

HOUSE OF ASSEMBLY

Tuesday, 22 September 2015

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.

Bills

WHYALLA STEEL WORKS (ENVIRONMENTAL AUTHORISATION) AMENDMENT BILL

Referred to Select Committee

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (11:02): I bring up the report of the select committee, together with minutes of proceedings and evidence.

Report received.

The Hon. A. KOUTSANTONIS: I move:

That the report be noted.

Mr VAN HOLST PELLEKAAN (Stuart) (11:03): I support the recommendations of the report and put on the record the fact that the opposition will support the passage of the bill through both houses of parliament. As was said by everybody, I think, on both sides of this chamber who spoke during the second reading opportunity, this bill is very important. It is pretty straightforward and pretty simple but it is very important for the Arrium company and the OneSteel company (joined as they are), for the people of Whyalla (over 3,000 of whom are employed either as direct employees or are contracted by Arrium and OneSteel), for the Upper Spencer Gulf and, in fact, for our state as a whole.

The reason this indenture is being extended from 10 years to 20 years is essentially to give Arrium and OneSteel the very best possibility of success and survival, really, would not be putting too fine a point on it, Mr Speaker. These are extremely challenging times at the moment for the mining industry and also for the iron ore and steel industries and Arrium and OneSteel participate in all of those.

It is not solely because they are difficult times for these industries that this indenture is so important. That is certainly part of it, but the key thing for Arrium is that they need to be able to retain investment and they need to be able to attract new investment. The only way that the company and the people whom it employs will thrive into the future is if they can be bold, be innovative, be nimble and flexible, and find a way not only to survive but to thrive.

They need this certainty from parliament so that they have every opportunity to say to their investors, both existing and prospective, that there is no chance that the legislation under which they operate from an environmental perspective could put them at any risk. That is not the same thing as saying that they do not need to be responsible because of course they do, and they have a fantastic track record over the last decade of being environmentally responsible. I can say that both as a shadow minister and also as a member of parliament representing Port Augusta in a neighbouring electorate.

I have been for many years very well aware of the challenges for the Whyalla community and the challenges for this operation with regard to red dust, and I am well aware of how wonderfully well that has been dealt with over the last 10 years, so much so that, to be quite frank, Mr Speaker, it is from a public perspective not even an issue anymore; it is actually just not what is front and centre in people's minds in Whyalla and the surrounding district, but it certainly was before Arrium commenced and undertook its Project Magnet, and that is really what Whyalla was known for. The

minute that anybody drove into the town it was apparent that the challenge is the red dust, and that is nearly all gone. This is not about giving Arrium or OneSteel a free ride. This is about allowing them to continue the very positive path that they have taken with regard to their environmental responsibilities.

We want to Arrium and OneSteel to have every chance to attract as much investment as possible so that they can move forward as well as possible. It is really important too, of course, to fully understand the support of the environmental agencies on that. The committee, while receiving very responsible and plausible representations from Arrium and OneSteel, also had representations from the EPA, and the EPA had absolutely no hesitation in saying to the committee that they would prefer if the indenture was not extended because they would like to go about their work in the way that they normally do and they would like to have that direct relationship, and that is quite natural. They also said that they did not object in any way to this indenture agreement being extended.

They went on to say that from an EPA perspective they have probably the best relationship with Arrium as they do with any company that they deal with in the state. They were certainly supportive of Arrium's past work from an environmental perspective. They also made it very clear that two things were important: one, they had no outstanding issues with Arrium that they were currently trying to deal with; and, two, they did not think for a second that, if they wanted to change any of the licence conditions or negotiate any other changes from an environmental perspective at all with the company, extending this indenture would impede doing so.

That testimony from the EPA certainly for me was incredibly important. I really did already understand, as I put on the record in this place before, and already supported Arrium's desire to have the indenture extended, but having the EPA say to us and to the public via *Hansard* and via the select committee process that they had absolutely no objection to this and that they were comfortable that everything that they would want to achieve in the future with Arrium could be achieved through the indenture agreement really did seal the deal essentially with regard to being able to provide full support to this bill.

I know that other colleagues of mine from the opposition want to speak, but before I wind up I would like to correct the record of the minister's second reading speech with regard to the time lines. The minister said—and I do not doubt him—that he was sharing information that he had been advised of, but I would like to correct the record and say that there is other information which clearly the minister, at that point in time, had not been advised of which, unfortunately, meant that we were delayed by a day last week.

I have a very detailed record of phone calls, including the Voice2Text messages on my phone, which outline exactly how things transpired last week. I am pleased that, fortunately, it has not slowed us down—the government fully supports Arrium, the opposition fully supports Arrium. The only unfortunate thing about this is that we are dealing with this at the last-possible minute.

There have been 10 years to get ready for this point in time, and I know that Arrium has been engaging with the government and the EPA for several months now, so it is a shame to be dealing with it in the parliament at the last possible minute. However, it is very positive that both sides of politics support what the government wants to do for Arrium, and what the opposition wants to do for Arrium, knowing that as the EPA tell us it will not impede their work at all.

Mr HUGHES (Giles) (11:11): I also rise to fully support this amendment, and I think it is an incredibly important amendment. When it was first moved back in 2005, it did assist to trigger major investment in the Whyalla community at the steelworks. It had a profound economic impact on Whyalla and it enabled us to address the longstanding and deeply contentious issue of fugitive dust emissions in the eastern part of town.

The history of environmental impacts in the steelworks goes back many years—in fact, almost since the inception of the steelworks in 1965, and we are celebrating the 50th year of the steelworks at the moment. One of the most deeply contentious elements of the steelworks development was the building of the pellet plant cheek by jowl with the residential community and what was the centre of Whyalla at the time. A lot of people came to see that in hindsight that was a mistake, and a profound mistake, to build a pellet plant in that location. That is not a reflection on the pellet plant or the technology as such; it is just that the location was a very inappropriate one.

There were people in the Whyalla community, even back in the lead-up to the commissioning of the pellet plant in 1968, who expressed their strong opposition. Unfortunately, that opposition was not listened to at the time, and we all went on to live with the consequences. In fact, opposition was even voiced by senior managers of the company at the time, with the daughter of one family never speaking to her dad again as a result of what was done.

I have lived in the vicinity of the pellet plant since 1991, so I know firsthand what the impact was, but my sympathy was for those people who had lived there prior to the commissioning of the pellet plant. When I moved into our little cottage on Delprat Terrace, just down from the pellet plant, we had a house-warming and, as with most house-warmings, we had a few beers and we had a good night. The following day, at 7.30 in the morning, one of the neighbours from just up the road knocked at my door. She had lived in that area all her life, and she was in tears due to the impact of the pellet plant on that immediate vicinity—and these were people who had worked for the company for all their lives.

When the initial changes were introduced with a spin-out from BHP, the company came onto the operation of the Environment Protection Act for the first time. I considered that—as did, I think, a lot of people—to be a big improvement, because those people who had taken the opportunity to read the 1958 steelwork indenture act knew that there was virtually a get out of gaol clause within that act for the company when it came to the impact that it had on the environment.

It is interesting, when you go back and have a look at the select committee that met in the 1950s, prior to the enactment of the 1958 steelwork indenture act—a committee that was chaired by Thomas Playford and the member for Whyalla at the time, Ron Loveday—they actually discussed some of these issues about environmental impacts at that stage, and even questioned the wisdom of having that get out of gaol free clause in the act, but it survived.

Having said that, I have to say that if it were not for the 1958 steelwork indenture act and the work that was done by our parliament at that stage—a very strong bipartisan support for an integrated steelworks in Whyalla—I would not be here today, speaking in this chamber, because my family would never have moved to Whyalla. Even though there were issues with the act, the act was overwhelmingly a good piece of work. It was very positive for Whyalla, for this state and for this country that we ended up with an integrated steelworks in Whyalla.

So, come 2000, with a spin-out, OneSteel (as it became) initially operated purely under the Environment Protection Act. The amendment in 2005 did generate some controversy. There was litigation going on at the time, as the activist group in Whyalla had taken OneSteel to court. There was a lot of antagonism, and, in some way, people saw the amendment as a gazumping of their rights. You could maybe argue the case, as there was a principle involved there, but I think we have to be pragmatic and practical about these things.

The upshot of the amendment in 2005 was to create that economic certainty so that OneSteel could invest. The investment was very significant: \$400-plus million for Project Magnet and then also the subsequent investment in the expansion of the port; in total, it came close to a billion-dollar investment. While all that investment was occurring, Whyalla went through a golden period. For many years, Whyalla had double the state's unemployment level, on average. It was not an easy place to be in; there was generational unemployment.

With Project Magnet and subsequent investments, and with the expansion of mining in Whyalla, that all changed. We actually went below the state average unemployment level and in fact went under the national average. We got down to an unemployment level with a four in front of it, which, for a community like Whyalla, was a godsend. Of course, we are facing challenging times again, with the pressure on commodity prices, with iron ore mining, and the pressure on the steelworks with the massive overcapacity globally in steel production. As a community, we need to work through that, and as a state we need to work through that.

It often is a race between vulnerability and opportunity when it comes to a community that is so heavily dependent upon what is, in effect, two industries: the iron ore export industry and the value-adding through the steelworks. This amendment—the continuation of the 10-year extension—is an important piece of legislation because it does, at a very challenging period, create that investment certainty.

When it was introduced in 2005, it led to a very significant improvement in the environment in Whyalla, especially in the old part of town, and it was one of those rare examples where you actually had the activist group, the EPA and the company all coming together and all getting an incredibly worthwhile result.

It is worth acknowledging the role of the late Jim White, one of the driving forces behind Project Magnet, and it is also worth mentioning Mark Parry, who was the manager of the steelworks in Whyalla for a time. There was that shift away from the old BHP culture of denying the problem and denying any liability to a far more open approach and an approach that put a real value on engaging with the community about environmental and other issues, so it ended up being an incredible positive.

The activist group, as a result of what happened through Project Magnet, disbanded itself. There has been a little bit of negative criticism of this amendment in the media of late and I will just share some words from the person who chaired the activist group, Ted Kittel, who fought a very long battle with Rob Hannon to see the dust issue in Whyalla addressed. In response to some of these low-level negative criticisms that have appeared in the media of late, Ted said:

It is true that the 2005 Indenture caused the [Whyalla Red Dust Action Group] litigation to be null and void because the Indenture changed the law.

However, on behalf of [the Whyalla Red Dust Action Group], I continued to negotiate with OneSteel with the express desire to find a middle ground.

The negotiations over a period of time resulted in a win, win position for both Parties and launched the beginning of the new partnership between [the Whyalla Red Dust Action Group] and OneSteel/Arrium.

This partnership has flourished and is now strong and progressive.

I have observed throughout the 2005-2015 Indenture period that OneSteel/Arrium has conducted its operations in Whyalla in a most environmentally responsible way.

OneSteel/Arrium has shown good faith by engaging with community representatives...on all issues which relate to environmental impacts, and I have no doubt [that] this will continue for the duration of the 2015-2025 Indenture.

I will continue to further expand the good relationship I have with the Company by recognising and promoting the good environmental outcomes already enjoyed by the affected community as a result of the goodwill, and the good work we have done together.

He goes on to distance himself from any of the negative criticisms that have been made of late.

It is an incredibly positive story when you look at what has happened in Whyalla on both an economic level and an environmental level, and I have no doubt that that will continue into the future. So I recommend this amendment. I know we are going to get unanimous support. It is a very worthwhile extension to a very worthwhile amendment.

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (11:23): I rise to speak on the Whyalla Steel Works (Environmental Authorisation) Amendment Bill 2015. I thank the shadow minister responsible for this bill, firstly, for his erudite contribution on this bill, his confirmation of the opposition's absolute commitment to Whyalla and the steel industry in South Australia and, in particular, OneSteel Manufacturing Proprietary Limited's enterprise at Whyalla steelworks and, secondly, for his work in ensuring, as promptly as possible, that this matter could be dealt with expeditiously, given the late notice, that had already been traversed in the parliament.

We are here to talk about a principal industry in the land of the pink sheep, as I have always known it. It is fair to say that Whyalla has had a few setbacks in recent years. For me saltbush-bred sheep, pink as they are, in the surrounds of Whyalla are a joy to see. They are some of the fattest and best bred sheep in the state, and it is always a surprise to me how well they do. They taste delicious, I should say, and I commend them, because I think it is important to remember that, whilst Whyalla is an important regional town and port supporting other industries, clearly manufacturing and its industrial history have been absolutely paramount for the survival and advancement of the town including its development of an enormously multicultural community.

Certainly in recent years it has had setbacks with the promises of rare earth by-product mining enterprises which were to take place; they did not. I remember being in Whyalla in recent years for the proposed development of Cavpower and other industry proposals which fell in a hole subsequent to the BHP expansion being delayed. So they have had optimism.

I think on one occasion when the former minister for planning, the Hon. Paul Holloway, could not attend for a property development opening launch, I was called as the shadow and very happy to drive up there and launch it—all optimistic about the opportunity for golf courses, major housing development and promise for that region. It did not transpire and that is regrettable, but the hardiness and resilience of the people of Whyalla stands out.

Obviously there has been a rich history of iron ore mining, commencing at Iron Knob, now down the range, and that continues to prosper, notwithstanding, of course, we have had some fairly significant dives in the commodity price. The OneSteel operation, the steelmaking, has been absolutely critical.

So we have looked at the Whyalla Steel Works Act 1958, and other members and the minister have reviewed the development since 1958. BHP was granted special privileges, which is what happens when you get the umbrella of a statute and parliamentary approval with a special set of rules recognising the significance of an enterprise. We came back here a number of times to amend this bill, and certainly in my time, in 2005, to grant a significant extension in respect of the environmental regulatory regime that was to sit with this indenture.

So for the reasons as have been explained by the shadow minister, the member for Stuart, we are, of course, back here again extending a regime which has demonstrated a reliable stability, in relation to which the hybrid bill committee has subsequently confirmed that, with the consent and request of both the operators—that is, Arrium, who are the owners of the wholly owned subsidiary, OneSteel Manufacturing Pty Ltd, and the EPA—the parliament can have some confidence in giving its approval for an extension for a further 10 years.

Two matters I wish to place on the record: one is that although the opposition—the Liberal Party in South Australia—has had a longstanding history of support for steelworks in South Australia, in particular the Whyalla operations, and has made that clear publicly, and it has been confirmed in a variety of forums, it is concerning to note that on the face of it the government would introduce a bill, or give notice of the introduction of a bill, with such disregard to the opposition, indeed to the shadow minister particularly, in not providing a copy of that bill, when clearly on the information that is before us—the circumstance of both the EPA approving it, and OneSteel asking for it—this has been known to the government since June—

Mr van Holst Pellekaan interjecting:

Ms CHAPMAN: 'May', the shadow minister says, but confirmed to us, at least in the urgent briefings that the shadow minister provided to us, as a clear conveying of that position to the government, and here we are in September being asked to deal with this matter expeditiously. We are willing to do that, a large degree due to the efforts of the shadow minister, who immediately requested information to be provided, briefings to be set up and attended to, questions to be answered and the committee process dealt with expeditiously.

It is not acceptable that the government, in the first two days of this week's parliament, is asking to deal with two bills, which need urgent attention, because of the imminent expiry of a time limit—this bill and the terrorism bill which is to follow later this morning or this afternoon. It is just sloppy government at best. Is it in any way designed to be some sort of ambush, on the basis of thinking that obviously nobody could object to this extension of time, that we will not have enough time to ask questions about whether five or 10 years or the like is enough, which I will be dealing with in the terrorism bill shortly?

We know they will not be able to criticise this because it is so important for South Australia, it is so important for Whyalla, so important for the continuation of jobs that we will just throw it in at the last minute. That is disrespectful to this parliament and is contemptuous of the process of the parliament, and the Treasurer should take heed of this type of conduct, which only reflects on his government as suggesting that it be so arrogant as to act in that manner. It is disgraceful and should not happen. It will happen again when we are being asked to deal with legislation later today. It is not acceptable.

I will make a point on one aspect and that is that, if we are to extend the EPA/Department of State Development regulatory regime of environmental protection, let us look at one other aspect of

this act. I would ask the Treasurer, when he looks at bills to do things as we are today, that he also look at making sure that the contemporary language within certain legislation is updated. He should know, because he is a former minister for transport and infrastructure, that the provision set out in section 11 of the Whyalla Steel Works Act 1958 states:

Charges on Company's Tramways and jetties

Notwithstanding anything in any other Act or law the Company may charge for the carriage of passengers and goods on any of its tramways charges at rates not exceeding those charged from time to time by the South Australian Railways Commissioner for the same distances and, in the case of goods, for goods of a similar class, and may charge for the use of any of its jetties charges not exceeding those charges charged from time to time by The South Australian Harbors Board.

We no longer have a South Australian railways commission, we have a railways commissioner. I think still at the moment the Commissioner of Railways in South Australia is the head of the Department of Transport and Infrastructure. We do not have a South Australian harbors board anymore. It is hard to think of any tramways running around in Whyalla at the moment—I do not think I have noticed any (the member for Giles may correct me if there is one).

Clearly it is designed to deal with the provision of royalties, fees, levies, etc., with respect to the use of the public assets of rail and/or jetties. Time has moved on a bit since 1958, and I would suggest to the Treasurer that he may need to update that and consider doing so between the houses. Otherwise, I indicate obviously that I support the bill for all the reasons adeptly set out by the shadow minister.

Mr TARZIA (Hartley) (11:33): I also rise in favour of the amendment bill before us today. In such a challenging time (and we have heard the shadow minister for the area say this as well) we need to send a strong, positive message to the mining industry, the mining industry that represented in South Australia in 2014 an 11 per cent share of the Australian economy in mining. When you look at mining in South Australia in 2014, it represented about a 5 per cent share of the South Australian economy.

We on this side of the chamber support the passage of the bill. We support it for the people of Whyalla, for the area, business, shareholders and also employees. It is important that we provide certainty in a time where the mining industry has had many blows dealt it, some not for its own doing, its own fault. If you look at the global all products composite index, in terms of global carbon steel prices, at July 2014 the price was \$US711 a tonne. When you look at May 2015, that price had dropped to \$US554 a ton.

We need to send a strong message to the mining industry that we are with them in the peaks but we are also with them in the troughs, and at the moment we are in a trough. I am sure it will not be too long before prices do bump up again, and that is why we need to give the people at Arrium the opportunity to rectify whatever issues they can wherever we can, within reason, because the industry is experiencing extremely tough times at the moment.

It is about more than just an industry; it is also about the people of Whyalla and the surrounding areas, and it is about jobs. These people have mortgages, they have kids in secondary school, they have car repayments. We cannot just sit here and let only the market dictate what happens in such a huge situation. Of course we need to protect the environment, but we need to balance that against not only the commercial reality but also the reality of people. These are real people with real lives.

Arrium approached the government seeking an extension of such environmental authorisation and, recognising the difficult financial times—due to many factors but including iron ore and steel prices and their issues, as well as the need to provide more certainty to underpin the longevity of operations—the government has agreed to extend environmental authorisation for 10 years.

There are many rationales for this extension. First, it is to maintain Arrium's confidence in the state's regulatory regime as it faces many challenges, I am sure, in the coming years. We know, without a doubt, that a strong mining industry is essential for the future of our state, and I understand the company is undertaking a broad review of its business as a result of the negative factors it is experiencing. I commend it for that. I am sure it has also had to curtail some mining in the short term,

and this will perhaps lead to some decrease in exports in the near term. However, as I said, we have to stand with the mining industry through peaks and through troughs. It is experiencing some tough times at the moment, but I have no doubt that when prices do rise they will be eternally grateful to us. The state will get royalties and export dollars back, so at the end of the day why would we not stand here and support them wherever we can?

Without repeating the points that have been made before me by the deputy and also by the shadow minister, obviously we do not want to get into the habit of doing this sort of thing, but every case is different. This is a very strong case that has been put to us by a company in dire need of assistance by the government. I commend the government for putting the motion forward and, as you have heard from our shadow minister, we will not stand in the way of this. I commend it to the house.

Mr PEDERICK (Hammond) (11:37): I rise to speak to the Whyalla Steel Works (Environmental Authorisation) Amendment Bill 2015. This bill was introduced earlier this month to extend by a further 10 years, to 20 years, the environmental authorisation that was provided to OneSteel Manufacturing Proprietary Limited, a wholly owned subsidiary of Arrium Limited, and the company operating the Whyalla steelworks.

It is a few decades ago now, but I had family in Whyalla for many years who were operating one of the service stations there. They were one of the beneficiaries of the wealth generated by the mining in the region and the steelworks, and formerly the ship building that went on at Whyalla. There have certainly been many millions of dollars generated in the area, and let us hope there are many more into the future.

The company is licensed under schedule 3 of the Environment Protection Act, and that is so that it can undertake particular activities of environmental significance. This goes back to when we had the Whyalla Steel Works Act 1958, which was formerly the Broken Hill Proprietary Company's (or BHP) Steel Works Indenture Act 1958, which ratified and approved an indenture between the state and OneSteel relating to the operation of its steelworks in Whyalla. The act of 1958 was previously amended in 2005, and that is why we are in the situation now where the authorisation is about to expire on 4 November 2015, which is obviously the 10th anniversary, and so what we are doing here today is talking about extending this licence by another 10 years.

Part of the arrangements under the earlier amendment was to provide the regulatory certainty for Arrium to invest about \$400 million to undertake Project Magnet. This involved a lot of environmental work around the red dust issue, which has become synonymous with it in Whyalla over time. They have certainly had a lot of success in managing that dust, so the company Arrium has been given a lot more confidence to invest more than \$1 billion to expand the capacity of the port of Whyalla and broaden its operations in South Australia, including the acquisition of Peculiar Knob.

What we are doing here today is trying to give some sanity in the world of mining in this state. We know we are working with current low iron ore prices and a highly competitive steel market. We have a lot of low prices for mining products right around the world, and mining is having a tough time. We have lost thousands of jobs in this state, and we will do anything we can to make sure that we support as much mining as we can, under the right environmental guidelines.

I have certainly had plenty of experience working with local mines like the sand mine up at Mindarie-Halidon and also the Strathalbyn lead and zinc mine. They all have their environmental challenges, and that takes extra investment from companies, but I think companies have matured over time in understanding that a whole lot of changes need to happen to make sure that we leave the place after mines close down in as good a state as anyone can.

This amendment will provide the 10-year extension and give Arrium a bit more confidence in this time of uncertainty over prices. Certainly, the company has shown a great improvement in its performance, in its environmental work. The Environment Protection Authority in 2010 awarded OneSteel an EPA sustainability licence to reflect its genuine commitment to reducing its impact on the environment through reduced reliance on the River Murray, and energy and carbon efficiency.

I know River Murray water is piped all the way to Ceduna, which almost seems absurd, but that is where it gets piped, and I think some of those people would get about 25 per cent of their water from the River Murray at Ceduna and connecting points in between. It is a vital source of water, and the significance of the River Murray to this state could not have been shown up more than in the previous drought of 2006-10. We certainly have not had huge flows in the last 12 months to give huge confidence, but I must say we are in a far better position at the moment than we were in 2006-10.

While I have the opportunity, I congratulate Senator Anne Ruston on her new role as the Assistant Minister for Agriculture and Water Resources. I think her position, and our ability to talk quite readily with Senator Ruston, will assist everyone at this end of the river. It is great to see that promotion so that we can have those active discussions with Senator Ruston, and also with Senator Barnaby Joyce as the new Minister for Water Resources. He was and is the Minister for Agriculture.

I, as well as other members, especially the member for Chaffey, acknowledge the River Murray for its worth and its usefulness, not just for agriculture but for critical human needs and for those environmental flows that we always need. I certainly believe that, as long as we have the appropriate environmental flows, we will have that water for irrigation as well as for critical human needs.

It has been mentioned before that Arrium is a major employer in South Australia, directly employing around 3,400 workers and subcontractors for its steelmaking and exporting of haematite. I note that this being a hybrid bill, the select committee met on 18 September (this month) and received evidence from Arrium, the EPA and the department (DSD) and the most important thing that came out of this was that the EPA confirmed that it would prefer to operate without an indenture agreement in place; it does not oppose the extension of the indenture and considers Arrium (OneSteel) an environmentally responsible company that has made very positive improvements in the environmental impacts of its operations over the last 10 years and does not believe that the indenture compromises the EPA's ability to do its work. Certainly the EPA believes that it could still effectively adjust any licence conditions as necessary if the indenture is extended.

It is interesting to note that overall Arrium has made very significant improvements in its environmental performance over the previous 10 years, as I have indicated, and this is strongly supported by the Environment Protection Authority and the local community. This is something that we always need to acknowledge, and we need to make sure that the local community is on board with it because, if we don't, that is when the trouble will start—with any situation. If we bring the community on board from the start and have a conversation on any issue, no matter what it is in this parliament—and I have a couple brewing out there—we would have far better results than just thinking, 'Under the legislation I can do this and I can do that'. Sometimes it is better to go that one step further and be on the front foot, making sure the community is on board.

I certainly commend the bill and I must say that I commend the Environment Protection Authority. Some people shake in fear when they hear those words, but the EPA is obviously very complimentary of the work that Arrium is doing. I commend Arrium for what it is doing and wish it the best success in the next 10 years.

Mr WHETSTONE (Chaffey) (11:48): I also rise to support the amendments and make a small contribution. This amendment is about jobs, it is about certainty and it is about support. I note that Arrium has been under pressure, particularly financial pressure with low commodity prices. It has also been under pressure with competition, but over many years, since 1958, it has been a stalwart for the Australian workforce.

I note that the 3,400 workers here in South Australia and the businesses that come away from Arrium are looking for some certainty. They are looking at just exactly where their business career will go. So I guess what we are looking for here is certainty. Arrium has approached the EPA for an extension to its environmental authorisation to continue improving its environmental impact, but also to be a good Samaritan and continue to improve.

Giving that 10-year extension provides not only certainty but also confidence to Arrium to remain in South Australia. We note that there have been many businesses here in South Australia

that have seen a lack of support over the last 12, 14 or 15 years, particularly under this current government, and they have gone away, so this gives certainty to Whyalla.

Once upon a time, in the days of driving through Whyalla when it was a typical steel manufacturing town, an ore mining town, there were the red roads and all the vehicles always had that mist upon them; that is history, that is long gone. What we see today is a large business that is struggling with tough times. When I last met with Arrium, they said that the company was announcing that it was redesigning its mining business for the low iron ore price environment prevailing at this time.

It has targeted cost and capital expenditure reductions and expects to return to a cash generative position for the year 2016. Obviously, any business in today's world is always looking for cost efficiencies. I think this amendment will be supporting one of those cost efficiencies so that they can attract investment and that they can provide some certainty to those investment groups that are looking to invest in Arrium as an organisation.

