ms CHAPMAN:** One of the members calls out to say, 'Let's get on with it.' There are recommendations in respect of advancing this common law practice that have been alive and well in this state since the 1980s. I think it is fair to say that, whilst some in the house take the view that something should be got on with, sometimes things are very difficult, and we have accepted—

**The Hon. P. Caica:** You make them so.

**Ms CHAPMAN:** Well, the member calls out to say that we have made them so.

**The Hon. P. Caica:** No, I said you made them so.

**The DEPUTY SPEAKER:** Order!

**Ms CHAPMAN:** Well, perhaps not you, sir; I do not think he is referring to you, I think he is referring to me.

**The Hon. P. Caica:** You're dead right there.

**Ms CHAPMAN:** Let me say this: in 2011, the government introduced its first bill on this matter. It then did nothing after it was rejected from the Legislative Council. A member of the Legislative Council on our side of the political spectrum took the initiative to introduce the bill in another place, and the government ultimately—here we are in 2013—introduced its alternative bill.

I just restate, for the benefit of what appears to be the dissenting voice in this parliament on the other side of the house about this matter, that the bona fides of the opposition on this matter are above reproach. We are concerned that it has taken that long; nevertheless, we are here, and we are keen to have this bill advanced. I look forward to the committee stage.

**Mr PEGLER (Mount Gambier) (16:43):** I rise to say that I will be supporting this bill. I believe that it basically puts photographic identification on the same footing as a traditional line-up. As far as I am concerned, I think we should sometimes think of those victims of crime; they are put in a fairly awkward situation. Even though the people in the line-up cannot see them, they know that they are on the other side of that wall; whereas, if they can look at the photographs in an orderly manner and in a proper environment, I think you will see much better identification than we do sometimes see with line-ups.

I suggest that that would be much better for the whole system. It is not just about money, it is about making it better for everybody. There is some clear evidence from Professor Neil Brewer that photographic evidence may be better than line-ups, so I certainly support that. I believe that, with the safeguard that there must be video taken of the procedures when they happen, that

basically puts everybody at ease that there is no cajoling by the authorities so that they can be viewed, and we know then that the person who is looking at those photographs has not been conned into picking somebody out. I think it is going to be a much better system than we presently have, so I will be supporting the bill.

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (16:45):** Again, I thank the member for Bragg and the member for Mount Gambier for their contributions. We could spend quite a bit of time traversing the history of this particular matter, because it has had quite an exciting—

**Ms Chapman:** We've done that.

**The Hon. J.R. RAU:** And so I do not think there is any point in doing that. I am past that. All I wanted to say, very briefly, was that there have been ongoing discussions between the government and the opposition—in particular, the Hon. Mr Wade and myself—about this matter. In fact, it has almost become a leitmotif of our relationship that we talk about this thing, we have been talking about it for so long.

We have got to the point where there were a number of things that Mr Wade was interested in, there were a number of things that we had a view about, and we have sort of cut and pasted and modified things. What we have basically in the bill, as I intend to amend it—because I have, I think, already tabled a bunch of amendments here—is a bill which basically becomes a splicing of the government bill and some of Mr Wade's thoughts. I do not know whether the honourable member for Bragg wants me to go through this now or do it in committee; I do not care.

**Ms Chapman:** In committee.

**The Hon. J.R. RAU:** We will do it in committee, okay. That is basically all I have to say.

Bill read a second time.

In committee.

Clauses 1 to 3 passed.

Clause 4.

**The Hon. J.R. RAU:** I move:

Amendment No 1 [AG-1]—

Page 2, lines 13 to 16 (inclusive) [clause 4, inserted section 34AB(1)]—Delete subsection (1) and substitute:

- (1) In a criminal trial, evidence of the identity of a person alleged to have committed an offence is not inadmissible, and is not to be excluded, merely because it was obtained other than by means of an identity parade involving a physical line-up of persons.

Amendment No 2 [AG-1]—

Page 2, lines 17 and 18 [clause 4, inserted section 34AB(2)]—Delete 'the offender obtained by means of an identification process is inadmissible' and substitute:

a person alleged to have committed an offence obtained by means of an identity parade is to be excluded

Amendment No 3 [AG-1]—

Page 2, line 19 [clause 4, inserted section 34AB(2)(a)]—Delete 'identification process' and substitute 'identity parade'

Amendment No 4 [AG-1]—

Page 3, line 1 [clause 4, inserted section 34AB(3)]—Delete 'the defendant' first occurring and substitute 'a person alleged to have committed an offence'

Amendment No 5 [AG-1]—

Page 3, line 2 [clause 4, inserted section 34AB(3)]—Delete 'defendant' second occurring and substitute 'person'

Amendment No 6 [AG-1]—

Page 3, lines 9 to 12 (inclusive) [clause 4, inserted section 34AB(4)]—Delete 'make any suggestion that evidence of identification obtained by an identification process other than an identification parade is any less reliable than evidence of identification obtained by those means' and substitute:

suggest that identification evidence obtained from an identity parade by any means other than by a physical line-up of persons is inherently or intrinsically less reliable than evidence obtained from an identity parade by such means

Amendment No 7 [AG-1]—

Page 3, lines 18 to 20 (inclusive) [clause 4, inserted section 34AB(6), definition of *identification process*]—Delete the definition of *identification process* and substitute:

*identity parade* means a contemporaneous presentation (whether by a physical line-up or by means of images) of a number of persons to a witness for the purpose of identifying a person.

I will give a very brief commentary, if I might.

**The CHAIR:** Yes.

**The Hon. J.R. RAU:** This is one through to seven. Amendment No.1 adopts elements from the opposition's bill and the government's bill, namely, that evidence is not inadmissible and nor can it be excluded merely on the basis of it being obtained from photographic displays rather than physical line-ups. This was always the clear purpose of the bill, and it has just been a matter of finding the correct words that everyone could live with.

As to amendments Nos 2 through to 5 inclusive, after considerable discussion with parliamentary counsel and my legal officers, it has been decided that the phrase 'a person alleged to have committed an offence' is preferable to the wording of 'an offender' in the context of what this bill seeks to achieve. These amendments insert those preferred phrases into the bill.

This amendment also adopts an element of the opposition's bill by using the opposition's preferred 'identity parade' terminology rather than the original 'identification process' terminology. This also occurs in amendment No. 7. Amendment No. 6 six adopts the element of the opposition's bill, being the insertion of the word 'inherently or intrinsically' into the clause.

I have to say that I do not take a particular view that these words add anything; however, in the interests of harmony, I do not think they do any harm, so for that reason and that reason alone, and in order to demonstrate what cooperative people we are, we will let those unnecessary words go in. The last one is consequential, as I said, to Nos 2 and 5.

Amendments carried; clause as amended passed.

New clause 5.

**The Hon. J.R. RAU:** I move:

Amendment No 8 [AG-1]—

Page 3, after line 20—After clause 4 insert:

5—Substitution of Schedule 1

Schedule 1—delete the Schedule and substitute:

Schedule 1—Review of identity parade evidence

1—Review and report on section 34AB

- (1) The Minister must, within 12 months after the commencement of this clause, cause a review to be carried out of any orders and directions issued by the Commissioner of Police to support the operation of section 34AB of this Act (as inserted by the *Evidence (Identification Evidence) Amendment Bill 2013*), including the extent to which any such orders and directions—
  - (a) reflect scientific best practice; and
  - (b) make provision for the following:
    - (i) persons with disability;
    - (ii) cultural and linguistic diversity.
- (2) A report on the review must be provided to the Minister within 3 months after the commencement of the review.
- (3) The Minister must, within 12 sitting days after receipt of the report under this clause, cause a copy of the report to be laid before each House of Parliament.