The review is to find those efficiencies. This 10-year extension is just one of many efficiencies that Arrium is looking at. There is some other support that I think we should be looking at, and I think that this current government have walked away from their responsibilities. We hear, 'What about Holden's?' and, 'What about the subs?' It is all about jobs. It is all about supporting our workforce and supporting a skilled workforce.

When we look at infrastructure investment in South Australia, we look at the RAH, we look at the Southern Expressway, we look at the Adelaide Oval, we look at Nyrstar and we look at the north-south corridor. How much Australian and local steel was put into those jobs? How many of the criteria in government contracts were actually to use Australian steel—local Whyalla steel?

I look across this chamber. The minister should not be looking away: the minister should be listening. How much Australian steel was put into those jobs? I am sure that the local member knows, and he would be absolutely horrified that there was little. I know that, particularly at Nyrstar, I have met with the Australian steelworkers association. They are horrified. They are representing a huge workforce nationally but, just as importantly, today is about the workforce in Whyalla.

It is about supporting those people who support the industry. It is about those people who support an industry that supports South Australia's economy. It is about 14 per cent of our exports, but at the moment we have seen a huge reduction in metal ores and scrap, down about 18 per cent. We see metal down about 18 per cent and iron and steel down about 9.4 per cent, but the industry is worth about \$1.6 billion in South Australia and 14 per cent of our exports.

Again, I say to the government and I say to every member in this chamber: what is this current government doing to support steelmaking in South Australia? I know for a fact that the superway had almost no local steel content. If we look at Nyrstar, there is almost no local steel component in that project. If we look at the Royal Adelaide Hospital, I cannot categorically say that there is little Australian steel, but I bet you every bottom dollar that it is predominately Chinese steel that has gone into that project.

We look at the Southern Expressway, which has a huge amount of structural steel. Steel is made at Whyalla, but it did not come from Whyalla: it came from China. The north-south corridor is a project that will be ongoing for at least the next 10, possibly 15 years. How much local steel is going into that project? Again, if we look at the criteria, when these contracts and tender processes come up how much local South Australian steel that is made around the corner goes into that project?

We hear the blurb about this government blaming the federal government for the subs. They blame the federal government for Holden, they blame the federal government for the economy, they blame the federal government for health and education. As to all those buildings that come around—education, health and all the infrastructure projects—how much local steel is in those projects? Not many people in here would understand that there is almost none; it all comes from China.

Why is that? Why haven't we got tender conditions that we use local or Australian product, just like Victoria, New South Wales and Western Australia? When they went to an election, they put up a policy that they would use 90 per cent local steel. Why isn't that happening here in South Australia? Not one local member over there is looking at me and acknowledging it, but let me tell you

that there is no conscience when it comes to using Australian product. More importantly, it is about using a local product at Whyalla that is manufactured around the corner, using local jobs, local ore. It does cost more, yes.

The Hon. A. Koutsantonis: What car do you drive?

Mr WHETSTONE: Why aren't we?

The DEPUTY SPEAKER: Order!

The Hon. A. Koutsantonis: What car do you drive?

Mr WHETSTONE: You don't drive, you don't even drive.

The DEPUTY SPEAKER: Order! Sit down. I am on my feet. I remind members that it is unparliamentary to interject and to respond to interjections. All members are entitled to be heard in silence. I ask the member for Chaffey to continue, in silence from the rest of the chamber.

Mr WHETSTONE: Thank you, Deputy Speaker. The point I wanted to get across to every member in this place is that if we are going to support an industry, we need to use their product. Even if it does cost that small percentage point more, we have to balance it up. Are we going to balance up the jobs and the cost of steel, or are we just going to import all our steel and have no jobs? What I want to know is will this minister at least have the fortitude to get up and talk about just how much support his government is giving the steelworks here in South Australia? How much is his government going to put on tender processes? Are we going to put in policies on both sides of the fence so that we use local product, local steel, just like Victoria, New South Wales and Western Australia did before they went to the election.

Every South Australian needs to have a good hard look at themselves. When we are doing tender processes, when we are looking at supporting local workforce, local business and the South Australian economy, we need to support them. No wonder South Australia's economy is at the bottom of the heap, the bottom of the premiership table, and still heading south. There is no improvement on the horizon. I am passionate about using Australian product, whether it be steel—you cannot eat steel—whether it be food—yes, you can eat Australian food and, yes, you can eat drink Australian wine and beverage—but we have to support industries here in South Australia. We cannot just keep on closing our eyes, hiding behind a desk, closing the door when it comes to our economy.

For far too long we have seen governments walk away from their responsibilities of supporting their local workforce and looking at the longer term picture, looking at the big picture, supporting an economy that needs to be supported. Yes, the steel industry is going through tough times. Yes, we do have competitors that are producing a product at a cheaper price, but those products are far inferior—

Members interjecting:

Mr WHETSTONE: —when it comes to—

The DEPUTY SPEAKER: Order!

Mr WHETSTONE: —local product. Anyone will know that a lot of the imported product is made for a price. The standards are comparative to the price of that product. So, what is attached to the premium price for a local product? It is about the workforce, the communities that revolve around the workforce. It is not just about the dollar. It is about the football team, the shops, the schools, the hospitals. They create employment. It is about keeping South Australia alive. It is not about centralising South Australia so that every regional community that has a hiccup will close up shop and head to Adelaide because that is where the government is spending the money. That is where the government is focusing on winning its next election.

South Australia is a great state and historically South Australia supports South Australia. For too long—for the last 10 or 15 years—we have seen a government continue to look through rose-coloured glasses at how they will spend almost all of their money in metropolitan Adelaide, and I think it has gone on for long enough. I think we need to have a good look at supporting our local economies and supporting our local communities, businesses and workforce, and that is something that really has gone amiss.

As I said, the 3,400-strong workforce at Arrium is about Arrium showing confidence in our economy and our workforce. If this government is not going to support this amendment and if this government is not going to support its local workforce, local business and local content (and we are talking about steel here today) I think they should not see the light of day. I think the shadow minister for energy and resources has an amendment that should be supported and I look forward to hearing the minister's contribution.

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (12:00): I thank members for their contributions and I point out to members that there is a component of local contribution requiring tenders. I accept that I would like to see more South Australian steel used in projects, but there are other steel manufacturers in this country. I also point out that, if the New South Wales government retaliated after listening to those remarks, Arrium would be disadvantaged in getting their rebars into Victorian road projects and New South Wales road projects.

What we want is to be an exporting state. We want to be larger than our own borders. We do not want to grow just enough food for South Australia, we want to grow enough food to feed the world. We do not want to just make enough steel for South Australia, we want to export our steel. We do not want to just mine enough uranium, copper, gold, silver and iron ore for South Australia, we want to export it, and exporting jurisdictions and exporting nations believe in free trade. What I am hearing from members opposite is, 'Well, we want the opportunity to tender.'

Ms Chapman: Exactly.

The Hon. A. KOUTSANTONIS: Thank you. What I am hearing from members opposite is that they want a closed-in economy with tariff barriers and government procurement processes that inhibit. I have to say that there would be more credibility from the member for Chaffey in his remarks if he did not support a leader who said that government infrastructure spending is a false economy. Spending money on infrastructure is a 'false economy', but then they say we should be using more locally produced steel in that false economy spending. It is just a ridiculous argument.

Also, I want to thank the shadow minister for his support. I stand by the comments I made in the parliament about the time lines. I do not alter those and I will also say this debate, by and large, is being governed sensibly other than the few contributions near the end.

The truth is that Arrium needs and deserves bipartisan support because they are such an important part of our economy and they will transcend governments. They will last longer than governments. They will last longer than the people making speeches in this parliament and they will keep on employing South Australians, creating prosperity and jobs, jobs that will one day benefit a future Liberal government and one day benefit the export figures of a future Liberal government.

So we should be bipartisan in this and doing everything we can to encourage this type of endeavour. We are not in any way attempting to minimise the environmental requirements that Arrium is seeking to achieve or that the EPA would seek to impose. Indeed, the evidence we received from the EPA is that the conditions that are in place now are very much what they would have issued under a licence condition and I found that very encouraging.

What we are giving is we are adding value to Arrium by giving them a value around our regulatory processes. We are giving them the ability to go to the market and say, 'We have a partner in the South Australian government and the South Australian parliament,' and that regulatory approval has a value. It has a value to investors, it has a value to the market and, most importantly, has a value to Arrium's workforce, and that is why we are attempting to do this.

Throwaway cheap lines by the member opposite do not serve to promote the debate because, by and large, we are in agreement on this important indenture agreement. The committee resolved to unanimously support the recommendations and to call for a speedy passage in the other place. That is the spirit in which this bill should be debated, rather than the cheap shots about local procurement.

I think there would be more credibility from members opposite about local procurement through the whole aspect of their own procurement rather than pointing out some insufficiencies that

they find in what the government is doing. Can we do more? Yes, we should. Can we try to do more through the Industry Capability Network? Yes, we should. Can the IPP advocate do more? Absolutely, and we want to encourage more of that.

I would like to see Arrium's iron ore and steel used in every infrastructure project around Australia. Indeed, through the work that we have done over the last 10 years with Arrium, we have seen the steelworks become vertically integrated into Arrium's business, that is, the feedstock from the pelletising plant here in Whyalla makes rebars in other jurisdictions that go into roadwork projects around the nation. That is good for South Australia and it is good for the nation. I am glad that we have the support of the parliament and I commend the committee's recommendations to the parliament.

Motion carried.

Third Reading

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (12:06): I move:

That this bill be now read a third time.

Bill read a third time and passed.

COMPULSORY THIRD PARTY INSURANCE REGULATION BILL

Second Reading

Adjourned debate on second reading.

(Continued from 30 July 2015.)

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (12:07): I rise to speak on the Compulsory Third Party Insurance Regulation Bill 2015 as lead speaker. I indicate that the opposition has considered the bill and that we will support the passage of the bill in House of Assembly, on the understanding that the Statutory Authorities Review Committee received a referral from the Legislative Council on 1 July outlining the whole issue of privatisation of the Motor Accident Commission for urgent inquiry. Second, I indicate that it is proposed that there will be support of the second reading in the Legislative Council from our side of the parliament, and then there will be a move to refer the bill to the SARC for the inquiry, as outlined.

The government's announcement that they were going to sell the MAC as part of their budget measures came after several years of raiding of the resources of the Motor Accident Commission. It came as no surprise to many of us, who could see that the government, particularly in the last four or five years, has spiralled into the abyss of debt and dysfunction in respect of the financial management of its operations as a government and its fiscal irresponsibility. Whilst it came as no surprise, if one were to review the Motor Accident Commission's annual reports, it would be fair to say that it has undertaken the responsible management of its role as the insurer for third-party claims in respect of motor vehicle accidents.

It has undertaken, responsibly, its other ancillary roles as the nominal defendant in respect of proceedings in that regard. In respect of investment of its assets, one only has to read the annual report of the Motor Accident Commission over the last number of years to see that it is one of the best functioning entities of government—and we see plenty of them. We see plenty of annual reports of departments, statutory authorities and independent and non-independent entities of government as financial corporations and the like.

This is one that actually stands out, I think, as both competently undertaking its work but, in addition to that, has been wise in its investment in respect of its assets to ensure that it can go on into the future and provide the services it does for South Australians and, in particular, users of the roads and, specifically, in response to the injury that may arise out of motor vehicle accidents.

I should not omit, because I do not want it to be ignored, the role the Motor Accident Commission has had in respect of road safety, coupled with South Australia Police, other agencies in respect of emergency services and the education department. There are a number of entities

which are in this space in respect of road safety and I do not want to in any way diminish the Motor Accident Commission's role in that. They have run, regularly, million-dollar advertising campaigns to educate the community in respect of road safety.

That being said, the government has used it as not just a cash cow but a raiding bank of assets which they have used to prop up their own budget. I think that is irresponsible conduct on behalf of any government, but it has been particularly identified in the last two budgets of this government. Now they are following through on their promise to no longer be the monopoly provider, via the MAC, of compulsory third-party insurance in this state. It is the government's announcement that it will privatise this area of service under the CTP insurance scheme.

It also comes after the government, under the leadership of minister Snelling in his previous cabinet life, implemented a new scheme of injury compensation through this parliament. We debated it and it has culminated in two things, largely. One is specific provision for those who are catastrophically injured and a lifetime care and support scheme established for those in that category. The opposition supported that under the umbrella of the government's reform proposal to, essentially, establish no-fault claims in that area.

The second aspect of that tranche of reform was to offer a new model of payment, a new schedule of payments, for those who are less than catastrophically injured. It is in this area that the government, under the stewardship of minister Snelling, promised to South Australians that they would have a fair and equitable scheme of compensatory entitlement as a result of being a victim and that it would be expanded to those who had no-one to sue (like the person who was drunk and hit a tree and was seriously injured as a result) and that it would provide a better, fairer scheme and would provide for all of the road users who owned motor vehicles the opportunity of reduced premiums for their compulsory third-party insurance in the scheme.

That was the great panacea of promise. In fact we find that, whilst there is a window of reduction, I think for just a short period, in fact very quickly we are back onto the treadmill of the costly scheme of payments as premiums. And furthermore we find that, notwithstanding the claims of this panacea of pain free compensation and recognition for those who are injured on the roads, that in fact many of them—indeed thousands of them—are not only going to be worse off because they will not be able to have a claim at all but they were not going to receive a recognised award consistent with what had been promised.

The Attorney-General and others in the government made it clear during the course of those debates that a certain model of compensation would be followed (in particular following another state's regime), and what do we find when the dust has settled, when the ink is dry? We find that many in the South Australian community have been deceived into acceptance of a new regime which went from a panacea of relief and equity to a disgraceful abandonment of many.

So I do not have one scintilla of trust in what the government announces in respect of reform in this area. However, those opposite are in government and if they say, 'We are going to privatise this asset', and they can do that by simply saying, 'We're going to take that role out of exclusivity or monopoly of a government entity and we're going to make it available to the open market for other players to come in and provide that service'—in other words, they are going to give up the monopoly and allow that to occur—we know that the government does not need our blessing as a parliament to be able to go down that line. It can do it anyway.

The government can rip out the effective operations of the Motor Accident Commission in this space and it can provide a privatised scheme and it can, as I say, open up to private operators without our blessing. Will it be successful? Will it provide for a better service? Will it provide cheaper premiums? Will it be a better product opportunity for consumers? Well, of course, we are yet to see.

Here is the government's pitch. The government's bill is essentially designed to provide for the establishment and appointment of an industry specific independent regulator so that it can open up the floodgates in the sense of a privatisation, and that may ultimately have some merit in the sense of being a scheme that could work.

However, the government itself says that before it can do that it wants to be able to set up this independent CTP regulator, and that is the purpose of this bill. The government claims that the

Motor Accident Commission will continue. It is going to have an ongoing role in road safety and as the nominal defendant. Given the law reforms that we have changed in respect of entitlements to compensation and the limits on the amount that we have passed in the recent regime, the role as the nominal defendant, I would expect, will be significantly reduced; and even if it does not do we need an entire Motor Accident Commission structure to do it? No is the simple answer to that.

This promise by the government in the second reading contribution to this bill that the Motor Accident Commission will have an ongoing role as the nominal defendant is pathetic. Coupled with the fact that it claims that it will have an ongoing role in respect of road safety when there are so many other government agencies who currently undertake that work very well, as the Motor Accident Commission does, one has to ask the question: is it justified to retain an entire commission, with or without a board? It might just be one commissioner sitting in an office with a couple of staff.

I do not know what is going to happen with the Motor Accident Commission, but let me hazard a guess: it will be stripped bare. It will be like a skeleton in the wind. There is no point, frankly, in retaining a Motor Accident Commission if you are going to open up the industry (its principal work) to private operators and then expect that it is going to have an ongoing role in South Australia. That is a nonsense. This statement by the government is purely there and designed to placate those who think that, yes, there is a role for the Motor Accident Commission to continue and to be able to justify what they are doing in this regard.

There is no question that, if you do have a different scheme where you allow private operators in this space, particularly having moved from a monopoly situation, there needs to be some regulation. Whether the structure as proposed in this bill is going to be effective in doing that, again, we will have to see, but that is exactly why this whole matter should be referred to the SARC to deal with the issues thoroughly before we go down this road. So, whilst on our side of the house we accept that the government are entitled to make these announcements (poor decisions they may be) for reasons which they say are justified, let it have the scrutiny of the SARC and let's get on with this bill as part of the general reference of privatisation of the MAC enterprise being referred to SARC for that proper scrutiny. It has already had in its previous terms of reference that that be conducted on an urgent basis, and I accept that that committee can accommodate this part of the terms of reference.

I suppose, at first blush, it raises the question of whether an independent regulator on this model is going to be effective. We had in this parliament all the same promises with ESCOSA, the regulatory regime set up for essential services in this state (electricity and water), and what have we found? We have found that not only have the prices of those things gone up but this government are not backward in coming forward in their nominated minister, including the Premier as Treasurer, issuing ministerial directions to ESCOSA and to that commissioner to undermine the recommendations they made. Independent? What rot.

Ministerial directions in that instance, in respect of the consideration and accounting model that is undertaken for the consideration of the asset base of entities such as SA Water, have been direct ministerial interference with an independent process. Sure, they have the legal power to do it—we understand that—and I think there is always a very strong case for the argument that if a government, and in particular a minister to the cabinet, is responsible for the administration of an entity such as SA Water or any other statutory corporation, then there have to be some reserve powers. I actually believe in that principle. I think that is important, because there is ministerial accountability.

However, what happens in relation to ESCOSA is that this government interferes when it suits them, when they want to get an outcome that supports what they want to do—that is to convince the public that they are going to get something that is improved when, in fact, it is not—and that they are going to be wanting to try and effect the promises, particularly before elections, like keeping prices down for essential services, when it suits them.

So I do not have confidence that the model being proposed as an independent regulator will be an independent regulator because of the conduct of the government in its administration of other allegedly independent agents—and commissions, in particular. However, that is a matter which SARC should examine thoroughly and be able to identify if there is some different way that we should manage that.

It is not as though there are not plenty of examples of commissions in this state. We have a commissioner for just about everything these days under this government. When I came into parliament we had a railway commissioner, I think a roads commissioner and a police commissioner. I think there are about 20 in South Australia now. The most recent, of course, was the KI commissioner, a permanent position. They have different powers and there are different models. I exclude for the moment specific royal commissions which are really like a select committee of inquiry, obviously with royal commission powers, and I am not going to go into that territory today. Obviously, that has a role in the investigation of important state issues.

However, permanent commissioners and commissions have bred like rabbits under this government and they all have different models, they all have different powers and they all apparently report to the parliament but they all have different levels of protection against interference by the government or the minister who they are responsible to. I think the government needs to have a good look at this plethora of commissions and commissioners that it keeps proposing, I think for the specific purpose of trying to alienate themselves from responsibility, claim credit when there is some good news and bag some poor old commissioner who has been appointed if it is not, claiming it to be independent. When it wants to secure an outcome, it gives a ministerial direction.

The public are not that stupid. I think the government needs to take a good look at itself in that regard. However, again, it made the announcement and it needs some protection if we are going to go down the way that the government insists on going. They do not need our blessing and therefore we need to have some proper scrutiny of the regulatory regime that is proposed.

If I were to use an external example, of which I had some working experience, it would be the model in Switzerland which has a different model in respect of health insurance. What occurs there, in short, is that about 90 different companies or entities (some are NGO-based) provide health insurance to the people of Switzerland. The law there says that, if you migrate to Switzerland and become a citizen or you were born in Switzerland, within three months you have to become an insured person. You have to take out private health insurance with one of these 90-odd agencies.

In that scenario there is a base level of obligation and there are other services or areas of medical or hospital treatment that you can buy off the shelf in modules. If you want to buy a special service for optical treatment or a special service for plastic surgery or other areas of health, medical and hospital services then you can pay higher amounts.

It is highly regulated. It is a model which I viewed several years ago now when I visited Switzerland. It was almost by accident because I had gone there to speak with international health authorities in respect of immunisation and a number of other matters, and I came across this regime which I thought was obviously worth having a look at, especially as it was presented as a model which claimed to be effective. When I got to the WHO in Zurich I asked them about it and what they thought because, although they had different areas of responsibility, there were a number of groups who were highly complimentary of how that process works.

You can have a situation where you require, by the parliament, a regulation of the provision of a certain service or product. It is usually within the essential services category. In this area, we have come to have the benefit of protecting those who are injured on our roads, most of all by accident, some, unfortunately, deliberately, and of course there are a small number of cases that are given some retrospective discipline by the criminal law system, but mostly people are relying on their civil rights and entitlements and they need to be able to protect against that. There was a general view that if you are on the road and you are a road user then you ought to be protected against the accidental, negligent or inappropriate, but not criminal, conduct of others on the road. We have come down this path and we need to make sure that, given the government's decision to privatise the MAC enterprise, we do it correctly.

The Legislative Council, in addition to the referral of the privatisation of the Motor Accident Commission to SARC, have also, on 9 September 2015, referred to the 'impact of the lifetime care and support scheme and CTP insurance scheme on persons injured in motor vehicle accidents to the Social Development Committee for inquiry'. Why? Quite simply because the government, as I have pointed out, could not be trusted in what it did ultimately do with respect to the implementation of the new CTP insurance scheme, and that really needs to be considered.

If there was one area that exploded, I think, in the government's face, when it stripped away people's rights in this area, it is to consider members of the South Australian police force. They made it clear, during the debate, that they were concerned about members of the police force who were injured in the course of their duties in their workplace, which sometimes is dangerous and fatal and leaves families either without a mother or father or severely damaged with a catastrophic injury. That is the nature of the risk that they take on our behalf every day, but the government said: 'No, it's all the same,' when we dealt with the WorkCover reforms. Similarly, a scale was introduced which was going to harmonise the claims which have left people out in the cold. People, incidentally, in that area, like the SA Police, who are obviously vulnerable to those risks of death or disability.

The government's position, apart from trying to pretend that this structure is going to give us a fair and affordable CTP scheme and the consumer protection for motorists that it chants on this model and establishment of an independent regulator, has also indicated the following: firstly, that they do not need any legislation to proceed and conclude the process of privatisation, but we agree with them that, if they are going to pursue this option, it needs to be done properly. Secondly, they claim that the current process is that the government, at the RFT stage, has the intention of announcing three to five successful private operators by about December.

I cannot understand how the government could provide such detail if they had not done a lot of work in this area over a long period of time. All that does is heighten my scepticism about how long the government has been working on this process; in any event, that is what their position is. They say that private operators have indicated to them (the government) that they will need about six months to employ staff and establish functioning offices to be ready to service customers from 1 July 2016, which of course is the commencement date for all this.

The government has also advised that they have considerable powers under the existing Motor Vehicles Act and, together with contractual requirements on private operators, that it will be able to conclude the privatisation process. At least that is on the record, that is, an indication by the government that they will require a number of these obligations in the contracts; whether or not that happens, we will see.

They also claim that the same powers under the Motor Vehicles Act will be used to ensure the continuation of the Motor Accident Commission's community programs, such as road safety, etc. As I have said, frankly, it raises the question about whether we will even need a Motor Accident Commission if it is left with such a small workload, important as it may be, when clearly its core business is about to be ripped from it in the same merciless way that its assets have been stripped over the last couple of years.

The government also says—and it is a fair point—that, where a competitive market has been introduced to an area such as this, it needs to have a regulator and that other states which do that (Queensland, New South Wales, and the ACT) have a regulator. Again, we do not disagree with that. We make the point, though, that they have so badly stuffed up so many of these and so badly, I suggest, abused the process in respect of others, including ESCOSA, that we definitely need to have this done properly because we certainly cannot trust the government to do it properly.

For the record, I understand the Hon. Rob Lucas in another place, who has had the management of this bill on behalf of the opposition—and I thank him for his advice on the same—has indicated that the regulatory model has been discussed with the ACCC. They have not identified any concerns with the model. How different it is from models that operate in other states and how responsible the governments are in other states and territories needs to be reviewed.

If in the end it is a situation where the proposed regulatory model of the independent regulator is consistent with other regimes in other states around the country that operate in this way but the only weak link in the proposal in South Australia is the potential interference of the regulator by the government—the practice of issuing ministerial directions, for example, and the general conduct of the government in having the responsible minister in the cabinet—if their behaviour is the weak point, then that is what we need to protect against.

Obviously, we would say, 'Get rid of the government.' However, that is not about to happen. We still have another 2½ years before that can occur, and I do not want to see another important service for South Australians, which is about to embark on a major change of operation, end up in a

situation where the service to the public becomes more unfair, potentially more costly and certainly less equitable than we already have, which currently is a system which has a demonstrable satisfactory history of service. For that reason, I confirm the opposition's position to support the passage of the bill in the house and, as outlined before, to follow a process of referral to SARC.

I conclude by saying that that process, given its urgent attention, can occur and also enables SARC to conduct that inquiry well in advance of the time frames that industry has put to government—the six months, etc. that I have referred to—before commencement on 1 July 2016. If, for any reason, it does not, and it needs to start on 1 January 2017, or it does not start at all as a result of the investigations of SARC, then so be it. We need that statutory authority committee in the parliament to properly scrutinise what is presented before us because of the demonstrable failure of this government on its previous models.

Mr KNOLL (Schubert) (12:41): I rise to also support the bill, but in doing so, tease out some of the issues with the MAC privatisation process more generally. There has been quite a debate in this place and in the media about the motives behind the privatisation of the Motor Accident Commission, and especially from a Labor Party that has consistently opposed choice and competition in a whole host of areas. It seems that they are fervent converts to the benefits of a free-market system when it comes to the Motor Accident Commission. The cynic in me suggests that it could be because they need to prop up a failing budget.

One need only look at the estimated result for 2014-15 to see that the government got a handy \$459 million dividend from the Motor Accident Commission this year, with further capital monies also being put back into the budget, and it seems to me that this may be the primary purpose behind their drive to privatise the Motor Accident Commission. Funnily enough, without this \$459 million the budget bottom line would have looked a lot worse in this last financial year; it would have been absolutely horrendous.

The fact that we have to sell off the furniture in order to try and prop up the budget is a disgrace, especially when \$459 million did not get us anywhere near a surplus—it did not get us anywhere near a surplus, and that is an absolute shame and an absolute disgrace, and it shows that these one-off hits to the budget bottom line are not going to do anything to change the structure of the deficit situation in South Australia; it is going to do nothing to change the productive infrastructure in South Australia going forward; and it is going to do nothing to help advance our economy.