This is because the opposition wanted to have some review clause inserted. I have come to note that the Legislative Council often prefers to have these things in there. I do not think it does any

harm. I do not think it helps us much either, but it is not going to do any harm. So, in the interests of harmony, world peace, Kumbaya and stuff like that, I am accepting that.

New clause inserted.

Title passed.

Bill reported with amendment.

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (16:51):** I move:

That this bill be now read a third time.

Bill read a third time and passed.

### **CONTROLLED SUBSTANCES (OFFENCES) AMENDMENT BILL**

Adjourned debate on second reading.

(Continued from 25 September 2013.)

**Dr McFETRIDGE (Morphett) (16:52):** I indicate that I am the lead speaker for the opposition on this important piece of legislation and that the opposition is supporting the legislation without amendment. The bill was introduced in this place as a result of the increasing number of synthetic drugs that are being put onto the market and circulated through various other means. These drugs mimic illicit drugs such as amphetamines and marijuana—the cannabinoids.

It is interesting to see that under the Controlled Substances (Controlled Drugs, Precursors and Plants) Regulations 2000 there are about 300 controlled drugs other than drugs of dependence, there are about 70 drugs of dependence, and there are about 100 controlled precursors. I will not go through them. It is like having a trip back to organic chemistry at university, reading the names of these chemicals.

What is important is that these chemicals are very complex in most cases, and it only takes a subtle change in the number of carbon atoms or hydroxyl ions being added to them or being taken away, or the number of bonds in them which changes their configuration and which then puts them outside the legislation.

Clever chemists out there have been doing this for quite a while, and it does go back quite a long time, back to the 1920s when some of these first synthetic drugs were about the place, but now there are hundreds and hundreds of them out there. The sad thing, though, for the community is that these drugs are becoming more and more potent and being passed off as everything from bath salts to herbal highs to legal trips, and they are not. They are very, very dangerous drugs.

At the moment in the current regulations for drugs is a list of schedules. I remember as a veterinarian that we had the S8 drugs, the controlled drugs, that we had to use and ketamine was one of those in that range. This has been used as a drug for obtaining highs by people who wanted to get around the other illicit drugs.

As a vet student back in the late 1970s and early 1980s, I remember being warned about injecting animals with ketamine—and it is used in everything from cats to horses—that if we got it on our fingers to be very careful to wash our hands because it could not only have an immediate effect on your mental and physical state but also you could have severe flashbacks with it. It is a very dangerous drug. Even today, veterinarians are having to lock up a lot of medication in safes in their practices to make sure that they are kept out of the reach of people who would like to use them for purposes besides what they are intended for.

It is a huge range of drugs out there and this is why it is going to be important that under this piece of legislation the minister, in this case the Attorney-General, has the power to declare a substance to be an interim controlled drug and that can be declared in the *Gazette*. That interim notice will operate for a period of not more than 12 months. It is not necessary to have an organic chemical make-up of that drug; it can be identified by its trade name or in any other manner that is found to be suitable. Once a substance has been declared an interim controlled drug, the substance is treated in the same way as a controlled drug.

You only have to read the literature to see the entrepreneurial way some people describe it and the ingenious way that chemists and people, who in some cases have very little training other than going onto the internet, are able to manipulate chemical structures of compounds to produce

these new psychoactive drugs. The possession and consumption offences contained in section 33 of the Controlled Substances Act will not apply to the interim controlled drugs because people will have bought these drugs as legal products at the time and so I understand that that is a reasonable thing to do.

However, I think we need to make sure we are out there educating people that the drugs they have are not just bath salts, not just a herbal high, that they are very dangerous drugs. In many cases we have no idea of the extent of the long-term damage that is being done by these drugs. It is not just the tachycardias, the psychoses that happen in some cases; there is a lot more residual effect that we are not aware of. It is the same with ketamine as I was saying before. One of the reasons we were warned about it was because you can have flashbacks, nightmares and psychoactive episodes for months afterwards even from just having ingested some accidentally.