All this dividend payment has done is to reduce our deficit figure by \$459 million and then, correspondingly, delay the peak debt that the Labor Party in their budget papers at \$13.2 billion has given us. So, it really is a cynical move, and the Treasurer comes into this house and talks about his stance as being pro-competition, that somehow the Labor Party is the driver and the keeper of the free-market flame, but can I say that that is quite disingenuous and quite frustrating to hear. The Liberal Party has, at its foundation, a support to choice, to freedom and to competition within as many sectors as we can within our economy. That is something that we proudly stand by, and today we proudly uphold that tradition.

I would like to highlight some examples where the Labor Party, if they were looking for some internal consistent philosophy, may see some flaws in some of their current policy, and maybe even some contradictions in their current proposition. The Treasurer comes into this place and says, 'We are here because we want to help to drive prices down by exposing CTP insurance to the private market.' That statement is a little hard to argue with, and I will go into that a bit more later on, but to be able to say that statement at the same time as quarantining 90 per cent of training places for the public provider does not make sense. The fact that you can say, 'We are here for the free market and we are here for competition when it comes to CTP, but we are not here for competition and we are not here for freedom of choice when it comes to private training providers' shows the hypocrisy of this government.

The idea is, somehow, CTP should be exposed to the bastions of the harsh free world but, on the other hand, private training providers, who have put decades of experience and their own capital behind private businesses, who are subject to the same regulatory requirements as the public provider, who have arguably higher completion rates than the public provider, and who are able to do so at 40 per cent of the cost of the public provider, yet this is not an area of the economy that we

should expose to the competition. That 90 per cent of places going forward should be quarantined for TAFE shows the absolute hypocrisy of this government. So, for them to come in here and claim that they have some sort of mantle is an absolute joke, and it is one that we will continue to call them out on.

I also look at choice when it comes to the transport systems within South Australia. If our economy will be freed up by providing choice to CTP, why aren't we looking to provide choice when it comes to the introduction of novel and different transport systems, such as ride sharing? Why is it, after this idea being proposed, being around for a long time and being successfully implemented throughout the world, that South Australia needs to drag its feet? What is so different about the provision of taxi services to the CTP market? Again, this is rank hypocrisy from a government who pretends that it is somehow anything other than a protectionist government.

I look a little bit further to the basic democratic principles, and the differences between those principles in the Liberal and Labor parties. I stand here as a member of parliament who went through a gruelling preselection process, where every single member of the party in my electorate got to vote on my preselection. It was a very raw and brutal process, but it is one that I am proud of, because it is fundamentally democratic. We genuinely believe in choice and we give that choice to our broader membership.

Let us contrast that with those opposite, and the ability of their executive to be able to simply anoint and appoint people to various positions, or to do deals behind closed doors to ensure that the right people who have paid their dues and have towed the factional line are able to get up. To come into this place and suggest that it is okay to have choice when it comes to CTP while their fundamental party structure does not allow for freedom of choice shows the rank hypocrisy of the Labor Party on this issue.

I look at things like voluntary student unionism within universities—again, rank hypocrisy; so too when it comes to private health insurance. There is a whole host of areas where the Labor Party more broadly does not support the principles that it is trying to support here now. We on this side do have a level of scepticism about the privatisation of the Motor Accident Commission, and, I think, with good reason.

The first of those reasons is the fact that we have got a three-year transition period where there will be fixed increases in relation to which each of the three to five successful tenderers will be allowed to increase their premiums by. It is interesting that that three-year period takes us just beyond the next election, because heaven forbid—the Labor Party would not like for their new CTP system to be subject to the full rigours of the free market, just in case what they hope happens does not actually happen and we see CTP prices rise for average South Australians and the argument they have been running—that this is not about propping up a budget; this is about providing a better compulsory third-party insurance scheme—will be found out as a lie.

We on this side of the house would hope for nothing more than for this system to work. We are the party that understands freedom of choice and how competition can be a great thing to provide better quality outcomes for consumers at a lower cost. We have seen it in a whole host of areas across our economy, but the reason we have scepticism is that this is not necessarily completely free competition.

What we are setting up is, in a sense, a regulated oligopoly. It is not a case where anybody who wants to come in and provide CTP can do so. There is request for tender. The assumption is that between three and five providers will be chosen and those providers will then be linked into the government's database and be given a nominal market share to begin with, so they can begin the operation of this scheme.

But a regulated oligopoly does not always provide the benefits of free market competition and this is where our scepticism comes from. It is not as though we are talking pure competition where any business is able to come in and set up and do what they want, where you will see providers offering different styles of service and different product varieties to be able to meet the needs of consumers. What we have is something that will be regulated by statute and will, of necessity, be regulated by the government. That does not necessarily give the outcomes that the free market would otherwise give.

I am not suggesting that this is an area that should be completely open to free-market competition, but this is what gives us our scepticism when it comes to looking at this issue and it is something that those opposite should be mindful of. The reason we know that they also have some reluctance and some worry about this is that otherwise they would not have put that three-year transitional arrangement in place.

If they were confident that prices were going to come down as a result of this change, then they would allow the market to do what it does in this regulated environment from day one. The reason they have put in a three-year transition arrangement is that they are not sure and they want to see how this thing works, but also because they want to make sure that if things go badly that happens beyond March 2018 and not beforehand. That is why we have shown scepticism on this issue.

I would like to reiterate that we are the party of choice; we are the party of competition; we are the party of the free market. We have shown consistently over decades that we have a commitment to this principle. The Labor Party, conversely, have been late converts and partial converts and, certainly, selective converts to this principle and we have seen that in other policy areas where maybe they need to prop up friends they need to look after and not expose to the harsh realities of the real world.

With that, I will indicate my and our support for this bill, but put on notice the fact that we will be watching to see what happens and what are the outcomes of this change, and we will be holding the government to account for the promises they have made to the South Australian people to ensure that we do get a system that helps to be lowest cost for consumers in South Australia.

Ms REDMOND (Heysen) (12:53): I rise to indicate that, whilst I agree with many of the comments made by the member for Schubert, I will be opposing this bill as I have opposed every change that the government has sought to make to the CTP scheme. What they have done is utterly disgraceful. This scheme worked well and would have continued to work well for the benefit of the people of this state and it has been dismantled for no better reason than their financial incompetence.

I will just place on the record what has gone on here. Firstly, a couple of years ago, the government decided that they would remove from the fund—held, basically, in trust by the CTP managers (the Motor Accident Commission)—a sum of \$100 million. That, as the member for Schubert rightly indicated, was nothing more than simply propping up their budget and trying to make good on their own financial misdemeanours.

Then I think they saw that there was a potential to take even more money because this system was operating so successfully that the Motor Accident Commission—very good board, very highly regarded people who contribute their time to manage this fund—had accumulated quite a bit of money. So the government decided that they would close down the system so that they could basically remove the money. Now of course they cannot simply come in and close down the system and take all the money, so after having taken \$100 million a couple of years ago for their budget, they decided to then introduce legislation which would dramatically decrease the amount of compensation to which people in this state would be entitled in the event that they had a motor vehicle accident.

The reality is that everyone in this state who registered and insured their car would be aware that, in fact, the insurance premium that they paid was a relatively small part of the actual registration fee because most of the fee actually went to create this fund which, as I say, was being well managed by the Motor Accident Commission. The fund, being well managed, was more than capable of accommodating all the people who were injured in motor vehicle accidents in this state, including the very few each year who would have what were called 'catastrophic injuries'.

In deciding to reduce the entitlements of people under this legislation, the government said, 'We are going to introduce this new system of lifetime support.' The reality was that the system as it operated already provided lifetime support for people who were catastrophically injured in motor vehicle accidents, and I know this because I actually ran some of the biggest cases in this state when I was in practice.

The system was more than adequate to cope with that and I venture to suggest that, even if they had decided to extend the system for the few people who might be catastrophically injured in non-motor vehicle accidents, those people who are absolutely catastrophically injured, who have no prospects to do anything except have a long time of debilitating injury and its consequences throughout their life and who are going to take a lot of money to look after—even those extras, who are not motor accident vehicle people—would have been able to have been compensated within that scheme and we could have added them in.

Instead, the government decides to reduce the amount of compensation payable to the vast majority of people, and the reason for it is not to provide lifetime support—as I say that was already available. The reason for it was so that they could minimise what is called the 'long tail', so they could minimise the amount of money that was going to have to be paid out for claims into the future. Why did they want to do that? They wanted to do that so that the rest of the money in that pot that the Motor Accident Commission manages could be taken by the government to prop up its budget.

That is the whole purpose of what this government has done. It is all about managing its own finances, and to do that what they are doing, in my view, is stealing from the people of this state because it is not government money; it is not even taxes that are being paid into the fund. This is a fund which was created out of the money people paid for their registration. It is money that belonged to the people and was being held, essentially, in trust. The government is minimising the amount that is left in the fund for those claims into the future so that they can maximise the amount they are going to have.

For those reasons, given the hour, I will close my remarks, but I make it very clear that I believe that the people of this state should be rising up in absolute anger and protest about what this government has done to a perfectly good operating system which was providing an excellent service and it is doing it for no better reason than that it wants to cover its own economic mismanagement.

Debate adjourned on motion of Hon. L.W.K. Bignell.

Sitting suspended from 13:00 to 14:00.

HEALTH CARE (ADMINISTRATION) AMENDMENT BILL

Assent

His Excellency the Administrator assented to the bill.

ANIMAL WELFARE (LIVE BAITING) AMENDMENT BILL

Assent

His Excellency the Administrator assented to the bill.

Parliamentary Procedure

VISITORS

The SPEAKER: We welcome to parliament today guests, some of whom have been and gone: students from Colonel Light Gardens Primary School, who are guests of the member for Waite; students from Para Hills High School, who are guests of the member for Playford; and students from TAFE, who are guests of the Deputy Premier and the member for Adelaide.

ANSWERS TABLED

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

PAPERS

The following papers were laid on the table:

By the Speaker—

Joint Sitting of the Two Houses for the Choosing of a Senator to hold the place rendered vacant by the resignation of Senator Penny Wright—Minutes of Joint Parliamentary Service, The Administration of—Annual Report 2014-15

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

Government Boards and Committees Information, South Australian—
Annual Report 2014-15

By the Attorney-General (Hon. J.R. Rau)—

Criminal Investigation (Covert Operations) Act 2009—Annual Report 2014-15
Terrorism (Preventative Detention) Act 2005—Annual Report 2014-15
Regulations made under the following Acts—
Civil Liability—Prescribed information
Rules made under the following Acts—
Magistrates Court—Amendment No. 54

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

Industrial Relations Advisory Committee—Annual Report 2014-15

By the Minister for Education and Child Development (Hon. S.E. Close)—

Witjira National Park Co-management Board—Annual Report 2014-15

Ministerial Statement

TURNBULL, HON. M.B.

The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:05): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.W. WEATHERILL: Last week, the Liberal Party chose to appoint a new leader and, as a consequence, the Hon. Malcolm Turnbull has become the nation's Prime Minister. First, I would like to take this opportunity to acknowledge the former prime minister's service to the nation. In particular, I acknowledge Mr Abbott's work to deliver key projects in South Australia such as the future frigates and the Northern Connector, which was announced here in Adelaide last week and will directly support the suburbs hit hardest by the closure of the car industry. His leadership in elevating the issue of domestic violence to the COAG agenda was an important contribution to addressing the unacceptable level of violence against women and children in our community.

I have spoken to the Prime Minister—Prime Minister Turnbull—to congratulate him, and we have discussed the great opportunities we have to work together for the benefit of South Australia. We are living in a time of economic change that presents great opportunities as well as challenges, and nowhere in Australia is this felt more keenly than in South Australia as we look to diversify our economy and transition towards the industries of the future.

Mr Turnbull and I spoke about the priorities for South Australia and the opportunity to take a positive path together on these key issues. For example, I undertook to continue to work closely with the federal government and new defence minister Senator Marise Payne to ensure that 12 submarines are built in Australia and delivered at Techport.

In the area of automotive transformation, we look forward to working with industry minister Christopher Pyne to unlock \$900 million worth of funding—a tremendous opportunity to transition to new industries in the wake of the exit of the car industry. An exciting opportunity for us to build on the success of the South Australian Health and Medical Research Institute exists with the second building to house world-leading cancer research through proton therapy. We will be working with the new South Australian minister assisting the Minister for Agriculture and Water Resources, Senator Anne Ruston, to ensure the critical needs of South Australia remain front of mind in any consideration of the Murray-Darling Basin.

We look forward to the federal government becoming a genuine partner for South Australia as it seeks to implement its economic plan set out in our 10 economic priorities. We welcome the commitment to dialogue and debate rather than captain's picks. We welcome what appears to be a new era of talking about the great possibilities for our state and nation, turning our backs on the destructive and negative politics of the past.

NORTHERN CONNECTOR

The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister Assisting the Minister for Planning, Minister Assisting the Minister for Housing and Urban Development) (14:11): I seek leave to make a ministerial statement.

Leave granted.

The Hon. S.C. MULLIGHAN: Last Monday the Premier and I were joined by the commonwealth government to announce joint funding of \$985 million for the Northern Connector road project. This is a critical project for South Australia. The Northern Connector is a 15.5 kilometre road connecting the Northern Expressway to the Port River Expressway, Salisbury Highway and to the South Road superway.

It will link both light and heavy vehicle traffic to the north-south corridor and to the Lefevre Peninsula and Outer Harbor container terminal and export facility providing a direct link for northern suburbs manufacturers, Barossa Valley and Mid North agricultural producers.

The project will provide considerable productivity benefits for the transport industry, with average travel time savings of approximately seven minutes during peak hours and avoiding six sets of traffic lights. Importantly, this project will support nearly 500 jobs each year during its four-year construction phase and deliver long-term economic benefits into the future providing a significant stimulus for the northern suburbs.

This project has been a long time coming. Former transport minister Patrick Conlon first announced that planning would commence for the Northern Connector in March 2008 with an initial submission to Infrastructure Australia in January 2009. This followed with subsequent submissions to Infrastructure Australia in November 2009 and August 2012, which led to the project being identified as a threshold project in December 2013.

As members would be aware, in January 2014 the Premier released the government's Jobs Plan, which sought to bring forward construction of the Northern Connector in response to the closure of Holden. The Premier and I have worked very closely with the commonwealth to secure funding for this project because we know of the many benefits that this project will create.

Of course, this is now the third project on the north-south corridor that the state government will be delivering with the commonwealth. Over the past 18 months three projects—the Torrens to Torrens project, the Darlington project and now the Northern Connector project—together worth \$2.5 billion have been secured, and this government will be getting on with the job of delivering them.

The state's share of funding for these projects is \$769 million and the commonwealth's \$1.75 billion. Together these three projects will support approximately 1,330 construction jobs during each year they are simultaneously under construction. The north-south corridor has been a priority for this government. Detailed planning works and project concepts and more detailed design have been underway since 2003. It is a corridor that stretches 78 kilometres from Gawler in the member for Light's electorate to Old Noarlunga in the member for Mawson's electorate.

Contrary to some views, the north-south corridor does not finish at Wingfield, nor does it start at Bedford Park. Unlike those opposite, we do not believe that the state ends at Grand Junction Road.

Members interjecting:

The SPEAKER: The member for Taylor is called to order.

The Hon. S.C. MULLIGHAN: Projects already delivered by the government on the north-south corridor include the Northern Expressway, the South Road superway, the Gallipoli underpass,

the Glenelg tram overpass and the Southern Expressway duplication—over \$1.96 billion worth of projects.

I am especially pleased to say that we have delivered all of these projects and we will be delivering the next three projects I mentioned earlier without the need to impose a toll on any section of the north-south corridor. Of course, there were many, including in this chamber, who were so desperately keen to impose additional taxes on the freight industry in the form of a toll in addition to those fees, levies and charges that are already imposed on operators. But not this government.

Instead, we will continue to progress work on an alternative heavy vehicle charging regime to replace, not be placed on top of, existing state-based charges to the industry. This government is already working with industry on developing network charging trials that, if successful, will show up road tolls as being last decade's solution to the road funding issues of the future.

Not only will we be delivering the Northern Connector and all of the freight and broader economic benefits that go with it, we will continue to support road investment in the regions to assist both freight operators and the broader community access to a productive and safe road network.

The SPEAKER: When a minister uses a ministerial statement to sledge the opposition, the opposition will have the benefit of clergy in interjecting.

Parliamentary Committees

PUBLIC WORKS COMMITTEE

Ms DIGANCE (Elder) (14:16): I bring up the 527th report of the committee, entitled Flinders Medical Centre Transforming Health Project.

Report received and ordered to be published.

Ms DIGANCE: I bring up the 528th report of the committee, entitled Noarlunga Health Service Transforming Health Project.

Report received and ordered to be published.

Ms DIGANCE: I bring up the 529th report of the committee, entitled The Queen Elizabeth Hospital Transforming Health Project.

Report received and ordered to be published.

Ms DIGANCE: I bring up the 530th report of the committee, entitled Modbury Hospital Transforming Health Project.

Report received and ordered to be published.

ABORIGINAL LANDS PARLIAMENTARY STANDING COMMITTEE

Mr HUGHES (Giles) (14:19): I bring up the 2014-15 annual report of the committee.

Report received.

PARLIAMENTARY COMMITTEE ON OCCUPATIONAL SAFETY, REHABILITATION AND COMPENSATION

The Hon. S.W. KEY (Ashford) (14:19): I bring up the 20th report of the committee, entitled Regional Visit to Barossa Valley.

Report received and ordered to be published.

Question Time

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:20): My question is to the Minister for Health. Can the minister confirm to the house that the latest \$34.3 million cost blowout on the new Royal Adelaide Hospital takes the total cost blowout for the new hospital to over \$600 million?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:21): No, I can't, and that's a complete falsehood that's being spread by the opposition.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:21): Supplementary, sir: can the minister perhaps explain to the house—

Dr McFetridge interjecting:

The SPEAKER: The member for Morphett is called to order.

Mr MARSHALL: —which figure he disagrees with: the original budget or the promise by the government of \$1.7 billion, or the current projected construction and transition cost of \$2.3 billion?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:21): Since the government chose through the tender process on this, the cost has always been \$2.1 billion to build this new hospital. That, of course, includes approximately \$300 million, or \$250 million I think it is, in state works, but \$2.1 billion.

I announced last week that we had reached a settlement with SAHP with regard to remediation issues and some other issues that had been outstanding between the two, and we had settled that for a cost of \$30 million. The total extra \$30 million is what we have settled it for and \$34 million is what the extra call is on the budget for this settlement as part of the all-encompassing settlement, which means we have a new—

Ms Sanderson interjecting:

The SPEAKER: The member for Adelaide is called to order.

The Hon. J.J. SNELLING: —date for the commercial acceptance of the hospital of early July, and we expect to have the hospital open and fully operational in November.

I am more than happy to be talking about our new hospital every single day. I am more than happy to be talking about our new hospital, and what we see today is an opposition and an opposition leader who is still fighting the battles of the 2010 election when the member for Heysen was leader.

Members interjecting:

Mr PISONI: I think you have anticipated it, but debate.

The SPEAKER: The member for Unley's point of order is that it is debate?

Mr PISONI: The minister has entered debate, sir.

The SPEAKER: I uphold the point of order. I warn the member for Adelaide for the first time and I call the member for Hartley to order.

DEFENCE SHIPBUILDING

The Hon. T.R. KENYON (Newland) (14:23): My question is to the Minister for Defence Industries. Can the minister describe to the house the effect of the federal leadership change and cabinet reshuffle on South Australia with regard to his portfolio responsibilities and, in particular, the submarine procurement?

Members interjecting:

The Hon. M.L.J. HAMILTON-SMITH (Waite—Minister for Investment and Trade, Minister for Defence Industries, Minister for Veterans' Affairs) (14:23): They're a bit touchy. I thank the honourable member for his question. I congratulate the Hon. Malcolm Turnbull on his rise to the office of Prime Minister and welcome the opportunity to refresh national consideration on the procurement of future submarines. There is no single matter in the federal sphere more important to South Australia right now than committing the nation to a local build of this \$50 billion procurement of submarines, and with it the procurement of frigates.

South Australia has a strong record of backing the national effort, with its \$300 million investment in Techport Australia, now the hub of naval shipbuilding. I trust the new Prime Minister understands this, but will continue to press the case. The state government has already written to the new defence minister, Senator Marise Payne, congratulating her on her new role and advising just how important it is that the future submarine build happens right here in South Australia. Minister Payne has wide experience in defence, having chaired the Senate defence committee and the Senate inquiry into counterterrorist legislation.

The South Australian government has argued a strident case for a local build of submarines. Economic research commissioned by the Economic Development Board and technical assessments of international options, including Japan, France, Germany and others, have ensured that more than one option is considered.

We are now about to restate this case to the third person to hold the defence portfolio in 13 months since we first alerted the media to the secret visit of the Japanese delegation at the ASC site in Osborne. Our arguments consider the requirements of defence, the value of a sovereign naval shipbuilding capacity and the economics of a continuous build. We will maintain our insistence on behalf of Australian industry, SMEs and workers that the 2013 election promise to build 12 submarines in Australia centred on South Australian shipyards be honoured. I look forward to working with the new Minister for Defence and her team, and I hope that the recent changes at the top lead us finally to being on the right path for a submarine build in Australia based in South Australia.

Members interjecting:

The SPEAKER: I call to order the members for Schubert and Chaffey for interjection during that answer. The leader.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:26): My question is to the Minister for Health. Can the minister now guarantee to this house that there are no other additional costs that the government may bear beyond the \$2.3 billion current cost estimation for the new Royal Adelaide Hospital, as outlined in his previous answer, where he made it clear that the contract cost was \$1.85 billion, \$250 million worth of state costs, plus the \$176 million worth of transition costs and the \$34 million that he announced last week?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:26): There's one thing the Luddites opposite don't like, and that's us investing in hospitals in this state. They hate every single dollar we invest in hospitals in this state.

Mr van Holst Pellekaan interjecting:

The SPEAKER: Point of order, member for Stuart.

Mr VAN HOLST PELLEKAAN: The minister has immediately started debating the substance of the question.

The SPEAKER: Yes, I uphold the point of order.

The Hon. J.J. SNELLING: Mr Speaker, certainly it's not my expectation.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:27): Can the minister confirm that the total contract cost for the new Royal Adelaide Hospital will in fact be approximately \$12 billion over the next 30 years, making it one of the most expensive hospitals in the history of the world?

Mr Goldsworthy interjecting:

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:27): If you want to add up—

The SPEAKER: The member for Kavel is called to order.

The Hon. J.J. SNELLING: If you want to add up what we pay in service payments over the next 35 years, which is the length of the contract, yes, it's a large number. So over 35 years it consists of the cost of, obviously, the building itself, the maintenance of the building, as well the nonclinical services in there and, yes, of course it's a very large figure because it is providing a quaternary hospital in this state, state of the art, over the next 35 years. As I said before, don't the opposition hate us building new hospitals.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:28): Supplementary: can the minister confirm that the contract is for 35 years?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:28): Yes, I'll double-check, but yes, my understanding is 35 years.

TAXATION REFORM

The Hon. J.M. RANKINE (Wright) (14:28): My question is to the Treasurer. Will the Treasurer update the house on the prospects for meaningful tax reform following the recent changes to the federal cabinet?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (14:28): I would like to thank the member for Wright for her question and her keen interest in tax reform. We remain committed to engaging in serious and balanced discussions about how to best create a stronger nation with a fairer, equitable and competitive tax regime. Members would be aware that the state government has already undertaken a comprehensive process that has delivered the largest package of tax cuts in the state's history.

Earlier this year we embarked on a review of our state's tax system. We released a discussion paper to encourage community involvement, and we held a series of public forums in both metro and regional South Australia. We made sure that we talked to the community, industry, all of South Australia, about how we could best shape our state's tax system. The overwhelming feedback was received that we had to remove those taxes that were an impediment to business growth.

We needed to create a system that was free of inefficiencies, rewarded effort and encouraged, rather than hindered, economic activity. The outcome of the review resulted in a series of recommendations that will have a profound and lasting impact on our economy. However, we know we must do more.

Mr Pisoni interjecting:

The SPEAKER: The member for Unley is called to order.

The Hon. A. KOUTSANTONIS: We must continue our work with the commonwealth to redefine the nation's tax system to ensure our state and our country's long-term prosperity. The recent change of leader and subsequent cabinet reshuffles mean it's now more important that we continue these vital discussions.

Both the Premier and I have already pursued at a national level the importance of appropriate taxation of online betting agencies. This was raised during the South Australian tax review both by industry and the concerned sector, and it is not about revenue, but about competitive neutrality and harm minimisation. South Australia will continue to push for appropriate taxation arrangements for both traditional and online wagering operators that could even the playing field and increase tax neutrality. It is also important that all online wagering operators pay their fair share towards harm minimisation, which includes measures to address problem gambling.

The single biggest imperative for tax reform is the urgent need to address Australia's health funding. Of all the areas in which government spends money, health is the one that will demand the most attention and careful management in the years ahead. The increasing cost of health and

hospital services is more than any of the states and territories can handle under the current tax and grant revenue regime.

New Assistant Treasurer Hon. Kelly O'Dwyer has been described as the minister for tax reform, and that is certainly something we would like to see on this side of the house. So, we say to the commonwealth government, 'Talk to us about the future of this nation. Talk to the people of South Australia about how they will be best served by working together to deliver outcomes, not through arbitrary cuts.' We remain committed to a process of real dialogue and practical reform that will result in practical long-term reform for the South Australian and Australian economies.

I look forward to working with the new Turnbull cabinet, especially Treasurer Scott Morrison and Assistant Treasurer Kelly O'Dwyer, as together we seek to engage in a serious and balanced discussion about how best to create a stronger nation with a fair, equitable and competitive tax regime.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:32): My question is to the Minister for Health. Can the minister confirm that not one single doctor or nurse will be provided in the \$12 billion price tag for the new Royal Adelaide Hospital?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:32): The Leader of the Opposition is rabbiting on about this \$12 billion figure. It is just complete and utter nonsense.

Ms Sanderson: It's a pretty big figure.

The SPEAKER: The member for Adelaide is warned for the second and final time.

The Hon. J.J. SNELLING: If we spend in today's dollars \$5 billion over 30 or 35 years, that is \$150 billion. That is the health budget over the next 30 years that we will spend and that's just in today's dollars, so you can escalate that. It would probably be well over \$200 billion or more, probably even greater than that, if you want to escalate it. So, let's cease this nonsense and these made-up figures that the Leader of the Opposition pulls out of somewhere—somewhere that I think is probably better not said.

The SPEAKER: Point of order.

Mr VAN HOLST PELLEKAAN: The minister is debating the substance of the question. I ask you to bring him back to the substance of the question, which was, 'Are doctors and nurses included in the cost?'

The SPEAKER: No; I don't think the minister has yet strayed beyond the pale. Minister.

The Hon. J.J. SNELLING: Thank you very much, Mr Speaker. Of course, the contract we have with SAHP covers the building, maintenance of the building and the nonclinical services. There is nothing new here: it has never included the clinical services. Once again, I think if we went through the member for Heysen's questions back in 2011, we would probably find some similarities, and the Leader of the Opposition really has to do a little bit better than finding questions from 2011 to be asking now in 2015.

Members interjecting:

The SPEAKER: Just before we go to the next question, the Treasurer is called to order. I realise the disappointment of not being in another grand final weighs heavily on him. The member for Morialta and the deputy leader are called to order—

The Hon. A. Koutsantonis: Are you referring to Woodville or West Torrens?

The SPEAKER: Both—and the member for Schubert is warned. Leader.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:34): The minister has outlined to the house that the \$12 billion will be for the building and building maintenance, but what proportion and what dollar value of the \$12 billion is actually for finance costs for this project?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:34): I am more than happy to get a report. The Auditor-General has looked at this deal and given it the tick. The Auditor-General has been over this contract and there have been any number of reviews into this particular contract and they have said that this contract provides good value for money for South Australian taxpayers.

Members interjecting:

The Hon. J.J. SNELLING: But here we go.

The SPEAKER: The member for Unley is warned.

The Hon. J.J. SNELLING: Never change a losing strategy, I think, is the Leader of the Opposition's tactic today.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:35): Can the minister specifically point to where the Auditor-General said that this project provides good value for money?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:35): I am more than happy to find it for you, the relevant section in the Auditor-General's Report into this particular contract.

Ms Chapman interjecting:

The SPEAKER: The deputy leader is warned. The member for Colton?

CITIES AND THE BUILT ENVIRONMENT PORTFOLIO

An honourable member: He's awake!

The Hon. P. CAICA (Colton) (14:35): Yes, wide awake. It is usually the opposition that puts me to sleep. My question is to the Minister for Transport and Infrastructure. What is the state government's view of the recent federal cabinet reshuffle, in particular the creation of a portfolio for cities and the built environment?

The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister Assisting the Minister for Planning, Minister Assisting the Minister for Housing and Urban Development) (14:35): This government has been delivering significant improvements—

Ms CHAPMAN: Point of order, Mr Speaker. How can the minister possibly be responsible for the decision of what has happened in Canberra?

The SPEAKER: Well, he has not been made responsible for it; unless he joins the conspirators, I don't think so. I think the minister is merely going to tell us how the change in the line-up of the commonwealth government affects the state of South Australia.

The Hon. S.C. MULLIGHAN: Thank you, Mr Speaker. This government has been delivering significant improvements to the city. Indeed, Adelaide, as the vibrant heart of this state, is one of the government's 10 economic priorities. The state government is investing to rebuild the key infrastructure of our city and our state. We have redeveloped the Adelaide Oval and we are delivering a new Royal Adelaide Hospital. We are expanding the Adelaide Convention Centre to support tourism jobs, both in the city and across the state, and we are investing in the Adelaide Festival Plaza. We have extended the tramline twice, first to the Adelaide Railway Station and then to the Adelaide Entertainment Centre. These projects have supported not only the residents in the CBD but jobs throughout the state. In recent years, through extensive reform of our planning system led by the Deputy Premier, development in the city is easier, and there has been both a deluge of development applications as well as new hotels and office accommodation—

Mr Whetstone interjecting:

The SPEAKER: The member for Chaffey is warned for the second and final time.

The Hon. S.C. MULLIGHAN: —being built. The state government is also providing incentives for people to buy dwellings in the city, improving the number of people—

Ms CHAPMAN: A point of order, Mr Speaker. The minister is going nowhere near your excellent question which was how the changes in Canberra were going to affect us. So far he has just listed a whole lot of things he claims his government has done.

The Hon. P. Caica interjecting:

The SPEAKER: The member for Colton is called to order. The Treasurer is warned for the first time. The minister, I can feel it, is approaching the topic.

The Hon. S.C. MULLIGHAN: I'm getting close, Mr Speaker.

An honourable member interjecting:

The SPEAKER: It's a vibe.

The Hon. S.C. MULLIGHAN: Yes. The South Australian small bars legislation and the revitalisation of the Riverbank Precinct perfectly demonstrate the kind of vibrant culture promoted by our new Prime Minister. We have clearly laid out a vision for both the city and the state with the Integrated Transport and Land Use Plan, outlining a long menu of key projects over the next 30 years. We have also worked closely with federal governments of both political persuasions on delivering major public and road transport projects. I mentioned earlier, together with the Hon. Jamie Briggs, formerly assistant minister for infrastructure, we have delivered vital funding to the Torrens to Torrens project and the Darlington upgrade and most recently the Northern Connector.

We have worked with the former federal Labor government to deliver the Seaford rail extension electrification and proceeded with the revitalisation of our rail network, but there is much more to do. The state government will continue our record investment in our public transport network and in the road network. We will continue with these projects and initiatives, literally changing the look and feel of our city.

Our new Prime Minister has stated this week that infrastructure projects should be delivered objectively and rationally on their merits and the South Australian government wholeheartedly agrees. I look forward to working with the new federal cabinet and watching it engage with the states on many key developments in our cities across the nation and working collaboratively with the Minister for Cities and the Built Environment. I am optimistic that the productive working relationship will continue.

The SPEAKER: When the government is formulating questions to ask itself, it might take closer order with the answers. The leader.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:39): My question is to the Minister for Health. Can the minister confirm to the house what the annual charge to taxpayers will be for the new Royal Adelaide Hospital?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:40): It's roughly \$350 million a year, but I can get the exact figure and get it back to the Leader of the Opposition.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:40): Supplementary: what proportion of this \$350 million (sometimes reported as \$396 million) per year are finance costs?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:40): I better get a breakdown of those figures and get them back to the Leader of the Opposition, but I don't know why the Leader of the Opposition asks me a question he clearly knew the answer to.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:40): Supplementary, sir.

The SPEAKER: Well, asking those kind of questions is part of the fun, isn't it?

Mr MARSHALL: Indeed.

The SPEAKER: The leader.

Mr MARSHALL: How does this figure of \$350 million to \$396 million per year every year for the next 30 years compare with the cost at the existing Royal Adelaide Hospital?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:41): Well, because we're getting a new hospital—

The Hon. T.R. Kenyon interjecting:

The SPEAKER: The member for Newland is called to order!

The Hon. J.J. SNELLING: We're having a new hospital and heaven forbid that a new hospital might actually cost a little more than the old hospital. Yes, of course it's going to be more expensive than running the old hospital and that is—

Members interjecting:

The Hon. J.J. SNELLING: The opposition would be quite content for us to sit in a facility, the better part of which was built in the 1950s with shared wards—

Mr PISONI: Point of order: the minister doesn't speak for the opposition and he is regularly referring to what the opposition would do incorrectly, sir.

The SPEAKER: That is a bogus point of order, for which I warn the member for Unley for the second and final time. Of course, it could have been formulated as a valid point of order, but wasn't. Minister.

The Hon. J.J. SNELLING: We have an old hospital, the best part of which was built in the 1950s, which doesn't meet the needs of 21st century health care. It has large—

Dr McFetridge interjecting:

The Hon. J.J. SNELLING: The member for Morphett is like the Japanese soldier still on the island, no-one had told him the war was over, and the Leader of the Opposition is probably there with him. They are still on the island, they're still fighting on behalf of the member for Heysen from two elections ago.

Mr GARDNER: Point of order: standing order 98 certainly applies.

The SPEAKER: Yes, an excellent analogy but out of order. I uphold the point of order.

The Hon. J.J. SNELLING: The existing Royal Adelaide Hospital, the best part of which was built in the 1950s, with large wards with, generally, about six people all having to share the same ward, all having to share the same toilet. Yes, it is going to be more expensive because we are going to have a new hospital, a state-of-the-art hospital. I for one am not satisfied with the situation where six patients, basically, all have to share the same room, the same toilet. It's not good for infection control.

Mr Marshall interjecting:

The Hon. J.J. SNELLING: Because you couldn't upgrade it. Here we go, we're going back to the future, 2010. We went through these arguments leading into the 2010 election. I can talk all day about the reasons why we couldn't redevelop the existing hospital. I remember the former minister for health going on at length about the reasons for not being able to redevelop the old hospital. It would mean that the old hospital would effectively be a construction site. I think, at the time, the sort of time we're talking about that it would take was 10 to 20 years to redevelop the hospital. Let's remember—

Members interjecting:

The Hon. J.J. SNELLING: Here we go: back to 2010, back to the future. Someone has to explain to those on the other side that it has been a very long time since the member for Heysen—

The Hon. J.R. Rau: In the DeLorean.

The Hon. J.J. SNELLING: In the DeLorean, that's right. They have to get off the island. Someone has to tell the opposition that they lost this argument two elections ago.

Mr Gardner interjecting:

The SPEAKER: The member for Morialta.

Members interjecting:

The SPEAKER: I first of all warn the member for Morphett and the member for Taylor. The Leader.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:44): Will the minister commit to coming back to this house and telling us how much the new hospital is going to cost us and what the comparable cost is at the existing Royal Adelaide Hospital?

Mr Wingard: Come on; tell South Australia.

The SPEAKER: The member for Mitchell is called to order.

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:45): I am more than happy, but of course, if you're getting more, it's going to cost more. If you're getting a better hospital, yes it's going to cost more. You are getting a brand new hospital. The opposition would have us still down at the eastern end of North Terrace. They're not interested in upgrading our health infrastructure. They are health Luddites.

An honourable member interjecting:

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

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:45): Can the minister confirm to the house that in fact it will be in excess of \$250 million more per year to move to the new site and that money is not paying for one single additional doctor or nurse and of course, leading to the diminution of services right across—

The SPEAKER: Could we just have a question, please?

Mr MARSHALL: —the rest of our health service?

The SPEAKER: The leader is seriously out of order in using a question to make an impromptu speech. Minister for Health.

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:45): Let's go through this slowly for the Leader of the Opposition. Yes, if we did nothing at the Royal Adelaide Hospital: no upgrade, nothing, we just left it exactly as it is and it became essentially a museum piece that still had patients in it, there is no doubt if we were still using chloroform for anaesthetics we could probably save money there. Why use anaesthetics at all? The Leader of the Opposition would be quite happy to save the money and not have anaesthetics at all.

The simple fact is that we are very proud of our investment in this new hospital, which is not only a hospital but will create a precinct down at the western end of North Terrace—a biomedical precinct where you have SAHMRI, the universities on that site. The universities are alive to the possibilities from this new hospital. The only people left in South Australia who are still arguing to stay on the old site are those opposite.

Members interjecting:

The SPEAKER: The members for Elder, Hammond and the leader are called to order. The members for Morialta and the deputy leader are warned a first time, and the member for Taylor is warned a second and final time. The leader.

ROYAL ADELAIDE HOSPITAL

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:47): My question is to the Minister for Health. Given that the old Royal Adelaide Hospital will need to operate for up to five months more than planned, due to the delay in the opening of the new Royal Adelaide Hospital, what is the expected cost to government of the ongoing operation of the old Royal Adelaide Hospital?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:47): We had already provided for having to run the two hospitals concurrently for up to 73 days. We gave ourselves that much time to transition from the old to the new, but all these numbers have been crunched, the additional costs in terms of running the project team which is working on the transition, the additional cost of having to run the old Royal Adelaide Hospital for a little longer. All these numbers have been crunched and the total budget impact is \$34 million. When you look at the Mid-Year Budget Review, that is the total cost of both the settlement and any extra costs which the government will have to bear because of the delay.

ARTS FUNDING

The Hon. S.W. KEY (Ashford) (14:48): My question is directed to the Minister for the Arts. Can you outline to the house the effect of the federal leadership change and cabinet reshuffle on South Australia for your portfolio responsibilities, particularly the arts?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:48): I thank the member for Ashford for her question. Perhaps the member for Davenport and I will be the only two members of the house who might vote against the deputy leader's motion that she has put on notice, but nonetheless, can I start by congratulating the Hon. Mitch Fifield MP on his elevation to the role of federal Minister for the Arts, as well as Minister for Communications and Minister Assisting the Prime Minister for Digital Government. I look forward to working with minister Fifield and, indeed, meeting him at next week's meeting of cultural ministers.

Minister Fifield has some excellent opportunities to set a new positive course in the arts. One such place is to provide greater clarity over the former minister for the arts' National Program for Excellence in the Arts (or NPEA). This 2015-16 budget measure saw \$104.8 million redirected from the Australia Council, halting their grant rounds and leaving many of our state's artists and companies in limbo. Last Friday, the Senate's—

Mr Marshall: That's rubbish.

The Hon. J.J. SNELLING: Well, you have the argument with Neil Armfield. You obviously know more about this than Neil. Last Friday, the Senate's Legal and Constitutional Affairs References Committee held a public hearing in Adelaide where representatives from all across our small, medium and major arts institutions were consistent in their message that the uncertainty around these changes is damaging to our arts community. I wrote to Senator Brandis on 26 May, seeking clarification. To date, I haven't received a response.

Members may also be aware that the federal government is also currently undertaking a review into how opera is funded and supported across Australia. This review was due to be completed by 30 June; however, we are yet to even see a discussion paper. This is creating enormous uncertainty in the sector. The State Opera of South Australia company punches well above its weight as far as its production quality and output is concerned. The lag on this review is making it difficult for them to plan future programming.

Yesterday, I wrote to minister Fifield, welcoming him to the position, outlining these concerns and seeking a better working relationship between the sector and the federal government. I also raised the adverse effect that the commonwealth's decision to cut \$38 million from Screen Australia in the 2014-15 budget has had on our emerging screen sector.

At next week's meeting, I am looking forward to having a productive conversation with minister Fifield and other arts ministers to find ways that our federal government can be more engaging and supportive of the arts, not only because they define our cultural identity but because they contribute so much to the vibrancy of our state. I look forward to a productive working relationship with minister Fifield to realise the many cultural and economic opportunities for our arts industry.

EMISSIONS TRADING SCHEME

Mr KNOLL (Schubert) (14:51): My question is to the Treasurer. Has the Treasurer directed his staff or department to investigate possible models and the associated costs of a state-based emissions trading scheme for South Australia?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (14:51): I am not sure why I would have, but I will check. Prime Minister Turnbull has quite an affection for emissions trading schemes.

Ms Chapman: What about you?

The Hon. A. KOUTSANTONIS: Yes, I support a national emissions trading scheme. I think it's important. I don't believe direct action actually works. I think a market mechanism is always better than using taxpayers' money to fund polluters. Whether or not the state Treasury here has done any work on this or not, I don't know; I will check. I certainly haven't instructed them to do any. Whether they have done any work in the past on it, I am not sure, but I hope that the commonwealth Treasury is doing the work in anticipation of a new commonwealth government introducing an emissions trading scheme.

EMISSIONS TRADING SCHEME

Mr KNOLL (Schubert) (14:52): My question again is to the Treasurer. Has the Treasurer been made aware of the research findings requested by minister Hunter of his department on emissions trading schemes operating in other jurisdictions around the world?

The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:53): Recently, we released a carbon reduction strategy which has been published. It's the product of some work that was done under a cabinet committee that I chaired that includes the Treasurer and the Minister for Environment. We are proud of the fact that South Australia is playing a leadership role at a national level in relation to tackling climate change.

Ms Chapman: So, what about the emissions trading scheme?

The Hon. J.W. WEATHERILL: As the Treasurer just said, we support an emissions trading scheme.

Mr Marshall: For South Australia?

The Hon. J.W. WEATHERILL: No, we think it's unlikely that a state-based—

There being a disturbance in the strangers' gallery:

The SPEAKER: Would the person in the gallery who is using flash photography leave forthwith.

The Hon. J.W. WEATHERILL: We think that a state-based emissions trading scheme is unlikely—

The SPEAKER: Could the attendants remove that person from the gallery? Premier.

The Hon. J.W. WEATHERILL: We think a state-based emissions trading scheme is unlikely to be successful or even possible, frankly. There are some very substantial constitutional barriers which would prevent us from introducing such a scheme.

Leaving aside all of the political corners into which people get on this debate, let's just speak a little bit openly and honestly about this. Any consideration of an externality which is not capable of being priced into a product is best met through ensuring that that externality can be built into the

pricing system. That is what people mean by putting a price on carbon, because the market mechanism essentially fails because it does not price in all of the costs associated with carbon pollution.

Ms CHAPMAN: Point of order, Mr Speaker. This question was very specific, that is, whether he is aware of the research done by minister Hunter's office. We don't need a speech.

The SPEAKER: That is not a point of order.

The Hon. J.W. WEATHERILL: Mr Speaker, it is important, I think, to speak frankly about this issue and get some honesty into this debate, because when people honestly apply themselves to this matter what you get is an overwhelming consensus amongst the overwhelming number of people who have considered this issue.

It caused, of course, Margaret Thatcher to agree that there needed to be a response to climate change. It caused prime minister Howard to reach the conclusion that there needed to be a market-based mechanism response to climate change. It caused the present Prime Minister to reach the conclusion that there needs to be a market-based mechanism to address the question of carbon pollution and climate change.

The South Australian government is a strong supporter of market-based mechanisms to put a price on carbon. It is the most efficient way of ensuring that we reduce carbon pollution in our atmosphere, which is a threat, of course, to the nation and indeed the world, and we will continue to play a leadership role in that regard. We have put an open and honest discussion paper out to the community, and we will reflect upon what emerges from that discussion paper.

EMISSIONS TRADING SCHEME

Mr KNOLL (Schubert) (14:56): Supplementary, Mr Speaker: I can try again. The question is to the Treasurer. Is the Treasurer aware of any carbon schemes, whether they be market based or a form of carbon tax, that are being investigated by his cabinet colleagues?

The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:57): I can add no further than to repeat what I have said. We have a discussion paper, which I am sure the honourable member can find using that new-fangled device he has in front of him—the computer. It might be on the internet, or the interweb as my honourable colleague so often describes it.

It is there to elicit an open debate about how we respond to climate change. If those opposite want to engage in this debate in an open and honest fashion they might consult their neoliberal principles and promote a market-based mechanism for dealing with climate change and carbon pollution.

WATER INFRASTRUCTURE

Ms HILDYARD (Reynell) (14:58): My question is to the Minister for Agriculture, Food and Fisheries. Minister, can you outline to the house the effect of the federal leadership change and cabinet reshuffle on the South Australian agricultural sector, with particular regard to water infrastructure?

Members interjecting:

The Hon. L.W.K. BIGNELL (Mawson—Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Tourism, Minister for Recreation and Sport, Minister for Racing) (14:58): Barnaby's a ripper. We like Barnaby. I would like to begin by congratulating the Premier on the important role he played in the leadership change in Canberra last week, because here is a person who will stick up for South Australia and go into bat, and rest assured that many of those changes that have been made to the federal line-up are due to our Premier and the hard line that he has taken in the past 18 months.

Members interjecting:

The Hon. L.W.K. BIGNELL: He has been there. When you guys were happy with the status quo, you were happy with prime minister Abbott telling us we couldn't have this and we couldn't have that, it was our Premier who stood up to Canberra—

The SPEAKER: Point of order, member for Finniss. Minister, point of order.

Mr PENGILLY: Relevance, sir.

The SPEAKER: I am sorry, I was distracted by a staffer who persists in allowing his guests to do flash photography after he was told not to. I was distracted. The minister.

The Hon. L.W.K. BIGNELL: I was just congratulating the Premier on the important role that he played in the historic changes that happened in Canberra last week because here is a man who stands up for South Australia. Here is a man who was not happy with the enemies within the Liberal Party here in South Australia who were sitting around the cabinet table dealing us out of everything that could create jobs and economic growth in this state.

Mr VAN HOLST PELLEKAAN: Point of order: I am sure, now that you are not distracted, that you will agree that the minister's answer is not relevant to the question.

The SPEAKER: Minister.

The Hon. L.W.K. BIGNELL: Congratulations, Premier, on that role that you have played. I welcome all of those new members of cabinet who have now seen the error of their ways over the past 18 months in being disenchanted with the fact that the people of South Australia re-elected a Labor government with our friends, the member for Frome and also the member for Waite.

Now that the federal Liberal government has seen that this is a government that will stand up for South Australia and a government that will take on the views of many and is willing to work with all sides of politics for the betterment of this state for jobs and for economic growth, we are looking forward to another 12 months of a renewed vigour and new thought process from those people in Canberra.

I would like to congratulate Anne Ruston on being welcomed into the ministry in her role as assistant minister to the Minister for Agriculture and Water Resources. Anne and I have a fantastic relationship. She is someone from the Riverland who takes the Murray-Darling Basin system very seriously, and we know we have a good advocate there.

I want to thank Barnaby Joyce for the tremendous work that we have been able to do together across agriculture in the past 18 months, and I think the two of them will work very well. Barnaby's view on water is that he likes to put the big hat on, start the D9 up, and as long as there are no frogs and lizards in the way—and if there are, don't say anything about them—dig big dams, preferably in the north of the country.

Mr WHETSTONE: Point of order: debate. The Minister for Agriculture does not own a bulldozer and does not get on bulldozers to push frogs out of the way.

The SPEAKER: What appeared to be a valid point of order became a bogus point of order with the addition of an impromptu speech.

The Hon. L.W.K. BIGNELL: I have actually sat around the table with Barnaby a few times and get on very well with him and I know what his views are on D9s and frogs. I think it is great that we have Anne Ruston and Barnaby Joyce working together because we have some special projects here in this state, including the extension of the Bolivar network. We have been pushing for it for 18 months with Barnaby and he says he will try and unlock the water.

Ms Chapman interjecting:

The Hon. L.W.K. BIGNELL: I will show you all the letters, deputy leader. We have been fighting for 18 months. The Northern Adelaide Plains wastewater re-use project, at a cost of \$170 million, could dramatically expand horticulture production. Unlocking the Bolivar treatment plant could provide an additional 20 gigalitres of reclaimed water, creating an additional 3,600 hectares of predominantly new horticulture together with intensive livestock. That is a great story for the people in the northern suburbs of Adelaide because we know, when we look at the past 17 years, food manufacturing is the area of manufacturing that has grown year on year.

We also want to do the northern dams upgrade in the Clare Valley. There are three dams up there that are full of water that are not connected to anything anymore. If we can unlock that water and use it on the lands that have been wiped out by fire in the past few years—

The SPEAKER: Alas, the minister's time has expired.

The Hon. L.W.K. BIGNELL: Mr Speaker, my time was taken up by a lot of interjections from across the chamber. These are very important projects for the member for Stuart and others opposite.

The SPEAKER: The minister is called to order.

NATIONAL DISABILITY INSURANCE SCHEME

Dr McFETRIDGE (Morphett) (15:03): I will just straighten my jacket and tie for the photographer up there.

The SPEAKER: Sorry?

Dr McFETRIDGE: I will just straighten my jacket and tie for the young lady photographer. It is not one of ours. My question is to the Minister for Disabilities. Why did the state government estimate that the number of eligible children who would be part of the NDIS trial was 5,085 when the department had already been told by Autism SA that they alone had 5,000 children under 14 on their books?

The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:04): First of all, I would like to thank the member for his question.

The Hon. P. Caica: Why?

The Hon. A. PICCOLO: Why? Yes.

Dr McFetridge: It's a good question.

The Hon. A. PICCOLO: It's actually quite an old question, a redundant question, because the question is how quick—

Members interjecting:

The Hon. A. PICCOLO: If you actually listen for a moment you actually would hear the answer.

Members interjecting:

The Hon. A. PICCOLO: I will say why it's actually a redundant question, because I actually met with the previous minister (minister Fifield) to discuss this very issue recently, and both he and I thought a discussion about who said what and when was quite irrelevant and actually unhelpful.

Members interjecting:

The Hon. A. PICCOLO: Let me finish.

Mr Marshall: You guys got it wrong.

The Hon. A. PICCOLO: No, we didn't get it wrong.

Members interjecting:

The Hon. A. PICCOLO: No, we didn't, but anyway. The Leader of the Opposition would like to live in the past, but minister Fifield and myself agreed. What we agreed on—

Mr Marshall: What was your original estimate?

The Hon. A. PICCOLO: I will get to the point. What we agreed on was to make sure we transitioned and rolled out the scheme as quickly as possible, and we had very—

Mr Goldsworthy: He's struggling.

The Hon. A. PICCOLO: Not at all.

The Hon. J.J. Snelling: You're struggling with being on the backbench.

The SPEAKER: The Minister for Health is called to order.

The Hon. A. PICCOLO: Both former minister Fifield, in terms of disabilities; now Minister for Communications and the Arts, and congratulations on his promotion.

Mr Marshall: Have you got any idea about the answer to this or not?

The Hon. A. PICCOLO: Actually, I do have a better understanding.

Members interjecting:

The SPEAKER: The minister will not respond to interjections by silence.

The Hon. A. PICCOLO: The question which comes to me from the parents of children with disabilities and the carers—

Ms Chapman interjecting:

The SPEAKER: The deputy leader is warned for the second and final time.

The Hon. A. PICCOLO: What they want of both the commonwealth and state government is to actually implement the scheme, and my discussions with minister Fifield recently made it very clear that we are both committed to introducing the scheme and rolling out the scheme quickly. Both he and I—

Mr Marshall interjecting:

The Hon. A. PICCOLO: Let me finish; I will get to your question. He and I both agree the most important thing now is to look after the children, and who said what is to some extent a very unproductive discussion, which the opposition want to have but not what the parents want to have, I can tell you that. No parent has come to me and said, 'Who said what?' What the parents say to me is: 'Just get on with it.'

Members interjecting:

The Hon. A. PICCOLO: No, we didn't get it wrong.

The SPEAKER: Point of order.

The Hon. J.J. SNELLING: The minister has been attempting to answer the question in front of a barrage from what are demented parrots. I ask you to call them to order.

The SPEAKER: The Minister for Health will withdraw the term 'demented parrots'.

The Hon. J.J. SNELLING: I withdraw, sir.

The SPEAKER: Nevertheless, the interjections on my left will cease, particularly from the leader and the member for Morialta, who is already on two warnings. The minister will be heard in silence. The minister.

The Hon. A. PICCOLO: I had the opportunity to also speak to the new minister. Both he and I agree that what we need to do is just implement the scheme, which we will do. On the issue of the numbers—

Mr GARDNER: Point of order: standing order 98. The minister spent 3½ minutes first insulting the opposition for the question and then explaining the insult, and he has not yet remotely gone to the substance of the question.