As to the new offences that are created in this bill, the offences apply regardless of whether the substance has been proven to be dangerous. I can understand that. Here is one case where the precautionary principle really is a worthwhile principle. In other areas I question its effectiveness or its need, but in this case the first new offence is the intentional manufacturing of a controlled drug alternative, which will be under the new section 33LD.

Under the new proposed section a person who manufactures a substance, intending that the substance will have pharmacological effects similar to those of a controlled drug or the illegal alternative to a controlled drug, will be guilty of an offence with a maximum penalty of \$15,000 fine or imprisonment for four years. That is a significant penalty. Catching these people is the thing we need to make sure we do because the damage will have been done by the time people have ingested these new psychoactive substances.

There is a change to the term 'manufacture' in relation to controlled drugs. It means undertaking any process by which the drug is extracted, produced or refined or taking part in the process of manufacturing of the substance and for the purpose of the act, a person takes part in the process of manufacture of a controlled drug if the person directs, takes or participates in any step. It is those who are out there providing the money, providing the premises and providing the wherewithal for people to produce these drugs who we need to catch as well. The steps in the process of the manufacture of a controlled drug include:

- (a) acquiring equipment, substances or materials;
- (b) storing equipment, substances or materials;
- (c) carrying, transporting, loading or unloading equipment, substances or materials;
- (d) guarding or concealing equipment, substances or materials;
- (e) providing or arranging finance (including finance for the acquisition of equipment, substances or materials);
- (f) providing or allowing the use of premises or jointly occupying premises [for the production of these drugs].

I remember that, not long ago, there was a motel suite on Anzac Highway at Glenelg that was raided. I forget what the actual term is, but they were cooking up, I think, methyl amphetamines in there. The risk associated not only with just the end product but also the process is one we should not overlook as well because there have been cases where these drug labs have exploded and caused loss of life and certainly loss of property.

The bill also contains another new offence; that is, promoting a controlled drug alternative. The proposed section is 33LE. This is something that has surprised me. I have learnt a bit more about the way people market these drugs since I have been looking at this piece of legislation. Terms like 'bath salts', 'legal highs', 'herbal highs' and others are being used to pass off these substances as innocuous substances that are just a bit of fun.

They will often label them 'not for human consumption' as well, to try to say, 'You should not be consuming this; it clearly says that on the label,' but what is the intent? The intent is to get people to purchase and consume them with who knows what effects. So, promoting a controlled drug alternative is picked up in this bill and is something that I think everybody in this place will be supporting most strongly.

The new section 33LF creates the new offence of manufacturing, packaging, selling or supplying a substance promoted as a controlled drug alternative. This offence requires persistent conduct so, obviously, the police will be out there investigating. They will be making sure that the



people who are involved in this industry are being monitored and watched. To that end, under section 33LF:

If a police officer reasonably suspects that a person intends to manufacture, package, sell or supply a substance that is being, or is to be, promoted in a manner prohibited under section 33LE, the officer may give the person a notice...warning the person that if he or she manufactures, packages, sells or supplies the substance he or she will be guilty of an offence.

I understand from briefings that the warnings can then go on to the next step where a premises can be closed or parts of a premises can be cordoned off so that the people involved in the selling of these substances are very clear about the need to desist, to ensure that public safety is being put first.

These are not recreational drugs, they are not 'legal highs', they are not like taking a painkiller to relieve your pain: these are very, very dangerous substances. I am sad that we have to introduce this legislation, but the reality of the world nowadays is that there are people out there who are making billions of dollars, as I understand it, across the nation by selling illegal drugs.

The only questions I had for the people giving me the briefing—and I thank them for that—were about the courts and appeals and things, and they have been answered satisfactorily. Whichever court is involved in the particular offence will be the one that has the jurisdiction and then the appeal, apparently, goes to the next higher court from there. I am not a lawyer and I am quite happy to leave that side of things to the lawyers.