The SPEAKER: The member for Morialta will withdraw from the chamber for a patently bogus point of order for the next 45 minutes.

The honourable member for Morialta having withdrawn from the chamber:

The Hon. A. PICCOLO: More importantly—and this has also been backed up by the federal minister recently—in terms of the scheme (and this is a trial at the moment) the purpose of the trial is to find out how to implement the scheme. The agreement between the commonwealth and the

state says very clearly any increased numbers the cost will be met by the commonwealth to make sure it's implemented. Mr Speaker, I am—

Members interjecting:

The SPEAKER: Given that the minister was repeatedly interrupted during his answer, he will be able to complete the sentence.

The Hon. A. PICCOLO: Mr Speaker, I would also like to add that I stand by the estimate made by our department based on the criteria made.

EARLY CHILDHOOD EDUCATION

Ms BEDFORD (Florey) (15:10): My question is to the Minister for Education and Child Development. Can the minister update the house on the effect the federal leadership change will have on her portfolio responsibilities, particularly early childhood?

The Hon. S.E. CLOSE (Port Adelaide—Minister for Education and Child Development, Minister for the Public Sector) (15:10): I thank the member for her question. I would of course like to start by congratulating minister Simon Birmingham on his elevation to cabinet and also the very important role of education and training. As someone who's recently had that experience at a state level, moving into the education portfolio is one of the greatest opportunities someone in public life can have to be involved in assisting young people to reach their potential through their education. I am also extremely hopeful that minister Birmingham will take a more consultative and engaging process to education than I've experienced to date.

The member has specifically asked about early childhood. Of course, in South Australia, led indeed by our Premier from the time that he held this role, we have long seen the importance of investing in early childhood. We have been a leader in this country in not only investing but also in elevating the subject of early childhood development, the importance of it for families. We had the late Dr Fraser Mustard, the former Adelaide Thinker in Residence, who pointed out, as members who have paid attention will recall, that every dollar the government spends supporting the development of children saves between \$4 and \$8 in the longer term.

Our government has always been focused on early childhood. As members will be aware, we've not only increased our investment, we are also building children's centres. We have 42 already and another five are in the process. What I am pleased about in seeing changes at the federal level is not only the elevation of minister Birmingham but also the addition of early childhood into the education portfolio. It was in the wrong place being treated as either welfare or a way of dealing with work entitlement for parents. What early childhood is all about is starting the education journey as early as possible, and to move it into education and training shows that they've paid attention, perhaps, to what we're doing in South Australia.

Our Premier has been not only leading since the time he held my position but also more recently in the COAG process in the reform of federation process in taking the leadership role in looking at the role of early childhood and the way in which we can get more kids into preschool and even younger earlier and also picking up the way in which parents interact with their children from the very beginning to make sure that their developmental needs are being met. So, I look forward to meeting with minister Birmingham as soon as possible to discuss these matters, and I will of course be raising the question of the years 5 and 6 Gonski funding when I do so.

NATURE PLAY

Ms BEDFORD (Florey) (15:13): Supplementary, Mr Speaker: could I ask the minister, in light of her visit to the Gillies Plains outdoor area, how she sees those sorts of areas fitting in in the future?

The Hon. S.E. CLOSE (Port Adelaide—Minister for Education and Child Development, Minister for the Public Sector) (15:13): Members will be aware that the government made a commitment to investing in nature play outdoor learning spaces for preschools and children's centres. I was very pleased to go and visit Wandana preschool last week to see the site that they've developed. What's so important about what's happening there is that you get the community engaged in the design of the play space outside for the kids, so the community is seeing in their schools the

expression of what they want to see for their children which is in itself an absolutely fantastic community building initiative.

What's also important, though, is that you're having children engaging outside not in the old-fashioned way of very rigid play structures but in play spaces that are constructed to allow children's imagination to run free. There is very strong evidence that children being able to be in uneven, wonky play spaces with loose pieces without rules not only improves their physicality, their balance, but also their brains. It is absolutely essential for fully developing their neural pathways that they are able to interact in those ways. And, of course, there is the additional benefit that they are learning to respect, love and cherish nature, and we certainly need the next generation to be paying more attention to the planet than previous generations have.

METROPOLITAN FIRE SERVICE

Dr McFETRIDGE (Morphett) (15:14): My question is to the Minister for Emergency Services. What plans has the government put in place to replace the 200 MFS firefighters who are likely to retire in the next year or so, now that superannuation has recovered from the GFC?

The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:15): I thank the honourable member for his question. As the member would be aware, the MFS runs a number of recruitment processes. In fact, if I remember correctly, he was at one recently—a graduation ceremony. I have confidence that the chief officer will make sure that as he requires new recruits, they will be trained and available for work.

METROPOLITAN FIRE SERVICE

Dr McFETRIDGE (Morphett) (15:15): Supplementary, Mr Speaker: apart from the firefighters who are planning to retire, are there plans to force the retirement of over 50 firefighters because they are allegedly unfit or overweight?

The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:15): I thank the honourable member for his question. I'm not aware that what the member has talked about is consistent with the enterprise agreement, so I really can't confirm that.

NATIONAL DISABILITY INSURANCE SCHEME

Ms WORTLEY (Torrens) (15:16): My question is to the Minister for Disabilities. Can the minister update the house on the full rollout of the National Disability Insurance Scheme in South Australia?

The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:16): I thank the member for her question. This is the question that, actually, most parents put to me, rather than the question that the opposition is interested in. The opposition—

Dr McFetridge: Results, Tony—we want results.

The Hon. A. PICCOLO: That's exactly right, and that's why we will be talking about results, rather—

Dr McFetridge: Victoria and New South Wales—they've signed up.

The Hon. A. PICCOLO: That's right. I can advise the house that the NDIS scheme in South Australia is now in its third year. The NDIA's latest quarterly report tells us that there are 4,660 children in South Australia with approved plans, equating to 99 per cent of South Australia's bilateral target. In fact—

Mr Marshall interjecting:

The Hon. A. PICCOLO: Well, actually, we have got it right because South Australia has more approved plans than any other state in the country, so in terms of transitioning our children to the national scheme to make sure more people benefit from the national scheme, we are actually leading the country in that regard. That is a record I am proud of.

This is changing the lives of children living with disability, their families and carers. However, some of the good news has been lost in the public debate amongst some about the ongoing participant numbers. That, in itself, as the previous minister and I agreed, has been an unhelpful commentary and a distraction from the main game, which is actually rolling out the full scheme.

As recently as the weekend, the former assistant minister for disabilities was quoted in *The Australian* as saying: 'The Australian government has committed to bearing 100 per cent of the risk of higher than expected costs during the trial.' This comment shows that the issue of the number of participants has moved into the past and that both the commonwealth and state governments are keen to finalise the trial and transition to the full scheme.

The 2013-14 state budget set out South Australia's full disability funding commitment over seven years, in preparation for the full commencement of the scheme. Under the full scheme, the state government contribution will rise to \$723 million, with a commonwealth contribution to the South Australian scheme of around \$760 million. In total, the full South Australian scheme will be funded by \$1.483 billion.

While welcoming the news that the commonwealth government has rolled out agreements with Victoria and New South Wales, I am keen, obviously, to be the next cab off the rank to sign with the commonwealth. When fully operational, the NDIS scheme will include every eligible South Australian with a disability under the age of 65 and will benefit more than 32,000 people.

I had a very positive working relationship with the former minister, the Hon. Mitch Fifield, and I congratulate him on his recent promotion. Yesterday, I was able to speak with the new federal Minister for Social Services, the Hon. Christian Porter, to congratulate him on his promotion and advise him that South Australia is ready to finalise our agreement with the commonwealth for the full rollout of the scheme. I thanked him for taking my call on such a busy day and I was happy to hear that he also agrees that an agreement to the full rollout of the scheme should occur as soon as possible. In closing, I extend my best wishes to Christian and his wife, Jennifer, on the imminent birth of their first child today and I look forward to meeting them in the future.

NATIONAL DISABILITY INSURANCE SCHEME

Dr McFETRIDGE (Morphett) (15:20): A supplementary, Mr Speaker: given the minister's answer just then, why did the former minister for disabilities, the Hon. Mitch Fifield, send me some talking points which said, 'Let's be clear: a doubling of eligible participants is not a cost overrun for which the commonwealth is solely responsible. This clearly constitutes a fundamental error in the original projections provided by the South Australian government.'

The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:20): As I said before, that discussion is one of the past. Both the current minister and the previous minister have said that it is more important that we roll out the scheme. If the opposition spokesperson would like to discuss the past, he can, but I am keen and focused on making sure we roll out the scheme to help—

Mr Pisoni interjecting:

The Hon. A. PICCOLO: I am not embarrassed at all. No, I am not embarrassed about our—

The SPEAKER: The member for Unley will withdraw for the next hour.

The honourable member for Unley having withdrawn from the chamber:

The Hon. A. PICCOLO: I am not embarrassed at all. It was a Labor government that introduced the scheme. It was a Labor state government which was the first to sign up. So, I am not embarrassed at all. You should be by the way you are carrying on today.

Condolence

PAECH, MR GRANT

The Hon. L.W.K. BIGNELL (Mawson—Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Tourism, Minister for Recreation and Sport, Minister for Racing) (15:21): On indulgence, I wish to make a few remarks about the sad passing of

Mr Grant Paech. Mr Paech, who passed away yesterday, was an outstanding South Australian and a proud son of the Adelaide Hills. He was a pioneer, innovator and very enterprising businessman. He demonstrated a lifelong passion for growing the very best produce and turning that into delicious high-quality food.

The company he formed, Beerenberg Farm, is a multimillion dollar business and is synonymous with the premium food industry in which our state excels. The Paech family came to South Australia from Prussia just three years after European settlement of the colony, and many generations have lived in the Hahndorf area ever since.

Born on 5 December 1940, Grant Lester Paech was a farmer who, almost by accident, developed a brand of jams that became hugely popular. After planting a batch of strawberries near the Paech family farm in the late 1960s, he started selling his crop from a roadside stall. One day he cooked up some leftover strawberries and made a dozen pots of jam that sold very quickly from his packing shed. This planted the seed for a business that branched out into other jams, plus condiments and sauces, and now sells its products across Australia and exports them to about 25 countries. Indeed, today you will find Beerenberg products in hotels and restaurants and on airlines all over the world. I must say, when you walk through shops in Hong Kong and Singapore and you see the Beerenberg label, it stirs a certain amount of pride in South Australia.

Mr Whetstone interjecting:

The Hon. L.W.K. BIGNELL: The member for Chaffey is interjecting about his fig jam, and we know he is famous for his fig jam, and he is at shows right across the state.

Mr Whetstone interjecting:

The Hon. L.W.K. BIGNELL: And I didn't think that was how you got your nickname—but it is fig jam and ginger, as I understand.

An honourable member interjecting:

The Hon. L.W.K. BIGNELL: Yes. Besides setting a fine example through his own work, Mr Paech was an inaugural member of Food Adelaide and an influential member of our state's food industry. It is through Food Adelaide that I first met Mr Paech when we had a Russian delegation of buyers out here in about 2007. I went up there with Food Adelaide and they were amazed by the range of products that Beerenberg had on offer. It really points out how we can value-add, and this is something the government is keen to do. As we value-add into that luxury area, we value-add into taking something that is a raw product and making sure that we can get more money for that by processing it here and sending it interstate and overseas. Mr Paech was an absolute leader in that area. He did not selfishly sit there and huddle around his own produce and not let anyone know the secrets. He led by example and inspired many more people in the South Australian food industry.

In 2015 South Australia has a well-earned reputation both for producing premium quality food and wine and for being a superb tourism destination. Our deliberate combining of those two assets is a valuable and highly marketable point of difference for our state. Grant Paech, along with his wife, Carol, and his family, played an instrumental role in practically demonstrating the success of that strategy. Beerenberg Farm in Hahndorf remains a true South Australian family business to this day and, of course, a lovely place to visit on a Sunday drive through the Hills.

Mr Paech's three children, Robert, Anthony and Sally, today run the company and do so with the same dedication as their father. I must say that all of them are also helping other food businesses around South Australia to increase their knowledge and their accessibility to interstate and overseas markets. On behalf of the government of South Australia, I extend my condolences to Carol Paech, their children and six grandchildren and to all who knew Grant Paech. May his legacy be a thriving family business and a premium food industry that continues to do our state proud.

Mr MARSHALL (Dunstan—Leader of the Opposition) (15:25): On indulgence, I rise to also pay tribute to the life of Grant Paech, whose sad passing was reported in today's *Advertiser*. Mr Paech was born in Mount Barker in December 1940. He is a graduate of the Roseworthy Agricultural College. Originally a dairy farmer, Grant saw an opportunity to diversify, renaming the

farm, selling off the cows, planting strawberries and trading jam from a roadside stall: a true entrepreneur for South Australia.

From these very humble beginnings, Grant Paech, together with his wife, Carol, and his children, was able to go on and grow this business into one of international reputation. It was a great fillip for South Australia when Beerenberg jams were selected to be presented to first class customers flying with Qantas. In 1993, Beerenberg launched its small foil packs to supply the hotel market, and after 20 years of production it holds close to 70 per cent of this niche in Australia.

The Paechs have continued to grow their business and create an award-winning company in the fields of horticulture and the food industry, with the iconic label being recognised in 2011 as the Telstra South Australian Business of the Year. Grant and his family continue to improve, expand and demand excellence from the Beerenberg company. His contribution to the food and tourism industries is of an international standard.

I first met Grant whilst president of the South Australian division of Family Business Australia. Both he and his son, Anthony, agreed to present to a forum of members. I must say that from the moment I met Grant, he was a gentleman, a gentleman who was a very successful businessman and one who was very willing to share the knowledge he had gained from working in such a successful family business with the rest of the family business sector in South Australia.

On behalf of the Liberal Party in South Australia, I extend our very sincere condolences to his wife, Carol, and to his children, Robert, Anthony and Sally, and of course to his many grandchildren. Vale, Grant Paech.

The DEPUTY SPEAKER: I think every South Australian knows of the Beerenberg name and would join with you in your thoughts.

Grievance Debate

CHAFFEY ELECTORATE

Mr WHETSTONE (Chaffey) (15:28): I rise today to speak about a number of achievements in the Riverland and Mallee in recent times. I am always buoyed by the talent and creativity of my electorate. As many of you would know, the electorate of Chaffey is a food bowl to South Australia and the high quality product and produce in the electorate is a credit to those who pour their hearts and souls into their businesses.

Jim Markeas of Mallee Estate Wines (based in Renmark) was named as the recipient of the JMA Engineering Riverland Wine Industry Award (formerly known as the Riverland winemaker of the year) at the 43rd Riverland Wine Show last week. There were more than 350 entries in the show, held at Ruston's Rose Garden. Jim has been winemaking for 17 years. He grew up on the family fruit block, a son of Greek migrants, Peter and Eleni, who arrived in Renmark in the 1960s. Jim and his brother built the winery in the 2000s to process their own fruit when prices started to slide and they now process about 500 tonnes per year. They have developed export markets in both China and the US and they are very proud of their product, as the Riverland should be.

Kolophon Capers is another Riverland success story, run by Barry Porter and Helen Jones. Their capers and caper leaves are prized. Pickled Kolophon caper leaves won a gold medal at the Sydney Royal Fine Food Show. Of the 300 entries in the regional food competition, only 21 gold medals were awarded. Kolophon Capers has previously won silver and bronze medals in this event. Kolophon Capers supplies a number of restaurants nationwide, the finest restaurants in the country, and their products are used by some of the world's leading chefs right across the globe.

Jeremy Schutz was crowned this year's SA Rural Ambassador recently at the Royal Adelaide Show. He is the youngest ever Pinnaroo Show president, at 23 years of age, and he also runs his family farm at Pinnaroo. He is a qualified fitter and turner, plays various sports, including football at the Pinnaroo football club, and is a CFS volunteer. He previously won the Young Rural Ambassador in 2009. He takes away a \$5,000 scholarship from the Royal Agricultural Society and the South Australian Education Foundation. He will now travel to New Zealand in 2016 on a two-week study tour as a major prize.

Maddie Ziegler is South Australia's Vocational Student of the Year. A 19-year-old Waikerie nursing student, Maddie won the vocational student of the year at the SA training awards. The Riverland was also represented by Waikerie's Bethany Smith, who was runner-up in the People's Choice category, and fellow finalist Kara Bottrell.

Maddie has previously won the KMC training VET student of the year, the Waikerie High School VET student of the year, and the Riverland and Mallee vocational student of the year at the Rotary Run Awards. She studied the Certificate III in Aged Care and Certificate III in Disability at Glossop High School's Trade School for the Future, gained employment with Pioneer Haven in Waikerie and developed a passion for nursing. She is now studying at the famous Flinders Uni Rural Clinical School at Renmark. She will represent South Australia at the Australian Training Awards in Hobart in November.

At the Premier's Natural Resource Management Awards and South Australia Landcare Awards in Waikerie, Browns Well Landcare chair, Lew Westbrook, the junior Landcare team at Barmera Primary School, and the Regent Parrot Recovery Team were acknowledged with awards. Lew has been volunteering for more than 10 years, with a passion for conserving malleefowl and rabbit eradication.

And of course, how could I forget the Riverland's very own Senator Anne Ruston, elevated to Assistant Minister for Agriculture and Water Resources. They are two vital portfolios in the great electorate of Chaffey and many people in this chamber would understand that Chaffey, being one of the premium food bowls of South Australia, now has a federal representative in agriculture and water. I congratulate her. She has been an absolute gem over her reasonably short career in politics. She is a hard worker, a successful businesswoman and a great friend of mine, and I am sure that her efforts have been rewarded, not only within her business, but now her assistant ministry to minister Barnaby Joyce.

I think that she will do an outstanding job, and all South Australians should be proud that we have a great representative alongside those other ministers and assistant ministers in the current Coalition government. Congratulations to all of the award winners mentioned. I am sure there will be many more in the coming weeks in the great electorate of Chaffey.

NORTHERN ECONOMIC PLAN

Mr ODENWALDER (Little Para) (15:33): I just want to talk a little today about my local area, the northern suburbs of Adelaide, and some of the challenges that we face, together with some other local MPs here, and how we are going about addressing some of those challenges. I am not going to go over today all the facts and figures—they have been well canvassed—or labour the point that Holden's demise will significantly change the landscape of the north.

I will just remind members that at the moment the northern suburbs based industries employ twice the state's average in manufacturing and this, as we all know, leaves the area particularly vulnerable at a time when the sector is transforming from the traditional heavy manufacturing of the past to modern advanced forms of manufacturing, and also at a time when uncertainty over defence contract procurement as well is putting added pressure on manufacturing workers and their families.

There are some positives. We also know that, if we work together, as we are, with business and with the local community, we have many opportunities for growth in other industries, including, as the Minister for Agriculture has pointed out many times today in fact, food manufacturing, also health care, education and professional services. The state government, under the leadership of the Premier, the Treasurer and the Minister for Automotive Transformation, is developing the Northern Economic Plan, which is a collaboration and an ongoing consultation aimed at developing new business and new jobs in northern Adelaide, based on the region's strengths. It will focus on areas of growth, on the land that is available for development and the infrastructure, including transport, power and community services, that will be necessary for a sustainable future.

Part of this, of course, is the northern suburbs' potential as a major food production and distribution hub for the state. Again, the Minister for Agriculture speaks about that often in this place and did again today. In collaboration with Food SA, we are investigating the possibility of a food park in northern Adelaide. The idea, of course, is that such a park—and I know the member for Taylor has

worked very hard on this—would bring together manufacturing, packaging, distribution and transport companies in the one precinct to increase business and exports.

I think this is an idea that has a lot of merit, and I want to thank the member for Taylor for her work in Taylor, just across the train line from my electorate. I know there has also been some private investment interest in this area generally, and I would like to see the focus remain on the north, as I am sure the member for Taylor would, as the ideal site for any future development or developments of this kind.

I just want to mention in passing also, as the Minister for Transport did earlier, that it is great news that the Northern Connector has finally got the green light. It was almost the last act of prime minister Abbott, and perhaps his finest hour was giving the green light to the Northern Connector. I also want to thank the Minister for Transport and the new Minister for Cities and the Built Environment who, I understand, are great friends. I want to thank them both for their work in giving the green light to that project.

I also want to mention in passing the Minister for Education, the Treasurer and the leadership at Fremont-Elizabeth City High School for their foresight in this year's budget in providing much-needed extra investment for the only high school in my electorate. It is a high school which needs such investment and will make very good use of it, I am sure.

As I said, making the Northern Economic Plan work and making it responsive to the real needs of our community in the north is about collaboration and consultation. It is about developing a shared vision of the future of the region with industry, all levels of government, workers and their unions, and everyone who works, lives and plays in the north.

The development of the Northern Economic Plan is multifaceted but, over recent weeks, it has involved a high level of engagement with the community. I have been out there talking to residents and small businesses in my area, as has the Minister for Automotive Transformation and his advisers. We have held several public forums and consulted as widely as possible with both business and the community.

Earlier this month, the Minister for Automotive Transformation hosted a northern Adelaide industry engagement breakfast at the Central District Football Club where industry leaders from businesses across northern Adelaide were encouraged to contribute their views on a sustainable future for Adelaide's north. It was a very well-attended event. As well as representatives from local businesses large and small, there were local MPs galore. The members for Wright, Taylor and Napier, and the federal member for Wakefield were there, as well as the mayors of Salisbury, Playford and Port Adelaide Enfield. Local government was very well represented.

The atmosphere there, it has to be said and I am sure everyone will agree, was extremely productive. There was a real sense of urgency and of a need to work together for the north regardless of politics and business differences. On this last point, it was especially encouraging to see people put long-held differences aside for the good of the northern suburbs and everyone acknowledge the strengths and contributions of all the other parties, whether business or state or local government.

People spoke passionately and honestly about the role of government and also about the roles and responsibilities of the businesses in the north that will be needed to make any economic plan work going forward. I commend the Premier and the Minister for Automotive Transformation on their work so far, and I commend the local councils, mayors and local businesses who are embracing the Northern Economic Plan.

DOMESTIC AND FAMILY VIOLENCE

Mr VAN HOLST PELLEKAAN (Stuart) (15:38): I rise today to inform the house of the very successful launch of Parliamentary Friends United against Domestic and Family Violence, which occurred on the last sitting day of parliament, Thursday 10 September. This was a new group launched very cooperatively and jointly by myself and the member for Reynell, who I will return to in just a moment.

It was a very successful launch. I thank those members of parliament who attended, and I thank all members who have subsequently signed the document we sent around for those people who just were not able to get there on the day. I particularly thank the Premier and the Leader of the

Opposition for their attendance and for speaking at the event, as well as those community members who I know are deeply engaged in this topic. Parliamentary Friends United against Domestic and Family Violence aims to:

- keep the serious issue of domestic violence at the forefront of the South Australian political agenda for all parties;
- educate parliamentarians and other community members about the causes of domestic violence, including the gendered nature of violence;
- educate parliamentarians on the different and not always visible forms that domestic violence may take, including emotional, financial and psychological violence;
- foster bipartisan input into and support for initiatives and policies developed to prevent domestic violence;
- publicly demonstrate political unity in tackling domestic violence; and
- engage with and support organisations working to prevent domestic violence and support those experiencing it.

The group will:

- bring parliamentarians together to explore the issues surrounding domestic violence in a way that promotes and furthers its aims;
- organise speakers of note to assist in fulfilling the organisation's objectives; and
- support organisations that work at the coalface of domestic violence prevention and support and bring them together with parliamentarians.

I wholeheartedly thank those members who have signed their support for this group and who I know will work collaboratively with us in this work. I would also like to pay tribute to the member for Reynell, Katrine Hildyard, who is deeply committed to this issue as I am.

We come to this work from different places, different parts of the state, different personal backgrounds and no doubt different strengths and capacities that we can contribute to the topic as well, and that is as it should be—if we were both exactly the same we would not achieve as much. I look forward to working with her in this effort and I thank her for joining with me to do this.

I also pay recognition to some organisations in my electorate, and, while it is not possible to mention all of them, I will focus on those working in Port Augusta, which is the largest centre in the electorate of Stuart. The key groups working incredibly diligently against domestic violence are the Port Augusta Homeless and Violence Against Communities Collaboration, the Victim Support Service and the Family Violence Legal Services Aboriginal Corporation (Port Augusta office).

Now, those groups are also ably supported by Women's Wellness House, SAPOL Domestic Violence Unit, Centacare, Family Relationships Centre, Housing SA, Aboriginal Families Support Service, Red Cross, UnitingCare Wesley and the Salvation Army. No doubt there are others both at an organisational or agency level or even at an individual or personal level that are working very hard in Port Augusta and other parts of my electorate on this issue.

This is an issue that belongs to everybody. There is nobody in our state, or unfortunately our nation, who is not affected by domestic violence in one way or another, so everybody has a responsibility to contribute to just stop the fact that one woman a week on average over a 12-month period will die from domestic violence. That is not the women who will be injured or harmed in one way or another—women who actually die, one a week, which is completely unacceptable; and then you add to that all of the other women who have suffered in one way or another and children as well.

Let me just finish by saying that, while every single person has to take a responsibility in stopping this cursed activity, it is overwhelmingly men who perpetrate domestic violence. Most men do not but it is overwhelmingly men who do perpetrate domestic violence, and so it is overwhelmingly men's responsibility to stamp it out.

AUSTRALIA POST

Mr PICTON (Kaurna) (15:43): I would like to read into *Hansard* a letter I have just sent to Ms Allison Quach, the National Street Post Box Coordinator for Australian Post. I quote:

Dear Ms Quach.

I understand after reading through the documents provided in answer to my Freedom of Information Act request that you are the coordinator at Australia Post who is in charge of the allocation of Street Post Boxes across Australia and you have been dealing with my numerous requests to establish a street mailing box in the new suburb of Seaford Meadows, South Australia.

As you can imagine, I'm frustrated with the lack of response from your organisation. So are the thousands of residents of Seaford Meadows. In my view this is such a simple request, such a sensible request—yet it has hit a wall at Australia Post of surprising proportions.

As you said in an email that has been released 'it seems that Mr Picton seems very "bent" on getting a new SPB (Street Post Box)'. And you were right—I am fighting hard to get this basic service provision for residents.

This started out as a request for local residents for a payphone at the new Seaford Meadows Shopping Centre. The request for the post box was made in [the] weeks after that. For the payphone, a request was made to Telstra, it was balanced against their community obligations and the request was granted. In recent weeks the [new] payphone has been installed at the shopping centre and it has been welcomed by the community.

In comparison, the request to Australia Post from me, the federal MP Amanda Rishworth, the former state MP, the Seaford District Residents Association and 159 local Seaford Meadows residents who signed a petition have all been denied.

The contrast to the approach to this new suburb by Telstra and Australia Post is stark. Telstra is privately owned, yet Australia Post is owned by taxpayers. Payphones are expensive to install, run and maintain; yet a post box is significantly cheaper. Payphones are rarely used these days, but post boxes are still an absolutely necessary community service.

In one of your emails dismissing my application for the post box, you refer to Seaford Meadows as only having 1,652 residents. This was at the 2011 census, which also showed at that point there were 662 dwellings. As should be self-evident for a new suburb, this figure is growing every day. As of today there are over 1,000 dwellings suggesting that there are likely over 2,500 residents.

However, even bearing that in mind, there is a more important point of the general inequity of Australia Post's distribution of post boxes in inner metropolitan areas compared to outer metropolitan areas.

For instance, at the location residents would like to see a new post box, the Seaford Meadows Shopping Centre, there are no boxes within a 1.3 kilometre radius and only three within a 2 km radius. Compare that to inner city Hawthorn, Victoria where Australia Post's CEO is lucky to have his house. From there, there are 59 post boxes within a 2 km radius—a massive 20 times the service offering to residents in Seaford Meadows.

And an analysis of state electorates [in South Australia]—all with the same number of voters—clearly shows that discrimination in the Adelaide metropolitan area. So the electorates of Kaurna and Napier in the outer suburbs get 15 and 19 post boxes respectively, whereas the inner city electorates of Dunstan and Unley have 41 and 51 post boxes respectively. All of those areas have the same number of Australia Post customers. People in the outer suburbs get a level of service that would never be accepted in leafy inner-city suburbs.

The refusal to install this post box also comes after Australia Post has withdrawn important services for local businesses in southern Adelaide with the closure of the Lonsdale business centre. The Members for Reynell and Kingston have been leading a campaign to see that closure reversed—but yet again that has also fallen on deaf ears.

You have also refused to install a new post box at Silver Sands at Aldinga Beach—even though this location is definitely outside your stated standard of a post box within every 2 km inside the metropolitan area.

At a time when Australia Post is pleading for more people to use its mail service—your organisation is making it harder and harder for people to actually send a letter. This request will make it easier.

So after appealing to Australia Post's CEO many times, appealing to the then minister (now Prime Minister), demonstrating as you required the support of the community to regularly post items, appealing to the Postal Industry Ombudsman—I now appeal to you one more time to show some support for the people of Seaford Meadows.

At the very least I invite you to come to Seaford Meadows, see the suburb for yourself and meet with local residents. I would even be happy to pick you up from the airport! Yours sincerely, Chris Picton MP.

DEMENTIA

Mr WINGARD (Mitchell) (15:48): I rise today to speak about my role as a dementia champion for Alzheimer's Australia SA. Along with my staff, I organised a forum in Reynella to facilitate connecting community members with information and services available to people living

with dementia and their families. It was also an opportunity to promote dementia-friendly communities, a term used to describe making our local areas more friendly and inclusive to people with dementia.

I will mention a few statistics about dementia. Interestingly, dementia is the second biggest killer of people in Australia. One in three people over the age of 60 will develop dementia. Sixty per cent will not get dementia and therefore it is very much worth looking after your health, giving yourself a healthy lifestyle with a good diet, exercise and sleep and keeping an active mind. If you have any concerns about dementia, the local service number to call is 1800 100 500 (that is the national helpline) or visit the website fightdementia.org.au.

In my electorate of Mitchell, 700 people live with dementia and 2,500 people are impacted by dementia. At the forum we held we had a wonderful speaker who I know has also spoken at a group with the member for Bright. His name is Barrie Anderson and he lives in Warradale. He is a primary carer for his loving wife who has dementia.

He shared several key points on his firsthand experience. In brief, his touching presentation stressed the importance of having a good network of professional and social support groups, having a good sleep pattern and a good sense of humour, being involved in educating the public about dementia and being open to developing new skills. He also told a heart-wrenching story about the bag of diamonds he would carry, which was his way of communicating with his wife. It was a truly touching speech.

The second speaker was Andrew Ramsey from Alzheimer's Australia SA. He outlined key services that are important within the organisation, ranging from one-on-one support for people living with dementia and their families to offering a public resource library supporting research and providing public education programs to the wider community.

The third speaker was Phil Saunders, also from Alzheimer's Australia SA. He focused on how we can support dementia-friendly communities. The importance of people living with dementia being able to remain connected and not isolated from society is crucial. Being dementia friendly could be as simple as increasing awareness amongst local community groups and clubs, or it could be making changes to local infrastructure and signage.

There are five simple steps to maximise your brain health: (1) look after your health; (2) do some kind of physical exercise; (3) mentally challenge your brain; (4) follow a healthy diet; and (5) enjoy social activity. I would sincerely like to thank the Reynella Neighbourhood Centre and Alzheimer's Australia SA for supporting the forum and making it happen. I would also like to thank Maryanne Noon, who is head of engagement and external relations with Alzheimer's Australia SA, and Kathryn Quintel, who is the CEO of Alzheimer's Australia SA.

There were a number of people who came along to the forum and I must thank them for attending. We had more than 40 people registered to come to the forum but, given the time of year with flu season lurking, there were a few late apologies, and we hope those people are feeling a heck of a lot better. However, for everyone who came along, they said they got plenty out of the forum and it was a delight to put it on.

There are a few people I would like to mention who did go to the trouble of coming along and really took something away from the forum: Cathryn Thurston, Trevor Hayley and Bryan Ford. Betty Anderson came along with Linda Irvine, who is from the Grandview village in Trott Park, and they were a delight to catch up with. We are really keen to go back to the Grandview village and have a further chat with them about dementia and dementia-friendly societies, and also a bit more about Alzheimer's SA. Donald and Elise Holt came along as well from Trott Park, which was outstanding. Colin and Ann Nichol also attended, and it was great to have them there as well.

Merilyn Russell has been a wonderful supporter and has a business on South Road at Reynella. She is a mobility specialist and she was a great supporter of the event as well. Valerie Wade also made it along, which was fantastic. There were a number of other people who were there, but we really did appreciate all the support we had from the Alzheimer's Australia SA group. We did really enjoy the morning and especially having Barrie speak to the rest of the group.

I would like to take the opportunity to repeat that number again, if anyone is having any issues with Alzheimer's and/or dementia. The number is 1800 100 500, which is the national helpline, and the website is fightdementia.org.au.

SAFE KENNELS

Ms HILDYARD (Reynell) (15:53): I want to start today by thanking the member for Stuart for his very kind words and I also indicate that it is a deep privilege to work with him on our parliamentarians united against domestic violence group. I rise also today to speak about the important work the RSPCA does with and for our community in many different ways, our state government's Safe Kennels funding and how it will assist members of our southern community at their most vulnerable moments.

Last month, I had the absolute pleasure of visiting the RSPCA Lonsdale animal shelter and office, where I met with CEO Tim Vasudeva and staff member Di Evans. Whilst getting to meet Bruno the staffy—who, incidentally, is currently looking for a foster home—was certainly a highlight of the visit, I was also able to talk with Tim and Di about how our state government funding for Safe Kennels in our southern community will work to protect vulnerable members of our community and their pets.

The Safe Kennels program was a recipient of funding through Fund My Idea, an initiative through which communities identified, developed and voted upon which ideas they wanted government funding to support. The RSPCA received \$20,000 to implement in the south their community-driven project, which is already delivering better outcomes for people in difficult situations and their pets.

The Safe Kennels program recognises that when people live with a mental illness they can have long stretches of time in which they require treatment or hospitalisation and are unable to care for their precious furry friends. At these difficult moments the program provides a safe kennel through the RSPCA for the pets of this group of people so that they can access the treatment and care they need without worrying about how their pets will be cared for, a factor which has been shown to cause significant stress and prevent some people from accessing treatment. The program ensures that whilst they are unwell and/or seeking treatment they can do so safe in the knowledge that their pet is being cared for without any additional stress or worry and ensures that they can simply resume caring for them when they well enough to return home or their treatment finishes.

Importantly, Safe Kennels also assists women and their families experiencing domestic violence. Research has shown that a risk to pets is one of the reasons that women do not seek help or leave violent situations. Pets can be used as a way of controlling a person by threatening harm to the animal. Additionally, crisis accommodation services often do not have the capacity to take pets when those fleeing domestic violence initially present to them. A guaranteed safe place for beloved pets ensures those experiencing domestic violence are much more likely to seek assistance and accommodation from support agencies.

This program has been in operation for some time already. Last year, the RSPCA offered 94 safe kennels; however, unfortunately, they also had to turn away that many again due to a lack of capacity. The funding given to the Lonsdale shelter will allocate a safe kennel to an additional seven animals needing emergency accommodation per day. This means that an additional 2,400 kennel days will be allocated for the pets of people affected by mental health issues and women and families affected by domestic violence. This funding also has further net benefits in that it frees up spaces in the RSPCA's ongoing boarding facilities which generate profit used to assist more animals and families in need.

As much as I wanted to leave the RSPCA with a car full of the beautiful animals I saw there, particularly Bruno the staffy, I was not able to do that on that day, but I left deeply heartened by the incredible number of staff and volunteers who are at our Lonsdale shelter in the heart of Reynell caring for the animals and interacting with community members at difficult moments in their lives. Thank you to Tim, Di and all other staff and generous volunteers who choose to make a difference in our community through caring for people, their pets and those animals without homes. Congratulations also to our southern community, who are always willing to engage with one another around the issues important to our community and who are always willing to support more vulnerable community members and did so through this Fund My Idea process.

This Friday, I very much look forward to presenting a cheque for the Fund My Idea Safe Kennels Project to the RSPCA's CEO Tim Vaseduva and to thanking him and his staff and volunteers for working with our community to submit such an innovative and compassionate idea to this program. Our southern community will be better for this contribution.

Bills

COMPULSORY THIRD PARTY INSURANCE REGULATION BILL

Second Reading

Adjourned debate on second reading (resumed on motion).

Mr WINGARD (Mitchell) (15:58): I rise today to speak on the Compulsory Third Party Insurance Regulation Bill and to place a few facts on the record about what the government is doing by passing this bill.

Firstly, it must be noted that the government does not need to pass this bill to make the changes it is proposing. They have considerable powers under the existing Motor Vehicles Act, and they can make these changes through altering regulations; but by passing this bill it will make the operating environment for associated insurance companies more stable. So, the government is making these changes regardless, but by passing the legislation it will allow private operators a clear six months to implement all the alterations they need to ensure it is a smoother transition for the South Australian public. However, with that comes a warning that the South Australian public should be aware of, and there is some background that they should know about.

Firstly, the compulsory third-party insurance (CTP) scheme under the Motor Accident Commission (MAC) is South Australia's compulsory third-party insurer and, in 2013, provided approximately \$360 million in compensation to road crash victims. CTP insurance is built into the SA government's motor vehicle registration process, and Allianz Australia Limited is MAC's CTP claims manager. They processed approximately 4,600 new claims in the 2013-14 year.

MAC's vision has been to provide a viable system of CTP insurance for South Australia and contribute to road trauma reduction. Their mission has been to ensure the long-term viability of the CTP scheme by working with partners and stakeholders for the benefit of South Australian road users. They have done that with great success but, as we know, the Treasurer is going to close down the MAC in that key role.

In regard to things that have been achieved, I should mention that the chairman of the Motor Accident Commission is Roger Cook. He has been highly successful and there have been some notable achievements. Firstly, MAC has provided sound financial and investment management of the CTP fund, resulting in a net asset position of \$1.2 billion and a funding ratio of 155 per cent. I will say more on that \$1.2 billion figure in just a moment.

They also achieved a record operating result of \$371 million in 2012-13, which was superseded in 2013-14 by an estimated \$480-odd million as well. They achieved significant returns of 11.2 per cent in 2013-14, which was the highest since 1997, and that has been a benchmark for the way they have operated. They have done an outstanding job financially.

I will come back to the \$1.2 billion in net assets that MAC has had. That money sitting there was clearly a carrot too large for the Treasurer and all his financial mismanagement and the financial mismanagement, primarily from this state Labor government, over the past 13 years. Treasurer Koutsantonis has been clamouring to get his hands on that cash and he needs it to fill the backlog from his overspend.

He has been trying for a cash grab everywhere. The Treasurer has been hitting South Australians' wallets any way he can. We all know about the ESL hikes; plans for more land tax have been on his radar; and we heard today that the Weatherill government has also been having a look at a state-based carbon tax.

We know that state debt is rising towards \$14 billion since 2002-03. This Labor government has spent \$4 billion more than it budgeted on general government operations. Think about this number. In other words, just running the state, they are \$4,000 million over budget. When they need

extra funds, they seem to pull it out of the air. They are \$4,000 million over budget since 2002-03. When they saw this nest egg that was the MAC—a very well operated business—the Treasurer has jumped at it, closed it down and grabbed the cash.

Forget about how well MAC has been running. Forget about its financial success. The government has seen the value and, in the dire financial straits that they have forced SA into, they have grabbed the cash. Never mind what it means to car owners and what it will add to the cost of registration in future. The Treasurer does not care: he needs the cash and he needs it now.

Other successes of the MAC have been their CTP rollout and that has been a significant achievement. I will mention just a few highlights on how they have operated the compulsory third-party insurance. They initiated and provided strategic advice and supported the state government in the introduction of CTP scheme reforms, including the implementation of legislative changes; implemented significant changes to claims management policies and practices to supplement the scheme reforms and improve claimant experience; increased the focus on optimal recovery for people injured in motor vehicle crashes; and achieved improvements in claims management and scheme performance.

We have heard other speakers talk here today about what it is going to mean. I know that the Treasurer has put in a three-year cap and is bringing in three to five operators. That is still being negotiated. Treasurer Koutsantonis is still finding his way through that, but people who have been here longer than I have seen this government try to operate in this space and try to do this themselves.

There are great alarm bells ringing about how the transition will take place and how much control (or otherwise) the government will have over this process and how much the fees and charges will potentially rise, given that the government has, as I said, a very poor history in trying to facilitate these sorts of projects.

The other thing MAC has done well has been strategic business outcomes. They have some significant achievements there as well. They have improved social and health outcomes for South Australian road users through the effective management of the CTP scheme, mitigated risk to the state government through financially responsible management of the CTP scheme, and supported accident and emergency response through the provision of funding and sponsorship of the State Rescue Helicopter Service, hospitals and SA Ambulance Service.

The question that will come is: will these community programs still be funded? We also know the long list of organisations that the MAC has funded, supported and sponsored from a sporting perspective. I know they sponsor the SANFL country football, the Adelaide Lightning—they have just put money in there—as well as Schoolies Week at Victor Harbor which is heavily funded by MAC. I have mentioned the rescue helicopter as well. So, the question out there that people must be asking is: will that still be funded? The minister has said that the new CTP program will have a percentage taken out and put aside to help fund MAC. We want to see more detail on that to make sure that is still going to be the case so that those projects can still go ahead for the community.

Other significant achievements of MAC include road safety points and some of the things that have been outstanding that MAC has done around road safety. Since taking over the government's road safety communications program, MAC has helped contribute to reducing South Australia's annual road toll over the time. They have developed and implemented an award-winning road safety communications program to raise awareness, change attitudes and behaviours of road users and reduce the incidence of road trauma. They have provided \$100 million in contributions to the state government in 2014 and that is where the Treasurer saw the money that was on offer and he decided he needed more of that so he has gone now to fully privatising and selling off the MAC so that he can reap in as much money as possible.

Again, what is going to happen to road safety? Will the MAC continue to provide the expertise that they have developed over time, and will it stay at the high standard that we have had for such a long time? They are questions that need to be followed up and answered further.

As I said at the start, the government has made it clear that they are making these changes regardless of this legislation. To stop it would only add uncertainty to the marketplace and potentially be a cost to the insurance companies and businesses making the change, which could potentially

flow on to the South Australian public and be an extra financial burden to families and businesses. This is not what our party wants.

But understand this: the Treasurer is making these changes because he needs to flog off assets to prop up his mismanaged budget. At the last state election, SA Labor promised it would not privatise any significant assets. The privatisation of MAC is a massive broken promise to South Australians. It is just what the Treasurer does. Treasurer Koutsantonis has flip-flopped more than my old pair of rubber thongs.

Another outstanding example of this was when the federal Treasurer first announced the Asset Recycling Fund, Treasurer Koutsantonis was publicly vocal in opposing it, shooting his mouth off at every possible opportunity indicating that South Australia would not be applying for funds because they would not be privatising anything in South Australia, then a few months later came the big flip-flop. After bagging the asset recycling grant scheme, Treasurer Koutsantonis applied for money under the exact same scheme. Can you believe it? He asked the federal government for cash under the asset recycling grant scheme for privatising the MAC. So, he put his hand out for money from the feds for doing something that he said he would not do. It is unbelievable but it is true.

The DEPUTY SPEAKER: Could I ask the member for Mitchell to hold off a moment? I am advised by the table that the member for Unley is actually in the gallery and, under the standing orders, you are not permitted even to be in the gallery until your expulsion is finished at 4.21pm. Could I ask you to vacate the gallery? Thank you, member for Mitchell.

Members interjecting:

The DEPUTY SPEAKER: No, just ask him to leave. The member for Mitchell may continue.

Mr WINGARD: As I said, the Treasurer has flip-flopped on this to suit himself and put cash in his coffers to cover more than a decade of financial mismanagement that the people of South Australia are now paying for.

Mr GRIFFITHS (Goyder) (16:08): I commend the member for Mitchell for his contribution. As one would expect when there is legislation that revolves around the sale of an asset, it talks about the political issues attached to that and where there is a very strong belief that promises made in the past have not been upheld, but I commend him on putting forward so many of the good things that the Motor Accident Commission has done over the years, how well driven it has been by its board and its staff, the programs that it has supported across the wider community all based around making our roadways a safer place, because I found that information rather interesting.

I commend the table staff on being so observant about the 4.21pm. Can I say it is a little bit unfortunate that that level of bookkeeping and accuracy does not flow through to all levels of government to ensure that every dollar spent is as per budget decrees. I think I read a figure recently that in a whole-of-life since 2002 there has been something like \$4 billion spent above what budget figures actually were.

I shall not be very long on this contribution but I did want to say a few words. I understand completely the fact that there is a need to review structures and to ensure that outcomes are there for communities, be it financial, short, long and medium term, to ensure the positives are going to be there, but, for me, this comes back to a cost of living pressure issue. I note that the reference the shadow minister, the Hon. Rob Lucas, has provided to Liberal MPs refers to the fact that we should be ensuring a fair and affordable compulsory third party scheme. That is what the absolute key has to be.

The deputy leader and other members have put on the record the great concerns they have at the circumstances around, initially, a \$100 million transfer and then a much larger amount and the efforts made by the Treasurer in seeking financial support from the federal government as a result of turning over these assets. It creates a situation where, and I want to refer back to a couple of words the Treasurer said today in response to a question asked in question time about, I believe, market mechanism and the fact that he supports that.

This will be a market mechanism which will have some controls in it by determining the number of successful operators. From the briefing provided to the opposition, it is between three and

five. My question then becomes: how are those who do hold compulsory third party insurance schemes allocated to the different operators? I am intrigued. Is it based upon geographical location, their age profile, the relative safety of their previous driving efforts? I would be interested to know about that because, for me, that is a key one. If there is going to be consistency across it all, I am not sure how the allocation will actually work.

When the Treasurer talks about market mechanism, I immediately think of, and others have mentioned this too, the comparison between those words and the decision made about TAFE funding and the quarantine of 90 per cent of training dollars to go towards TAFE resources, the taking away of the private RTOs and the frustration I have with that because it is inconsistent. The fact is that I, as a member and a person who goes into the community and talks to people every day, want to see a consistent level of decision-making where the same principles are applied all the way through.

That has not occurred in this case, and I am frustrated by that, and the Treasurer and others will be held to account on that. I reflect upon the fact that not that long ago those who used to sit in this chamber in significant seats had a pledge card in front of them that talked about no privatisation. That was displayed rather proudly and in their life in government that would be the fact, but so quickly it changes. Sadly, with not the level of political acknowledgement in the community that I would like to see, people forget about the promises that were made in the past and they live with this new situation and try to adjust to it. The member for Finnis has shown me a copy of the DL flyer that was produced by the then premier that talked about no privatisation. So, we have it now. We are trying to ensure that the system is managed as well as it can be to get the greatest possible benefit for the people who hold the policies, and that is those who drive, those who own cars. It is an interesting process.

I do not want to reflect too long, just to express the frustration I have about where we have come from, where the system ran—obviously from the details provided by others—exceptionally well, where it has been manipulated into a system where it has become a bit of a political football and now has been manipulated into a system where it is seen as a cash opportunity for a budget that is extremely challenged. It saddens me that that is the case. I listened to the words of the member for Heysen when she talked about the fact that it was driven by the people of South Australia, the funds established within the scheme came from the people of South Australia, and now the funds provided by the people of South Australia are going to support a budget that is very challenged, has been rather poorly managed and one that will leave a legacy that South Australians will have the challenge of actually looking after. I look forward to the passage of the bill and hope that the benefit will be there for the people in the long term.

Mr PICTON: Madam Deputy Speaker, I draw your attention to the state of the house.

A quorum having been formed:

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (16:16): I have listened with interest to the remarks of the last remaining socialist left anywhere in Australia in lower houses, and I reject categorically their remarks about the government's intentions. We are about giving consumers choice. We want South Australian motorists to have the ability to choose. Why can't South Australian motorists choose their compulsory third-party premium and the insurer of their choice? Why must we force them to use a monopoly provider?

Ms Chapman interjecting:

The Hon. A. KOUTSANTONIS: Yes, the argument opposite from members opposite is: yes, we want an equal playing field. Basically you want equal subsidy across the private sector. Quite frankly, that is not what we are about: what we are about is offering consumers choice. I am stunned that there is anyone left in the Liberal Party who does not think that we should offer people choice. I am concerned—

Ms Chapman interjecting:

The DEPUTY SPEAKER: I remind the deputy leader that she is on her second warning. I would hate to have her excused for the remainder of this debate. I also have a ruling for Acting Speaker Koutsantonis I want to talk to you about later.

The Hon. A. KOUTSANTONIS: I also point out to the opposition, and I ask them to think long term. It is one thing to say that if they had been elected they would not have privatised the Motor Accident Commission and the issuing of compulsory third-party premiums. I think that is a valid thing for them to say. It is probably an ideologically dishonest position to have, but nevertheless it is an honest position. They never said that they would do it if they were elected; they were not elected and they are entitled to hold this position; I do not begrudge them it.

I do think, given that the government is privatising the Motor Accident Commission—it is unstoppable; it is occurring—South Australians deserve to have an independent regulator. They deserve an independent industry-specific regulator. Regardless of your views of the sale, regardless of your views about whether or not this should or should not have occurred, do not disadvantage the South Australian community by not allowing them to have an independent regulator.

This move in the upper house to try to delay the bill by sending it off for a committee review I think has no merit. I say this to the younger members of the opposition: one day you will form government. One day you will try to embark upon reforms and, God forbid, some of those reforms are actually worthwhile, and some of those reforms will improve the efficiency of our economy, create more choice for consumers and a competitive advantage for South Australians, and allow people to flourish in our economy. You do not want these reforms held up in committee, because people like me will remember. People like me are young enough and, quite frankly, better at this than you. I do not believe that it is the right thing to do on this issue.

I understand the opposition's point of view. The shadow minister, who is the lead speaker on this, is a lawyer who is held in high regard by the legal fraternity. Despite my political differences with her, she is someone who I think has a very good intellect, and she has fought this fight. She has gone out and argued. She has made a case, and she has given the alternative perspective. The plaintiff lawyers are, as we speak, carving statues in her honour for the work that she has done for them.

Now is the time to allow South Australians to have the independent regulator that they deserve. I say to the members of the opposition, as I did with the transport development levy: we on this side have many flaws and we have many, many virtues, and one of them is a bloody long memory. I want to thank members for their support and the speedy passage of the bill in this house. I thank them for the support of the second reading in the upper house, but I would also ask them to consider the interests of motorists because, well in advance of the date that we press the start button on this issue—and the start date will not change; it will not change—South Australians deserve an independent regulator; they just do.

The question will be asked: why do we not have an independent regulator like we do with our electricity, like we do with water, like we have with an ombudsman, like we have with other independent bodies who oversee people's rights? The answer will be because the opposition stopped it. So if you want to make arguments about increasing CTP premiums, if you want to make arguments against the government about the impacts of the privatisation, I say to the opposition: give us the independent regulator and we will live and die on the merits of this policy. If you change the policy outcome by not giving us an independent regulator, the consequences are then equally shared with the opposition.

I can assure members opposite that this will be the response on talkback radio: 'We tried to have an independent regulator, we wanted an independent industry expert regulating this industry, but the opposition voted against it. The opposition stopped it.' I would ask members to reconsider that, but I understand you are locked into a position now and it is disappointing. Perhaps, between the houses, we can have an agreement.

I want to thank the member for Bragg (the deputy leader) for her contribution. She has articulated her constituencies' views very well, and I think they would be very proud of her contributions. I on the other hand reject her criticisms and reject the concerns of the opposition. I am stunned that there is anyone left in the Liberal Party who is opposed to the privatisation of monopoly

services run by the government, because we know, and I think deep down they know, that the private sector can do this better than a government-run monopoly. I commend the bill to the house.

Bill read a second time.

Third Reading

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (16:23): I move:

That this bill be now read a third time.

Bill read a third time and passed.

STATUTES AMENDMENT (TERRORISM) BILL

Second Reading

Adjourned debate on second reading.

(Continued from 9 September 2015.)

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (16:24): I rise to speak on the Statutes Amendment (Terrorism) Bill 2015, which was introduced by the Attorney to our house on 8 September this year. Since that time I note that there have been significant events in Canberra, and although there has not been a change to the Attorney-General's position, or indeed to the Minister for Justice, under the changed cabinet arrangements I do note that the Minister for Defence has changed. We now have Senator the Hon. Marise Payne, who was sworn in this week as our new defence minister.

I am going to refer to her shortly, but I do think that, given her appointment, it will be appropriate that we consider a consultation with her in order to be provided with some update and particulars as to whether there is any change of views to be advanced given that change. We will do that, but I indicate that we will be certainly supporting this bill in this house and its passage, probably today. I do not think there will be a number of speakers on our side of the house, but I will say that we will give consideration to any amendments that we may receive upon receipt of response from stakeholders.