It is disappointing that we need to have this legislation in place. As I say, these chemicals, these compounds, are not recreational drugs although, when you look at the interim ban notice that was put out by the Minister for Business Services and Consumers back in June this year, you would think that these are almost lolly-like names: White Revolver, Ash Inferno, Kyote, K2, Kronic, Black Widow, Buddha Express Black Label, Iblaze Tropic Thunder, I blaze, Galaxy Ultra Nova, Skunk, Circus Deluxe, Vortex Inferno, Herbal Incense, King Karma, Montana Madness, Sharman, Iceblaze and Slappa. These names hide a deadly consequence for those who take them.

As I have said before, and I would like to emphasise, not only the short-term effects, which are quite evident, but the long-term effects of taking these new psychoactive substances are not known and are not documented. The last thing people should be doing is experimenting with their own life, never mind allowing people to sell these drugs, which will potentially kill people or maim them in some way, mentally or physically.

The opposition supports this legislation. We hope that the police are able to do everything in their power to come down hard on people who are peddling drugs, no matter what sort they are, in South Australia and in the nation because there is nothing more insidious and harmful than the drugs that are being peddled throughout our communities at the moment. With that contribution, I support the bill.

**Mr PENGILLY (Finniss) (17:06):** I will just make a brief contribution on this bill. Clearly, our side of the house is supporting this legislation; it is necessary. I suspect that what will need to happen over future years is that the parliament, in dealing with any sorts of issues like this, will need to be a lot quicker and a lot smarter a lot more regularly well after most of us are gone.

From a personal point of view, I am not sure that the penalties are harsh enough. I would be in favour of locking them up for about 20 years and leaving them there to rot because they get out and they start again. I say that because I have done numerous prison visits, and to see people who have been incarcerated for drug-related offences knowing that they will get out again in due course and do the same thing again annoys me intensely.

Anything which will assist in controlling drugs or which will give police the ability to control them and pull them into gear is to be commended and supported. That is something that I am sure both sides of the house feel strongly about. I cannot speak for others, of course, but I would probably have difficulty in finding anybody in the parliament who would not agree.

We have to get a lot tougher on it, and what we have to do is to make sure that the police can get a lot tougher. Since I have been in this place, we have passed heaps of bills supposedly on law and order, yet we are not seeing a lot of this transpire into action because the police are not able to do things, whether they are not allowed or whatever.

I was pleased to see the Victoria Police knock down a few fortresses in Victoria last week. I can remember former premier Rann, of blessed memory, and Kevin Foley, of even more blessed

memory, talking about what they were going to do, and it never happened—and we are still waiting for it to happen!

**Mrs Redmond:** Nothing has changed.

**Mr PENGILLY:** Nothing changes. In that respect, I will give the government a bit of a whack around the ears because they simply have not done enough. I was pleased to see what they did do in Victoria last week. Anyway, enough of that. It is an important move. It should have a speedy progress through the house, I would suspect. Heaven knows what will happen in another place but, with a bit of luck, it will get there fairly quickly. I doubt that they will have a select committee on this one. With those few words, I have pleasure in supporting the bill.

**Mr GARDNER (Morialta) (17:08):** It is with enthusiasm that I rise to support the bill. I was very pleased when the Attorney brought this bill into the house. I will not detain the chamber for long, but I do want to get on the record my support. The ways in which the criminal class has responded to law enforcement and also to the potential stigma amongst people who are concerned about their safety but still wish to take risks with drugs is that, when they hear about things such as people dying after overdosing on dodgy cooked ecstasy or methamphetamine overdoses, the response in many ways has been to go down this path, which is to have synthetic drugs, herbal remedies, almost the vegan kosher biodynamic yoghurt-style version of drugs. But they are just as damaging and just as dangerous and they can cause just as many problems.