Some further information has been provided by the government since the bill was tabled, and that has been done in the form of a briefing provided by Mr Les Buckley, the Security and Emergency Management Coordinator in our state, and a representative from the Attorney's office. Unfortunately, the principal drafter of the bill was not available; however, I think I see his expertise now sitting in the chamber in which case it may be that we can resolve some matters which I still need answers to during committee.

Certainly that may help us to crystallise or even eliminate a need to consider further amendment if the answers are forthcoming and, I suppose, adequate. I should also complete the contribution, the further information, by saying that at that briefing I did request some further information and most of that has been forthcoming—a small further amount today.

I do wish to thank the parliamentary research library who were able to promptly obtain certain information, which apparently was unavailable or at least was going to take too much time for the department to provide. I will say that the library provided it promptly and comprehensively, but nevertheless I make the point that, in a circumstance where we are asked as a parliament to consider legislation proposed by the government and we are asked to advance quickly to have a matter resolved, we always look at the merits of that request, and there are some circumstances where it is absolutely critical that the passage of legislation is expedited.

I think it is fair to say that, when a reasonable proposal is put to us in that regard and the information provided, we cooperate where we consider that to be in the interests of the state. It is not something that should be a regular practice because, obviously, we expect the government to be diligent in attention to its responsibility not only to develop and progress legislation but also to keep it under supervision and to provide necessary amendment or enhancement as is its responsibility.

So, when we have a piece of legislation which has a sunset clause and which needs some review, some monitoring and some management, we expect the government to be responsible in that regard.

I would have to say that, whilst we are met with a bill in this instance which is only two paragraphs and which is to extend a sunset clause for the provision of two pieces of legislation, the Terrorism (Police Powers) Act 2005 and the Terrorism (Preventative Detention) Act 2005, for another 10 years—extend it from 10 to 20 essentially—it is concerning to us that the expiry date is 8 December this year and that we are being asked to progress it quickly because of the expiry date.

Can I just say that, leaving aside the merits of the extension or whether in fact an expedited process of dealing with this means that we are really left without any opportunity to consider alternate time frames let alone the principal determination about whether that should be advanced, it is very difficult for us to be able to do that if the information upon which we can reasonably make an assessment, even an early assessment, is not forthcoming promptly.

So, firstly, it is disappointing that, even though a briefing was provided promptly on this matter when the government gave notice that they wished to have this matter dealt with this week as soon as we returned and even though the relevant usual stakeholders have not been consulted apparently because of this need to deal with this matter posthaste, the government have been overall a little slow in disclosing the full picture.

Let me start with the provisions of the act. I have indicated it is to amend the legislation as referred to in the manner I have referred to. In regard to the background of this legislation, I want to place on the record that the police powers act—I am summarising this now—provides for extraordinary police powers for our state police in cases of terrorism and emergency or threatened emergency. It has never been used in the last 10 years.

I have today perused the annual report from the Minister for Police to the Attorney-General tabled here today confirming that in this last financial year to 30 June 2015 there were no applications by the police to have a preventative detention order issued and accordingly no-one was taken into custody, and that for each of the preceding nine years the same report has been given with a slightly different format but with the gist of the same determination. We are satisfied that this power has never been used, nor even sought in this jurisdiction.

However, the second part of the legislation under review, as such, is the preventative detention legislation, and that allows the state to detain a person for up to 14 days without the usual charges. That has never been used in South Australia, but it has been in New South Wales and Victoria, and I will come back to that shortly.

The acts follow the commonwealth legislative action via their Criminal Code Act to deal with terrorism after the events of 11 September 2001, and, unsurprisingly, similar legislation was passed all around the country to support a regime of opportunity to implement extraordinary powers for the police and detention arrangements in the event that we were to face a similar emergency or threat.

It is interesting to note that the independent international security monitor, then Mr Bret Walker SC, conducted a review in 2010 of the legislation, as did COAG. Both recommended a repeal of the preventative detention orders. I think it is fair to say that members who might know Mr Walker would know that he has made extensive comment and writings in this area and has held high office as a senior counsel in Australia and president of various legal associations.

He is very well regarded, but he has had very strong views about the breaches of the principles that require a person to be formally charged if they are to be detained. Essentially, he supports the concept and the principle that any accused is entitled to be informed of the alleged offences for which it is claimed they are guilty. These, in the extraordinary circumstances, are the justifications for going beyond these usual principles and form the substance of the legislation which we are now being asked to extend.

In short, the decision to extend was made notwithstanding the report of Mr Walker and a COAG report that was prepared in 2012 titled Council of Australian Governments Review of Counter-Terrorism Legislation. I will refer to a couple of recommendations from the COAG report. Recommendation 39 in respect of the Criminal Code's provision of preventative detention states:

The Committee recommends, by majority, that the Commonwealth, State and Territory 'preventative detention' legislation be repealed. If any form of preventive detention were to be retained, it would require a complete restructuring of the legislation at Commonwealth and State/Territory level, a process which, in the view of the majority of the Committee, may further reduce its operational effectiveness.

The second recommendation I will refer to is under recommendation 44: Crimes Act 1914, which provides for the federal stop, search and seizure powers and, in particular, the sunset provision. Their recommendation is:

If the search and seizure powers in the Crimes Act are renewed in 2016, the Committee recommends amending section 3UK to provide that the relevant provisions should cease to exist as at the expiry date, which will be a five year period.

It is fair to say that the recommendations as they stood are inconsistent with what we are being asked to do today. What we are being asked to do today is to continue both the police powers and the preventative detention laws for another 10 years.

Circumstances that have occurred since then are obviously relevant to consider, because they apparently form the justification for going against the recommendation of these reviews. In essence, the government says that the reason there is a compelling case for the retention of these preventative detention powers are the events surrounding the Monis siege and foreign fighter issues. Further elaboration of the events include the growth of terrorist groups such as ISIL, known and proscribed in Australia as Islamic State, having been active, and I think that is well known to members of the chamber.

Sadly, we read on a daily basis about conflict in other places—Iraq in particular and, more recently, in Syria—all of which I am sure is of concern to all members of the house. Many planned and actual events of violence can be attributed to their influence. They include the Man Monis siege in New South Wales. That, of course, would be familiar to members in respect of the Lindt café siege, which was a horrifying event during which, sadly, two people died. As I understand the information provided, the coronial inquiry continues in respect of that.

I think it is fair to say that there has been a question mark put over whether the siege in Sydney was or could be fairly described as a terrorist act, or incident, or threat. Whilst at the time the federal government declared it to be a terrorist incident, the information provided by the Attorney's office is that the purpose of doing so was to ensure that there would be financial compensation through insurance payouts, which otherwise would have been denied by insurance companies, to the affected businesses that sustained loss or damage to their property.

That may be a meritorious reason to ensure that people are not left out in the financial cold, so to speak. It is probably a rather extreme measure to suggest that that be the declaration if it was not, because it does raise the question of the level of alarm in the general public. I do not think that anyone would disagree that the incident itself was shocking and very distressing especially for those who were directly involved and the families who were left without parents. However, it does raise the question about whether we should still be branding it as something that it may not be. In any event, that coronial inquiry continues.

The second incident or event that has been referred to is the stabbing of two police officers in Victoria. On that matter, I am advised that one was a member of the Victorian state police and one was a member of the Australian Federal Police. In short, the officers were attacked and the assailant was shot and killed. Again, this had the taint of a terrorist threat, as it was identified that he had been under investigation by antiterrorism officials and his passport had been cancelled. There were concerns about his family having arrived in Australia 10 years before and his apparent plan to travel overseas to Syria and Iraq.

The third incident related to the shocking threats of the beheading of two men. This involved a number of arrests after raids in Brisbane and Sydney in 2014. Preventative detention orders were issued for three persons from New South Wales. As I understand it, no charges have been laid, but action was taken at the time to prevent a perceived imminent threat. Certainly, they had a lot of media coverage as well. As I said, because of the current circumstances in Syria and to some degree still in Iraq, a high alert by the Australian government was issued in September last year, and all of the circumstances over the last 12 months or so point towards justification for the counterterrorism legislation (I am paraphrasing it) being extended.

There has been one other tranche of significant legislation that I think needs to be considered, and we certainly have done so for the purposes of considering an extension. As of late last year, the then Abbott government, via Senator the Hon. George Brandis, who is the Attorney-General, introduced legislation to deal with foreign fighters. Essentially, this is legislation to amend the then commonwealth laws claiming, of course, to assist in the capability of Australia's law enforcement, intelligence and border protection, in particular against the threat of returning foreign fighters and those individuals within Australia supporting foreign conflicts.

In short, it was to establish significant offences and penalties: the suspension of passports, the restriction on re-entering Australia and loss of citizenship, etc., all came under consideration. In essence the claim was that, if you were an Australian or you were an Australian with dual citizenship and you went to support or fight with some other entity's army or fighting force, then you would pay the price by not being able to return to Australia. Pretty severe, but it was introduced to deal with that issue. If you were clearly going to be sympathetic to the entities that were prescribed as being dangerous for Australia, then you would face a risk.

The measures of that legislation broadened the criteria and streamlined the process for the listing of terrorist organisations; preserved and, in fact, enhanced the key counterterrorism measures due to expire, which were extended; provided certain law enforcement agencies with the tools to investigate, arrest and prosecute those supporting foreign conflicts (via delayed notification search warrants, lowering the threshold of arrests without warrant for terrorism offences and improving the collection and admissibility of evidence collected overseas); and updated the available criminal offences so that they were relevant and addressed the foreign fighter threat.

As I say, it introduced these new offences of advocating terrorism, entering a declared area overseas where terrorist organisations were active and strengthened the protections to the Australian borders by expanding the existing customs detention powers, expanding the collection and use of personal identifiers of citizens and non-citizens both arriving and departing from Australia, and various other miscellaneous support mechanisms to those principles. Finally, it limited the means of travel for foreign fighters or the support for foreign fighters. That, as I think I have already said, included the suspension of Australian passports and the seizing of passports, cancellation of welfare entitlements and the like.

All that has happened since. Does it cover the field for what we might need? In short, the answer to that is no. I think it is fair to say that there is a persuasive case to support a continuation of these powers, given the current heightened circumstances that we are in. I can say that I am not an advocate of this type of legislation existing on a continuous basis. There are certain circumstances where there is a justification, but if it has not been used or it has been demonstrated that there is no imminent threat, then, frankly, it should be repealed. If it were not for the fact that there was an agreement nationally, given the current circumstances and the events at a civilian level in the last year or so, I would be recommending that this side of the house oppose the continuation of this bill. As I said, I think there is a reasonable case for it.

I move now to the COAG review committee report finalised on 1 March 2013 and tabled in parliament on 14 May 2013 by Attorney-General Brandis. I refer to these three recommendations and, as I understand it, this is the second report:

Recommendation 45: State and Territory police powers of search, entry and seizure—Judicial authorisation

The Committee recommends that the various jurisdictions amend their legislation to reflect a greater degree of judicial oversight. The legislation in each State or Territory should be based on the current ACT, Tasmanian or Victorian model, requiring authorisation or final authorisation by a judge of the State or Territory Supreme Court.

Recommendation 46: State and Territory police powers of search, entry and seizure—Privative clauses

The Committee recommends that the various privative clauses in the current legislation be removed.

Recommendation 47: State and Territory police powers of search, entry and seizure—Reporting

The Committee recommends that there should be a regular reporting function incorporated into each 'special powers' statute.

It is one thing to point to the recommendations in respect of the federal law and the action that the federal government has taken in respect of the COAG Review of Counter-Terrorism Legislation and

its subsequent legislation on the foreign fighters aspect and then try to translate that to say, 'Well, we will just continue what are doing here and ignore the recommendations which suggest that at a state and territory level there does need to be some reigning in.' Essentially, it provides that if police are going to have these special powers, then it needs some judicial oversight and obviously the change in respect of some other aspects.

Having obtained this information and not really having had an opportunity to review all of that, I will say that we will be looking at that aspect along with any submissions that are presented to us by stakeholders in this area before we come to a final landing on it. As I said, we are not going to hold up the bill here today.

On the face of it we accept, firstly, there have been very significant and serious events in our neighbouring states and we need to look at how we protect ourselves in those circumstances and, secondly, how the provision under the commonwealth law and its advance and its development does not really cover the issue of how we might address or have the police powers expanded here. However, the issues, including what powers we leave with the state and territory police without judicial oversight, must include: is it necessary for us to continue to have preventative detention orders of up to 14 days when the commonwealth in its extension of its detention has made provision for up to 48 hours? Certainly, I would have to say those issues are serious ones for which we need to consider somewhat further.

I am advised, and I place this on the record, that the maximum 14-day detention period in South Australia is consistent with what they all agreed at COAG after the 2011 events, which culminated in the 2005 legislation here, and it was translated around the country. That may well have been by national agreement but that does not mean that it is necessarily appropriate for that to continue. So, I would like some review of that.

The other matter is that although our legislation is to expire on 8 December, we still have a few months to consider that. I got the impression, and I may have misunderstood the haste which it was being requested that this be dealt with as almost like: if we don't hurry up and do this quickly, everyone else is doing it, so we need to quickly resolve this so that everyone's in the same tent. I now find that in fact it is not quite as advanced as I had assumed.

As I say, whilst it appears that it was going to be difficult for the department to make some assessment of the advance of the other states in their extension of sunset clauses, I am advised this morning that on 16 September 2015 (that is, last week) the Counter-Terrorism and Other Legislation Amendment Bill 2015 was introduced in the Queensland parliament. That, I am assuming, is progressing to extend its preventative detention powers. Its principle act was passed in 2005, so I am assuming it has a life only to the end of this year some time. I do not know at this stage whether that is to extend it for another 10 years or not or whether in fact they have chosen another date that was more in line with the recommendations. I am also uncertain at this stage as to what further time was extended for the commonwealth, but I will be asking some questions in relation to that in the committee stage.

I agree that it would have taken a bit of time to identify that the bill had been tabled in Queensland, but in a quick ring-around this morning to my colleagues in the other states, and confirmed by research done in the library, they were able to tell me that apart from the information (which was also provided at lunchtime by the government) that the Queensland legislation had been introduced, they were also able to tell me that on 15 September (the day before) Tasmania had introduced its bill, the Terrorism Legislation (Miscellaneous Amendments) Bill 2015, again to deal with preventative detention and police powers legislation. That is currently before their legislature, that is, their Legislative Council, having passed the House of Assembly on the 17th.

It seems that in two days they dealt with that piece of legislation. Their expiry date may have been more imminent. No legislation has been introduced in Victoria; no legislation has been introduced in the ACT; no legislation has been introduced in New South Wales; no legislation has been introduced in the Northern Territory; and no legislation has been introduced in Western Australia. It may be that their original legislation allowed for either a longer period of time or the passage of their original legislation was much later and if they had 10-year sunset clauses their expiry is over a later period.

I do not doubt that there was this special meeting of COAG to review the position. The commonwealth has acted, Tasmania and Queensland are in the process of acting, and there is an expectation on others to follow suit. I do want some answers, and I am happy for them to be provided between houses, but it seems to me that if we are being asked to deal with this quickly we need to have some extra detail. I can then present that for consideration to our side of the parliament.

Can I say, as I opened, that the appointment of Senator the Hon. Marise Payne as the defence minister is certainly an inspired choice of the new Prime Minister. I, along with others of this house, have conveyed our congratulations to Senator Payne. I am personally thrilled at her appointment. I expect that most of the media have highlighted the fact that she is the first female defence minister, but I want to place on the record that, having known the senator for over 20 years, her appointment is not only inspired but I am sure that she will be an excellent and long-serving defence minister.

For the purposes of considering what her view may be as to any further amendment required at the commonwealth level, or what she would be seeking from the states, I think it is worthy of a phone call or an invitation to her office to make a comment on what is going on. She was very active in 2003 and 2004 in the Senate, in particular as the chair of the legal and constitutional legislation committee investigating the provisions of the Anti-terrorism Bill 2004. That reported in May 2004 and later that year, in August 2004, her committee reported on the provisions of the Anti-terrorism Bill (No. 2) 2004.

The committee is very extensive, and the members of the committee were Senator Marise Payne, Senator the Hon. Nick Bolkus, Senator Brian Greig, Senator Joe Ludwig, Senator Brett Mason and Senator Nigel Scullion; I think it is fair to say, pretty comprehensive. During the course of the operation two of the senators were replaced by Senator Aden Ridgeway and Senator Kerry O'Brien. So a broad church was represented on this committee and there were some very comprehensive reports. I remember reading through these at the time we considered our own legislation, but I also take into account that the progress of that legislation back in 2005 was within the envelope of the shocking events of 2001. The world was still reeling from those events, I suggest, and was quick to make, as quickly as possible, a legislative protection barrier against further threats.

In the cold light of day, after 10 years, we need to think carefully about whether what we did needs to continue in its original form, or whether in fact we should be looking for some modification of that. Very smart people, including Bret Walker SC, have reviewed this matter. It does not escape our attention that in South Australia at no time has the preventative detention order been sought or implemented, and it does raise the question about whether we need to continue at that level. I am not sure whether other members wish to speak on the bill; I think I am possibly the only speaker.

Mr Tarzia: No.

Ms CHAPMAN: No, the member for Hartley, a very astute colleague, will, I am sure, have some other aspect of this bill to place on the record. We have concerns, but we are going to support the bill today.

Mr TARZIA (Hartley) (17:04): I rise briefly to speak on the Statutes Amendment (Terrorism) Bill 2015. As we have heard, the amendments simply extend the limits of time to allow for an extra 10 years of operation of the existing legislation by deleting '10' and replacing it with '20' where it appears in the acts.

We have the Terrorism (Police Powers) Act, which gives somewhat extraordinary police powers to our state police in cases of emergency or threatened emergency and in cases of terrorism. We hope we never have to use these powers, but it is important that we give our armed forces the powers that they need to perform their duties.

We know that terrorism is a huge issue all around the world. It only seems like yesterday when we had the attacks in New York on 11 September. There are some evil people in the world still trying to undermine freedom and undermine democracy around the world, and it is important that we give our armed forces the powers that they need to do their job. Some of these evil people operate in the shadows of society. They infiltrate all kinds of organisations. They live quietly, they can spy in secret, so it is quite possible that they will strike with very little warning.

I can understand the civil libertarian argument that these sorts of powers should not be given to government or should only be given to government in very rare circumstances; however, guess what? If you are a law abiding citizen, you have nothing to fear. You have nothing to worry about. We would only have these sorts of laws so that they can be implemented in very rare circumstances but, if we do have an event of terrorism or a likely event of terrorism, then at least we have given our armed forces the tools that they need to do their jobs.

I understand that similar legislation has been passed in other states, as the member for Bragg has alluded to. In fact, an international independent security monitor conducted a review in 2010, as did COAG, in relation to similar laws. There are compelling reasons to give people these powers and for the sunset date to be extended.

We see almost on a daily basis what looks like the growth of terrorist groups like ISIL all around the world, and they are obviously extremely active. They have planned and executed acts of violence all around the world. We have seen acts in recent times here in Australia that we could say they have influenced; look at the Man Monis siege in New South Wales, which is, I note, currently subject to a coronial inquiry. There was another instance in Victoria where two police officers were stabbed following, I believe, planned threats of beheading.

The current circumstances not only in Syria but other parts of the world, as well as the high alert level issued by the Australian government in September last year, also tell us that there is justification for these kinds of laws to continue. It is rare legislation. Obviously we do not look to pass such legislation that takes people's civil rights somewhat away without extreme circumstances. However, these are testing times and we need to make sure, as I said earlier, that we do give our armed forces the tools they need to make sure they can rid and stamp out terrorism.

We have been fortunate so far. We have been fortunate that we have a prudent government, prudent police and prudent intel both federal and state whereby we have not been subject to a terrorist event in South Australia; but, at the same time, we cannot rest on our laurels, we cannot be complacent and we need to make sure that we do everything that we can, anything in our power, to prevent such attacks and to give our armed men and women the tools that they need to keep us safe. So, without hesitation and with those few words I will commend the bill to the house.

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Housing and Urban Development, Minister for Industrial Relations, Minister for Child Protection Reform) (17:10): I thank those who spoke. I think that in relation to some of the remarks made by the deputy leader I should make it clear that, as I understand it, there was some attempt to communicate with her office about the availability of briefings in the course of last week—whether that went astray or did not I do not know. In any event I gather there are further things that she might like to know about which we will endeavour to deal with between here and the other place.

I should emphasise, though, that this is one of the briefer bills that the parliament is being called upon to consider. The bill actually says to delete 'tenth' and substitute 'twentieth'. In fact, in my time here I think that is probably a record in terms of brevity.

Ms CHAPMAN: We did one this morning on the Whyalla steelworks.

The Hon. J.R. RAU: Well, there you are. We are having a number of these. It is brief but pithy. Unless one actually has formed the view that either the original legislation was not appropriate or that the risk of terrorism has subsided somewhat since 2005, and I do not think that is likely given what I am reading in the newspapers, then I would have thought that the words of wisdom that I heard a few moments ago from the member for Hartley really do sort of capture the moment, which is (and I am paraphrasing him here), 'This is a no-brainer. You just vote yes.'

With those few words and with thanks to the member for Hartley for his encouragement, I commend this to the house.

Bill read a second time.

Committee Stage

In committee.

Clause 1.

The CHAIR: Member for Bragg, you have a couple of general questions, I presume, on the little five-clause bill that is before us?

Ms CHAPMAN: Thank you, just on clause 1. Firstly, has the Attorney caused this bill to be forwarded to any stakeholders other than SAPOL since the briefing I was provided with last week?

The Hon. J.R. RAU: Not as far as I am aware.

Ms CHAPMAN: Whilst there was a request to have the matter dealt with this week, having been tabled in the last sitting week, is there any intention of the government to consult with the Law Society, Bar Association or any of the usual parties that would receive some consultation on this?

The Hon. J.R. RAU: It is not my intention to do any of that. The substantive legislation, which has been around since 2005, has been reviewed and examined and considered by numerous reports—

Ms Chapman interjecting:

The CHAIR: Order, deputy leader!

The Hon. J.R. RAU: —and various committees. With all due respect to the Law Society and others, obviously it is not difficult to predict their view about matters such as this. I am not quite sure who I could consult in the terrorist community, but I do not intend to consult with them anyway. I have seen the program *World Police*.

The CHAIR: It is not even Thursday.

The Hon. J.R. RAU: No, it is not Thursday and I was diverted. I do not intend having a consultation with the Law Society about this matter. The substance of this is well known. There has been assessment at a national level by the national government and worked through the COAG process that there is a serious risk of acts of terrorism being perpetrated by Australian or foreign nationals in Australia, and that in these circumstances we need extraordinary power to be able to deal with the potential or actuality of these sorts of things occurring. The legislation has been sitting on the statute books for 10 years. The fact that it has not been used a lot is good, and probably good luck as much as anything else. Really there is only one question here: do we feel that it is safe to let this thing lapse or do we want to extend it? That is basically what it comes down to.

Ms CHAPMAN: All we have is, in fact, reports which actually suggest something quite different. What we have is an indication from you in the second reading that since these reports, which say get rid of some of these powers or continue it only for five years but certainly qualify the state powers as I have said, you say in your contribution:

The final COAG response identified compelling reasons for the retention of preventative detention powers and supported the renewal of Commonwealth orders beyond the then sun-setting date of 8 December 2015.

We have never seen that report and I want to see it and I think we should see it. I accept that there have been events that have been identified anecdotally, and we have read about them in the papers and so on, that there is a real and present danger that South Australia could be in a circumstance of threat and so I ask for that report. My question, apart from that being provided is: when did you meet with COAG to make the determination that you would progress the extension of your state laws?

The Hon. J.R. RAU: I did not personally meet with COAG. I am advised the story is that there is an Australia-New Zealand Counter-Terrorism Committee which has considered the recommendations about watering down or repealing these things and there has been a COAG process, both of which have resulted in a disagreement with the idea that these things should be watered down or abandoned. I am merely giving effect to what I understand to be a COAG position on this material.

Ms CHAPMAN: When did it form this position?

The Hon. J.R. RAU: I am advised in 2014.

Ms CHAPMAN: In the second reading it suggests that the COAG response to the COAG review developed by the legal issues working group did not, so obviously that is all there.

The final COAG response identified compelling reasons for the retention of preventative detention powers and supported the renewal of Commonwealth...beyond the...date

That is what you said in the second reading. When was this final COAG response written and can we have a copy of it?

The Hon. J.R. RAU: I am advised that we should be able to obtain for you a copy of the resolution, but what other documents there are and what degree of protection they have, I do not know. I am pretty confident that whatever resolution was reached would be a matter of public record one way or another and we will endeavour to get you a copy of that and, likewise, if there is other publicly available material relating to that.

Ms CHAPMAN: I want to be clear that the document your office has provided is entitled the Council of Australian Governments Review of Counter-Terrorism Legislation, which was the one I referred to and quoted from. Obviously, as we said, it is now inconsistent with what we are doing, but there is the final COAG response. It does not say whether it is a report or whatever; it may be just a sentence in a communique arising out of a COAG meeting, which is that all states and territories will agree to progress the legislation to continue the sunset clauses in there for five years, 10 years or whatever they want.

I would like to see that, but I would also like to see the basis upon which that was extended. If it is a summary of threats or events, because ISIS is there or because it has gone on high alert since December and that is what is relied on, I want to be clear about that before this is dealt with in the Legislative Council. The other matter is: if this counterterrorism committee and the COAG process took place in 2014, why is it September 2015 before this is being dealt with?

The Hon. J.R. RAU: As to the first question, I was not present and I do not know what the individuals who were present were given by way of information, nor do I know by what means they were given information. I can tell the parliament that there are times when I have been at ministerial meetings where confidential verbal briefings are given by various agencies and, in the context of this, it may or may not have been that one or other of the federal agencies having responsibility for this type of thing said something to the assembled group, but I do not know. However, inasmuch as there is some formal and publicly available record of whatever it was that informed their reasoning, I am more than happy to try to obtain that and provide a copy between the houses.

As to the second matter, these things take time to wend their way through the system and, given that this particular bill is what I would call on the simple side in the sense that it is not a complex piece of work and it does simply talk about extending an existing scheme, it possibly was not first among all of the multitude of matters that I have had the Attorney-General's Department and parliamentary counsel working away at. It seems to me that, with the bill being here now, it should pass both houses in plenty of time to meet the December deadline.

Ms CHAPMAN: Its simplicity might have indicated we could have been dealing with this back in 2014. However, I will ask you to consider this, Attorney: have you considered recommendation 45, in relation to state and territory police powers—this is their extension of powers—which says that there should be greater judicial oversight and, secondly, that the state and territory legislation in this regard should be based on the current ACT, Tasmanian or Victorian model? Clearly, this model that we are continuing is not the same as theirs and, secondly, it does not have judicial oversight.