The public profile of these drugs that we have seen in the last few months, particularly with high profile cases of very tragic circumstances surrounding the death of those who have taken some of these substances, has highlighted the need for this sort of legislation. I think this will enable the Attorney-General to be responsive in a fashion to deal with new substances as they arise, and I think that that is a positive thing. It will give the police the opportunity to arrest some of these people who manufacture, promote and sell what are, in fact, deeply dangerous and harmful substances that should not be legally available for sale, and it will curtail this trade. I look forward to its speedy passage through the house.

**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):** First of all, I thank the contributors to the debate, the members for Morphett, Finnis and Morialta. I have to say that this is one of those occasions when all of us in here are in furious agreement about something. Those are great moments because, even though I know the member for Finnis has his doubts about what is going to happen elsewhere, I have a hunch that we probably have the numbers, folks, because if you people over there and the government over here are all pointing in the same direction, even the vagaries of another place are unlikely to overtake that. Maybe we can even extend that support to them bringing the thing on quickly, voting yes, and then moving back to some of the other things they do so that we can start giving it to the police.

I genuinely appreciate the support from the opposition. It is really good to see the opposition and the government speaking with one voice about this terrible scourge that is out there in the community; it is very positive. Something the member for Morialta said stuck in my mind. I was with my children driving down Jetty Road at Glenelg not that long ago, and one of my children said, 'Oh, that's some place,' and I cannot remember the name—and I probably should not name it anyway because I do not want to give it any advertising, but you know who I am talking about, member for Morphett.

I just looked at it and said, 'That's not a particularly useful place for you kids to be going to,' and they said, 'Oh, no, it's fine. These are legal drugs.' I said, 'Uh-uh, I don't know where your information is coming from. These are untested chemicals and people have no idea what the consequences are, and there is stuff in there that's more dangerous than stuff your doctor will prescribe to you.' A debate then opened up in the car about whether or not they were drugs. 'No, they are not actually drugs, they are just herbs.' I said, 'Uh-uh, no, they might look like tea leaves but they have something sprinkled on them that is very different from what you would find sprinkled on most tea leaves.'

The member for Morialta commented on the idea of these being vegan, or healthy, or organic, or something; unfortunately, that is out there a bit, and there is this misapprehension, particularly among younger people who perhaps have not been educated about this, that these things are harmless bits of chemicals that you can ingest, that it is just a bit of fun and that no harm will come to you because you are buying it from this funny-looking shop with funny-looking weed diagrams on the windows.

We all know that that is not right, so I am very keen to have this bill enacted and proclaimed quickly so that the police can start getting out there and we can actually get some public attention on the fact the police are shutting these operations down because it is definitely not in the public interest that this be allowed to continue. I sincerely thank everybody who has spoken, and I also again thank the opposition for supporting this important measure.

Bill read a second time.

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Industrial Relations, Minister for Business Services and Consumers) (17:14):** I move:

That this bill be now read a third time.

I have had a brief word with the member for Morialta, and I do not think at the present time we are in a position where other members are able to progress matters, although we will be dealing with that in the course of the next day or so.

Bill read a third time and passed.

## ADJOURNMENT DEBATE

### RIVERLAND SPRING EVENTS

**Mr WHETSTONE (Chaffey) (17:14):** I would like to continue my remarks from earlier on today about spring in October in the Riverland and the Mallee. I particularly want to touch on the launch of wi-fi across the Riverland region this coming week, and I am delighted to be a part of that.

I will be launching the first of the wi-fi access in Waikerie on Friday morning. I think it is a great contribution not only to tourism but to making it easy to access information—easy for tourists and easy for passing trade to come into the region and access that information on where to stay, where to eat and where to go. I think it really is a great thing, particularly on the back of the launch of Destination Riverland's new website, and it really is a fantastic website.

Tourism is one of those industries that the Riverland and Mallee have always embraced, but we are now seeing more tools in place, we are now seeing businesses being developed, and we are seeing them being developed with very little government help, so I think that is a great achievement. In saying that, I do look with envy at some of the other regions in South Australia that the government is backing.

The government is putting the spotlight on some of those regions, and I am calling on the Minister for Tourism to give some more consideration to putting a bit more of a spotlight on some of the other regions, particularly the Riverland, and helping with tourism. We are not looking for the big dollar package they are tipping into some of the other regions, but we are looking for a hand up to help.

In saying that, the opening of the Renmark Club is coming up this Friday, which is part of a multimillion dollar renovation. The town of Renmark is abuzz because not only is it one of the best vantage points on the River Murray in the Murray Darling Basin but it is a fantastic facility and it has probably some of the most spectacular views of the river. Right before that, Renmark will be opening up their wi-fi, so that is great to see.

With the opening of the club and the wi-fi, and with what it has achieved and offers with its upgrading and its food packages, the Renmark Club has now been acknowledged as one of the top regional clubs in the state, particularly as a destination wedding venue. It is great to see that the Renmark Club is again wooing people from all parts of Australia who are coming just for a wedding. They are not people who have lived there or who are coming home for a wedding: they are people who have recognised what a beautiful place it is and want to come and be a part of it.

The Renmark Rose Festival will again be packing out the streets and, as I have already said, we have the famous Ruston's Roses. David Ruston is world famous for his arrangements and renowned for his different varieties of roses that have been named after him or put into bud lines in respect of what he has achieved over many years within that industry.

We have many gardens that are open. This year, we have a record 24 gardens open and more than 30 attractions around the town. The place is coming alive in spring, particularly with the blooms of flowers and roses, and the climate is particularly suited to roses and producing some of

the best displays of roses anywhere in the nation. The accommodation is booked out, buses will be visiting and, of course, Renmark already has its own rose named after it.

Also being held in the region is the Wine and Food Festival. That always attracts many people from outside the region, which is great news because it brings people into the region to explore some of the new alternative wine varieties. Believe me, Mr Deputy Speaker, you will be hearing more about some of these alternative varieties. There are a lot of Mediterranean varieties that are easy to drink. They are new styles that come out of the Riverland.

They are a style of wine that now complements the region. We are not trying to compete with some of the cooler climate areas with the standard varieties such as shiraz, cabernet, chardonnay and the like. We are growing some unique warm climate varieties that have a unique taste and unique characteristics about them. I note that Ashley Ratcliff is part of that alternative wine group and has just been named horticulturalist of the year, so congratulations to him.

Before I wind up, I will mention some other events. We have the Relay for Life taking place in the region. We also have the Loveday 4x4 Adventure Park Challenge coming up. Anyone who has been on the Sturt Highway after a weekend may have noticed 4x4s coming back covered in mud. Those people have probably been to the Loveday 4x4 Adventure Park and had the time of their life.

There is accommodation on the river with adventure tracks, challenging tracks and driver training. I think the Whateley family do a fantastic job in bringing visitors to the region for the benefit of not only tourism and the region but also people who are car enthusiasts or 4x4 adventurers. They can go and safely explore these tracks and put their vehicle to the test.

There is also the Tri-State Rodders 28<sup>th</sup> Annual Campout/Car Show taking place in the region. That is another motoring event that will be on display in the Riverland. I know the member for Schubert is a very keen car enthusiast; not that he is a keen Tri-State Rodder, but he is very keen on restoration and the like with his car collection.

Spring in October in the Riverland and Mallee is really alive. With our growing tourism market, I am very encouraged by the number of events that attract tens of thousands of people to the region. Visitors are vitally boosting our economy, and there is no doubt that October is proving to bring in a very important influx of tourists.

As I have said, I watch with envy some of the other regions that the government has shone its spotlight on with funding, endorsement and boosting tourism. I think it is probably the Riverland and the Mallee's turn. I think the government should turn its attention to this region and share a bit of support and maybe some funds to better support the tourism industry.