The Hon. J.R. RAU: I am advised that that was considered, but at this point in time it was not thought that that was necessary. That does not mean we cannot turn our minds to those matters, and I would be happy to consider those in due course. The main point at the moment is that this piece of legislation does not expire. Can I also add that, given that (luckily, probably) this thing has not been used in South Australia at all, the layering of judicial oversight and other bits and pieces, whilst nice to have, perhaps, would in all of the time that this has been in have served no practical purpose. It is certainly not a case where some gross injustice has been done by reason of those things being absent from the existing legislation.

Ms CHAPMAN: There is an alternative view to that, Attorney, and that is, it would not matter if it expired; it has not been used in 10 years. We have got some other commonwealth protective legislation to deal with it if we really got into trouble and, therefore, there is an argument to do exactly

what this recommendation suggested. At this stage, we are happy to look at whatever further material justifies doing this. It also adds weight to the fact that, if you have considered it and you cannot remember all the detail about it, we just now have to continue with this. It raises the question about us as a parliament being asked to deal with this in the last month or so of parliamentary sittings when there is a huge calendar of legislative matters that we have to get through.

In other words, 'We will throw it in. We'll get them to do it in a hurry because they won't have any other choice.' That is the flipside of this. I am giving the government the benefit of the doubt to think that it was decided to do it in 2014, and we have considered and rejected the recommendations that there is a justified case to amend what we have in South Australia and, then, a year later at least we are now looking at it in the dying times of the sunset clause. I am not convinced by that, and it does disappoint me that the government seem to be so flippant about it. Nevertheless, you say you have considered the contents of recommendation 45. What about 46 and 47?

The Hon. J.R. RAU: I think the answer to that is the same. If the request from the deputy leader is to go through in each and every one of the recommendations—

Ms Chapman interjecting:

The Hon. J.R. RAU: Yes, we will attempt to get back to you with a more detailed answer about that.

Clause passed.

Remaining clauses (2 to 5) and title passed.

Bill reported without amendment.

Third Reading

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Housing and Urban Development, Minister for Industrial Relations, Minister for Child Protection Reform) (17:27): I move:

That this bill be now read a third time.

Bill read a third time and passed.

STATUTES AMENDMENT (GAMBLING MEASURES) BILL

Second Reading

Adjourned debate on second reading.

(Continued from 3 June 2015.)

Mr GRIFFITHS (Goyder) (17:28): I confirm that I am the lead speaker on the Statutes Amendment (Gambling Measures) Bill. We shall not be an overly long time. There is one other speaker, but there are some issues that I will pose to the minister acting on behalf of minister Gago that have been put to the opposition only in recent days. I acknowledge from the start that there has been good support from the minister's office in replying to requests for information, and the opposition certainly appreciates that.

When I was first provided with this bill folder I thought that it would be relatively quick, that it should not take very long to get through it, but there have been issues raised by—and I will quote this—the SA Texas Hold'em Association when it comes to poker. I will be repeating some direct words just to put in place their thoughts on the bill.

The bill was introduced by minister Gago on 26 March 2015. The bill proposes a series of amendments to the Gaming Machines Act, the Independent Gambling Authority Act, the Lottery and Gaming Act and the Problem Gambling Family Protection Orders Act. The major issues proposed are:

- a new offence for a person to purchase, or enter into a contract or agreement to purchase, a gambling machine unless licensed;
- the removal of prohibition of EFTPOS facilities in gaming areas;

- giving the Liquor and Gambling Commissioner the power to seek input from the SA police about any gaming employee;
- reducing red tape by removing the requirement for the Liquor and Gambling Commissioner to approve the layout of gaming machines in a gaming area;
- clarifying the law so that it is clear that it is unlawful to play poker in a public place whilst allowing tournament poker to occur, and that will be the issue that we will talk about at some length; and
- staff of the Independent Gambling Authority are to become Public Service employees.

I am advised that the Gambling Reference Group, which includes representatives of the AHA, Clubs SA and Relationships Australia support all these amendments. I am aware that the Hon. John Darley from the other place proposed amendments, but I do not believe they were supported. I confirm that the Liberal Party does support the bill.

With those words, I just want to put on the record for the benefit of the minister some background to the area on which I will be seeking some clarification when it comes to the committee stage. As I say, this email correspondence only started to arrive this week, so it is relatively fresh. Mr Michael Cane of the SA Texas Hold'em Association sought clarification on some concerns, and on behalf of his association, he says:

Our main concern is that the bill states (from Hansard records): 'amends the definition of unlawful gaming to include playing at or engaging in a game of poker in a public place'.

He goes on to say:

This would mean any poker played outside of the casino where money is paid for entry is illegal, including for both cash or tournament style games.

Currently tournament poker relies on the entrant paying a buy in which gets them a stack of tournament chips. These chips have no intrinsic value, and are representational only. As players are eliminated, prizes are paid until there is a winner.

On the cash side of things, currently it is not illegal to host a game of poker in a public place providing the organisers or venue do not profit from the game of poker itself: the income derived is from the sale of food and beverage, or players using other gaming facilities often on site.

In response to this email, the office of the Hon. Rob Lucas, the shadow minister, replied:

...[that's] not my understanding of what this Bill will do. The Government has publicly said that 'it is the government's intention to make a regulation to clarify the definition of tournament poker and to ensure that tournament poker that does not involve gambling is not an unlawful game.' Therefore, tournaments where players pay a fee to enter, with the money going into a prize pool, (ie players not gambling cash) will not be made illegal. This has been confirmed by the Hotels' Association (which was part of the Gambling Reference Group, which led to this legislation being introduced) as well as the Government.

In response to that, Mr Cane from the Texas Hold'em Association quotes from the Hon. Mr Piccolo's second reading explanation:

A lack of clarity exists as to whether gambling on poker is prohibited under the Lottery and Gaming Act.

Tournament poker that does not involve gambling is a popular activity and is undertaken by many hotels, clubs and other not-for-profit associations. There is, however, concern that some poker games being conducted in public places, under the guise of being tournament poker, may involve gambling and are being conducted without any integrity or responsible gambling regulation.

The Bill proposes to make it unlawful to play at, or engage in, a game of poker in a public place. It also proposes to provide the Minister with the power to make a regulation to prescribe the circumstances in which playing, or engaging in, a game will, or will not, constitute unlawful gaming.

It is the Government's intention to make a regulation to clarify the definition of tournament poker and to ensure that tournament poker that does not involve gambling is not an unlawful game.

Following on from that, the Texas Hold'em Association goes on to say:

As far as the poker community is concerned, allowing the minister to have powers to determine or not if a game is illegal is very open to corruption and enticement by unethical operators.

The proposed amendments do not indicate what will and will not be legal under the act. The issue for this is how do we—

the Texas Hold'em Association—

know it if it is or is not illegal until SAPOL or [the Office of Consumer and Business Services] or the [Office of the Liquor and Gambling Commissioner] storm in and disrupt a tournament of [up to] 150 people when they are 'acting on advice of the minister'?

As previously stated, we have no issue with regulation being passed around the responsible operation of poker, what we do have is an issue with it being made illegal at the whim of the minister.

The Hon. Mr Lucas's staff member has replied to that which resulted in a further response from the SA Texas Hold'em Association as follows:

Our concerns are that providing the venue does not profit from/charge for the playing of poker itself, that this should be legal. This is how we understand the current legislation to be, and after inspections from SAPOL previously they have ascertained that no such practice exists within the organisations and leagues I am representing. We would certainly seek clarification on this matter, as we read it any poker that you even pay to enter would be illegal, irrespective of the venue or league profiting from the game.

We are unsure how this bill amendment changes anything if what you are saying is correct? If what you presume of tournament being protected, why is there mention of this in the amendments? I once again must draw attention to this particular phrase from *Hansard*:

'The Bill proposes to make it unlawful to play at, or engage in, a game of poker in a public place. It also proposes to provide the Minister with the power to make a regulation to prescribe the circumstances in which playing, or engaging in, a game will, or will not, constitute unlawful gaming.'

Mr Cane goes on to say:

And the phraseology of the amendment itself:

'17—Amendment of section 4—Interpretation

Subclause (1) amends the definition of unlawful gaming to include playing at or engaging in a game of poker in a public place. The regulations may prescribe circumstances in which playing at or engaging in a game of poker will or will not constitute unlawful gaming. The amendment in subclause (2) is consequential on the amendment in subclause (1).'

The Texas Hold'em Association goes on to say:

I am not sure if there is any room for interpretation when the phrase of 'amends the definition of unlawful gaming to include playing at or engaging in a game of poker in a public place.'

One might have assumed that that was it, but it is not. There is more that follows on from this. I will put this on the record because I think it is important because it relates to the response provided by minister Gago's staff via the Hon. Rob Lucas which was forwarded to the Texas Hold'em Association:

Here is the response I have received from the Minister's Office. Please let me know your thoughts:

The Lottery and Gaming Act prohibits a range of activities associated with lotteries, gaming and betting, unless authorised by another Act, such as the Casino Act 1999. Tournament Poker is undertaken by many hotels, clubs and other not-for-profit associations. It does not involve gambling. A lack of clarity exists as to whether gambling on poker is prohibited under the Lottery and Gaming Act.

In *Police v Jones, Police v Ravesi* (2008) SAMC 62, Magistrate Kossiavelos considered whether a Texas Hold'em Poker Tournament conducted by the Australian Poker Association (APA) was unlawful gaming under the Lottery and Gaming Act. Members of the APA, some of whom signed up before the tournament began, were able to participate in the tournament. Each participant was given chips with a face value of \$1,000 and was able to purchase additional credits for a fee. The prize was seat/s in a further tournament. Magistrate Kossiavelos found that the game being played was not an unlawful game under section 59 of the Lottery and Gaming Act and was not unlawful gaming under section 4. Magistrate Kossiavelos also found that the game did not contravene section 51 as it was not a game or pretended game of chance. Rather, Magistrate Kossiavelos appeared to accept expert evidence that poker involved some skill.

as it certainly does—

While it is considered that other sections of the Lottery and Gaming Act could address gambling on poker in a public place, the Government is taking the approach to implement a clear and direct prohibition on playing poker in a public place in the Act.

It should be noted, however, that it is not the intention to outlaw the playing of poker in a public place that does not involve gambling. The proposed section of the Bill enables Regulations to be made that specify circumstances

where poker in a public place is not unlawful. This is similar to the approach taken under the Lottery and Gaming Act for exempt lotteries. The Government has now prepared draft regulations—

which has been tabled—

... that propose to maintain status quo in respect to Tournament Poker currently played in hotels and clubs where there is no gambling. To ensure that these regulations are appropriate, the Government has provided them to a number of key stakeholders for a short period of public consultation.

Some listening to this may question why I have read so much into the *Hansard*, but I thought it important for the clarification of this group and when we come to the committee stage I will read into the record their frustration that they were not a part of the group that was consulted on the legislation. They have asked that it be put there for clarification purposes. This is all about ensuring that for those who have to operate under the legislation as it will be passed, because the government and opposition certainly support it, there is a knowledge that exists.

I will not hold up the debate much more. There is another member who wishes to make a contribution, but I do confirm that I would wish to go into committee to talk about one clause in particular.

Mr BELL (Mount Gambier) (17:40): Most of the points I had written down have been covered. It is fair to say that this has caused a flurry of emails to my office as well. It is around the definition and interpretation of section 4, which we will flesh out a lot more in the committee stage where I will read some stuff in there as well.

The other point I would like to seek some clarification on is the EFTPOS versus the ATM section. There does not seem to be too many problems with the rewriting, I suppose, of EFTPOS being a transaction that can take place but I would have serious concerns about ATMs being a part of gambling sections—as I said, the organisations that have contacted me in some form are: Poker SA, 888poker and IPT poker—the definition of tournament poker and the impact on RSL clubs in the South-East and jobs being taken into serious consideration at a time when many of these organisations are looking for other revenue and also, I guess, the impact this will have in terms of people diverting back to poker machines as, I think, a much more destructive form of entertainment, if that is indeed the correct word.

It was interesting that it was put on the record that in the British High Court poker has been recognised as a sport, and that was also backed up with some cases in Australia that the member for Goyder has read out, so I will not go through those again. I will progress this debate in the committee stage. Thank you.

The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (17:42): My understanding is that we are going to go into committee. I would like to thank the members for their contributions. As noted in the second reading explanation, the bill seeks to finetune the statutory framework applied to gaming. The amendments are focused on providing greater (believe it or not) clarity and certification for businesses and customers.

The Lottery and Gaming Act prohibits a range of activities associated with lotteries, gaming and betting, unless authorised by regulations or other acts, and that is very important—unless authorised by regulations—and that is what we seek to do and will clarify in a moment. The bill before us proposes a direct prohibition on playing poker in a public place but allows that regulations be made that specify circumstances where poker in a public place does not fall within the definition of unlawful gaming. The regulations are currently being drafted by parliamentary counsel and I understand that draft copies have been circulated to members of the opposition.

Key stakeholders are being consulted to ensure that games of poker that do not involve gambling, including popular forms of tournament poker currently played in hotels and clubs, can continue to be lawfully played in a public place, but it is also important that those people who currently try to get around the law by doing it this way cannot do so. Again, I thank honourable members for their contributions and support and look forward to dealing with this in an expeditious manner through the committee stage.

Bill read a second time.

Committee Stage

In committee.

Clauses 1 to 8 passed.

Clause 9.

Mr BELL: The concern is around the easing of access to cash within the confines of a poker machine area. It has been well documented that breaking the concentration, breaking the audio and visual stimulation that poker machines provide, in some instances provides an opportunity for people not to resume gambling, and of course this is most relevant to those who have an addiction or a problem with gambling. My concern is around the safeguards for problem gamblers with this amendment.

The Hon. A. PICCOLO: Unlike ATMs, EFTPOS facilities provide a degree of human interaction at point of cash withdrawal. Currently, gamblers would be required to leave the gaming room and withdraw cash using EFTPOS facilities outside the gaming area. The gambler may not be able to be observed or served by trained gaming area staff while undertaking the EFTPOS transaction. If the EFTPOS facility is located in the gaming area, there is a better chance of the appropriate intervention, where a gambler is being observed by a trained gaming manager or employee. This situation currently exists in the Adelaide Casino.

What we are saying is that, even though you may think it is better for a gambler to go outside, go to a machine and take out money, by having the machine inside, the person will actually get to understand their behaviour, and they are trained people who would then talk to people and provide counselling or support.

Mr BELL: Just to be clear, when we are talking about the machine, we are not talking about ATMs, we are talking about EFTPOS machines, aren't we?

The Hon. A. PICCOLO: That is correct.

Mr BELL: The main intent of this, I understand, is the face-to-face interaction which, of course, I would endorse, but is a secondary element due to planning and spreading out the process for the planning requirements in terms of layouts for poker machine facilities? Is that also a major reason why this needs to be implemented?

The Hon. A. PICCOLO: The advice I have received is that this matter is quite independent of the development approval process—quite independent.

The CHAIR: You have had three, but we will pretend you can have four.

Mr BELL: Thank you. Is that also to do with the reconfiguration of existing premises? I thought I read somewhere that having the EFTPOS facility in the venue made the planning requirements a little bit more flexible. Have I misread that?

The Hon. A. PICCOLO: I am advised that the member is right; there was some wording about that, but the two things are separate issues and they are not interrelated.

Clause passed.

Clauses 10 to 16 passed.

Clause 17.

Mr GRIFFITHS: In referring to Mr Michael Cane before from the SA Social Texas Hold'em Association, I will clarify that he is representing Scomic Poker, NPL, NPPL, SE 4 Leagues, Poker SA, Full House Group, APL, 888 Poker, Rivered Poker League and 5 Diamond Poker. I did not know that many existed.

The Hon. A. Piccolo: You have got a full hand there.

Mr GRIFFITHS: Boom, boom! Mr Cane, on behalf of all those groups there, states—and this is from a meeting that was only held last night, so it is relatively fresh:

We had a very fruitful meeting last evening, and it appears as though the wider South Australian, and indeed Australian Poker Community have the same thoughts on this matter.

I will go into the questionnaires, but I just want to put some of the context of this first.

We do believe these abovementioned parts of the legislation need to be addressed, as they will not allow us to continue in the current format, and will result in major changes to how the leagues currently operate.

As a group, we strongly oppose the statement that appropriate consultation has taken place as the AHA and Casino do not represent the poker community. We believe that our group, representing over 2000 poker players, and employing in excess of 100 full time and numerous part time staff, need to be consulted on this matter prior to any bill being passed. We also feel that the concerns we have need to be ratified in the amendment bill itself, rather than being open to ministers discretion.

Before being passed, this bill must be consulted with the relevant people that are affected by it, and at this stage no organisation that I represent—

and I quoted the seven or eight that he does—

has had any direct contact from any member of the joint committee or any of the government ministers regarding this.

I note that the regulation that I have been provided is dated 10 August; I presume that is the version we are talking about. On that, I have five question areas. The first one relates to 2(a).

The regulations will only protect the 'deep stack' style tournament where there is no rebuy and no add-on facility, as outlined in 2(a) of the regulations. This does not in my opinion sit well with most free roll pub poker players, as the rebuy and add-on are a key part of that style of game. The low cost nature of entry in these events (normally between [up to \$50 in range]) allows for re-entering or re buying of a starting stack of chips. This regulation would affect the vast majority of poker venues and leagues in SA.

I just seek clarification on that.

The Hon. A. PICCOLO: I have to admit that I have never played poker in my life, but I think I can answer this question and following questions in the following way. Behind the questions are two things: one is the lack of consultation, therefore, the regs may not be right; and, secondly, the issues around a minister's discretion.

First of all, under the proposed bill and regulations, there will not be a minister's discretion: it will be regulated. In other words, the regulations will actually say what types of poker-related activities will be exempt from being an unlawful event. So, it is not a case of the minister granting an exemption event by event, the regulations will cover that, so the issue that is then raised about corruption is not a valid one.

In terms of the consultation, the member is quite right. Those groups have not been consulted. They have sort of come out of the woodwork since the regulations. However, the minister is more than happy to consult with these groups and other groups prior to adopting the final form of the regulations. So, if there is more finessing or word changing required to make it practical, the minister is more than happy to engage with those groups.

I should say that these are only draft regulations, so if there are things which any group thinks may not be workable, now is the time to engage with the minister because they are not the final regulations and have not been enacted. The minister will not put these before the house until such time as she has had a chance to engage with the various groups.

Mr GRIFFITHS: I thank the minister for clarifying that and confirming the willingness of the minister to actually be involved in that, and I think that will short-circuit what we do now. I will be very quick about this, but I will just read into the record some of the points which I think will help the minister to prepare for the consultation that needs to occur. This flowed on in a contact from Mr Cane, and I quote:

There is no opportunity for 'early entrants' to gain an advantage from a chip perspective as outlined in 2(b) of the regulations. Currently venues and leagues offer bonus chips for early entries: i.e. if you arrive and pay your entry fee by a certain time before the commencement of the poker game, you receive bonus chips. Particularly for ongoing weekly events, this detracts from the profit centres of food, beverage and gaming machines, as this is a hook to get people in earlier.

The next point states:

Prizes must be determined prior to commencement of the tournament as per 2(d) of the regulations. This would mean no opportunity for late entrants, and would drastically reduce the size of games held. This needs to be rewritten.

And I can sort of understand the emphasis here. I continue:

A great example of payout structures can be seen in the likes of the ANZPT [and I do not know what that means but it is a tournament] where they have a published percentage payout structure based on entrants at the start of the season. This allows for no limit on the amount of entrants in a tournament, but does not publish the actual payout amounts in dollars, rather a percentage.

That is logical to me. The next point states:

There is no regulation or amendment regarding cash games where the venue does not take rake or profit from the game itself. Currently this is legal, as the players are playing amongst themselves for money, and the venue charges a food and beverage charge of similar and offers complimentary soft drinks and food, etc. As previously discussed, this style of poker is legal as the venue is not profiting from the game of poker itself.

The last point I make on Mr Cane's behalf is:

As has previously been proven in the South Australian Magistrates Court, along with British High Court [as referred to by the member for Mount Gambier], poker is not gambling and is a sport. We believe that the use of the word 'gambling' in association with poker is not appropriate, and if you use the term 'gambling' with poker, it must also be used in any tournament where prize money is awarded based on a game involving both skill and luck. This would include any sports played where prize money is awarded for winning a tournament, such as tennis. This is very different to games that involve luck or chance and no skill, such as bingo, blackjack and 2 up. We believe that it is discriminatory to single out poker over other games of skill, particular mind sports as defined by the International Mind Sports Association. These include the likes of backgammon, bridge and chess, none of which are considered gambling but for some reason the game of poker in South Australia is.

I rest the opposition's case.

The Hon. A. PICCOLO: I think that the answer to the issues raised is that, one, the organisations need to write to the minister and put their concerns and engage in the process of consultation. Having said that, I would wish to make it very clear that it is not the government's intention to impose a regulatory burden on legitimate poker tournaments that do not involve gambling. It is the government's intention to make it clear that gambling on poker in a public place will be unlawful, though. I think that those legitimate concerns can be raised through the final regulations.

Clause passed.

Remaining clauses (18 to 22), schedule and title passed.

Bill reported without amendment.

Third Reading

The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (17:58): I move:

That this bill be now read a third time.

Bill read a third time and passed.

At 17:58 the house adjourned until Wednesday 23 September 2015 at 11:00.

*Answers to Questions***YOUTH JUSTICE SYSTEM**

13 Mr GARDNER (Moriaita) (30 July 2015). In relation to Budget Paper 4, Volume 1, given that all of the performance indicators and activity indicators for the 2014-15 financial year are estimated results, can the minister provide the actual end of year results for all performance indicators and activity indicators listed on page 128.

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers): I have been advised:

In the 2014-15 financial year, the actual end of year results for the activity indicators were as follows:

- The number of youth justice clients who had one or more community based orders issued was 445;
- The number of youth justice clients who had one or more secure youth training centre admissions was 396;
- The number of 10 to 12 year olds admitted to a secure youth training centre was 28;
- The number of Aboriginal young people who had one or more admissions to a secure youth training centre was 184.

COMMUNITY SUPPORT PROGRAMS

33 Dr McFETRIDGE (Morphett) (30 July 2015). How much funding has been provided for the SA Spectacles Scheme; Funeral Assistance Program, Personal Alert Rebate Scheme and the Companion Card Program for the 2015-16 financial year?

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers): I have been advised:

The funding provided for the 2015-16 financial year for these schemes is as follows:

- \$957,603 for the South Australian Spectacles Scheme;
- \$1.16m for the Funeral Assistance Program;
- \$3.02m for the Personal Alert Systems Rebate Scheme; and
- \$92,557 for the Companion Card Program.

GAMBLING PROGRAMS

34 Dr McFETRIDGE (Morphett) (30 July 2015). What are the success rates for the current state-wide problem gambling programs and how much funding has been provided for these programs in the 2015-16 budget?

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers): I have been advised:

In the 2015-16 budget, \$6.47 million has been allocated for statewide gambling programs, including gambling help services (GHS), the SA Gambling Helpline and Gambling Help Online.

During 2014, 76% of registered problem gambling clients of GHS were successful in achieving their goals, with 24% continuing to make significant progress.

COMMUNITY CONNECT

36 Dr McFETRIDGE (Morphett) (30 July 2015). In reference to the Community Connect program:

1. What does the program have responsibility for in the Premier's Safety Commitment and associated strategies referred to in the current state budget?
2. What is the program doing to assist youth organisations to address the high youth unemployment problem throughout South Australia?

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers): I have been advised:

Community Connect is part of the Youth Justice, Community Engagement and Organisational Support Division of the Department for Communities and Social Inclusion.

Community Connect administers the Affordable Living Programs outlined in Budget Paper 4, Volume 1, Sub-program 6.1, page 119 and has no reference to the Premier's Safety Commitment or youth programs.

EMERGENCY ELECTRICITY PAYMENT SCHEME

39 Dr McFETRIDGE (Morphett) (30 July 2015). In relation to the Emergency Electricity Payment Scheme—

1. How many people are currently receiving payments to assist with utility debt?
2. How many people were receiving this payment in the 2014-15 year?

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers): I have been advised:

1. The Emergency Electricity Payment Scheme is a once-off payment, accessible once every three years. Between 1 July and 31 July 2015, 114 applications were approved.
2. In 2014-15, 923 applications were approved.

FOODBANK SA

40 Dr McFETRIDGE (Morphett) (30 July 2015). In reference to the food hubs in Elizabeth and Port Pirie—

1. How much funding assistance was provided in 2014-15 to Foodbank SA to establish food hubs in Elizabeth and Port Pirie?
2. How many households utilise their services?
3. Is there a need for additional financial assistance given the significant levels of high unemployment in these areas?

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers): I have been advised:

1. \$250,000 was provided in 2014-15 to Foodbank SA to establish and maintain Community Foodbank outlets in Bowden, Edwardstown, Elizabeth and Port Pirie
2. The Elizabeth outlet was opened to the public on 30 July 2015 and has assisted 72 clients as of 6 August 2015. The Port Pirie outlet opened in June 2014 and has assisted 1,213 clients.
3. In addition to supporting Community Foodbank outlets, the Department for Communities and Social Inclusion supports a range of programs in Elizabeth and Port Pirie to assist those in financial hardship, such as the Emergency Financial Assistance Program, Low Income Support Services and Financial Counselling Services.

UTILITIES LITERACY PROGRAM

42 Dr McFETRIDGE (Morphett) (30 July 2015). How many individuals have participated in the Utilities Literacy Program in 2014 and 2015?

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers): I have been advised:

Data for this program is available by financial year. From 1 July 2014 to 30 June 2015, the following number of people were assisted:

- 218 people participated in community sector worker training workshops provided by UnitingCare Wesley Bowden;
- 2,883 people participated in public education sessions provided by Uniting Communities; and
- 2,362 people received intensive case management provided by the Salvation Army.

HACKHAM WEST COMMUNITY CENTRE

43 Dr McFETRIDGE (Morphett) (30 July 2015). Will grant funding under the Family and Community Development Program be continued in forward years for the Hackham Community Centre and other organisations that deliver this program?

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers): I have been advised:

The Hackham West Community Centre is one of five community centres and two local service providers which form the Onkaparinga Community Hub Network.

The City of Onkaparinga will receive \$495,000 per annum plus indexation, from 1 July 2015 until 30 June 2018, in family and community development funding for the Onkaparinga Community Hub Network.

The agreement allows for a further three-year extension, if all conditions of the agreement are met.