I think Destination Riverland is doing a magnificent job, as are the businesses and the people of the Riverland, looking at supporting an industry. It is a growing industry, but it is an industry that is vital to our economy. Mr Deputy Speaker, it is spring in October and, if you have a spare moment, do feel free to visit the Riverland and Mallee.

### ENERGY PROVIDERS

**Mrs REDMOND (Heysen) (17:23):** This is an unexpected pleasure to have the chance to have an adjournment debate in this chamber. I rise to speak about an electricity provider by the name of Powerdirect. The reason I want to do a little bit of a grievance about them is because I recently had occasion to contact them. I live alone in what is a fairly large house and, of course, in Stirling the weather is cold, so I do not expect that my electricity bill is ever going to be small.

However, a year ago I got my winter quarter bill and it was a very, very high bill—suffice to say, in excess of \$2,000. I am not there all day, I do not even have a computer at home, the fridge does not get opened, I only do a couple of loads of washing a week on the weekend and never put on the drier, but I accept that my heating is fairly expensive.

However, I changed from AGL, the default provider, to Origin Energy because they had promised that they were going to be \$600 a year cheaper. Instead, they were about \$600 a year more expensive. I thought, 'Well, that's not working.' AGL was very expensive and Origin, having promised to be less expensive, was even more expensive.

So, I went on the web, as people are instructed to do, I looked and I thought, 'Well, Powerdirect look as though they will be able to maybe improve my situation.' I am one of the lucky ones who at least can afford to pay my electricity bill. I really feel for those people who, under this

government, have had such a tough time in the expense that is now meted out with electricity, water and all the other things.

Anyway, I went on the web and I got to Powerdirect and rang them up. I spoke to someone from Powerdirect, and she said to me—I did not have my bill in front of me, but she told me, 'You are currently paying 30¢ (or 30 point something) per kilowatt hour and we can offer you 27¢ per kilowatt hour.' So, I thought, whatever way you measure it, that has to be an improvement, so I said, 'Okay, I'll change to Powerdirect.'

They said that they would send the stuff out, and when I got it, I would need to read through that, and luckily I did, because when I read the information that Powerdirect had sent to me, it turned out that they were quoting the price of 30¢ per kilowatt hour (and it is point something or other per kilowatt hour) that I was currently paying with Origin, but giving their own quotation for the amount I was to pay, 27¢—yes, it is, plus GST. When you added the GST into the amount, guess what? We were back to the same amount. So, Powerdirect were being deliberately misleading in the way they were going about selling their product.

I made a complaint to the Energy Ombudsman about that and the Energy Ombudsman followed up and said, 'We will get them to ring you within 48 hours.' It took them about a week, in fact, to get them to actually ring me, and then some lowly person in Powerdirect had a fairly uncomfortable conversation with me. Basically, they say that that is not the way they usually do it, but there is nothing they can do about the fact that they put up this terribly misleading piece of information to induce me to take the contract with them.

What's more, they had not mentioned either that, in order to get their supposed 27¢ per kilowatt hour (which actually was 30¢ per kilowatt hour when you paid the GST on it), you had to sign up for three years. So, I was going to be worse off than I am currently with Origin where at least I can cancel the contract at any time. So, I made the complaint through the Energy Ombudsman, but that does not actually get you anywhere, because Powerdirect simply say, 'Oh, well, sorry,' and effectively, I believe, what they were saying is, 'We're sorry that you found us out.'

If I had not taken the time to read in detail the information that these people sent me—and I think that there are probably lots of people who just accept the information package and do not go through it in detail and do not pick up that little sleight of hand that they are practising. Consequently, my recommendation to everyone, not just in this chamber but across the state, very broadly, is: do not deal with Powerdirect. It is, in my view, a deeply dishonest, misleading company.

At 17:27 the house adjourned until Wednesday 16 October 2013 at 11:00.