HOUSE OF ASSEMBLY

Wednesday, 29 March 2017

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.

Parliamentary Committees

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE: BIODIVERSITY

The Hon. T.R. KENYON (Newland) (11:02): I move:

That the 78th report of the committee, on biodiversity, be noted.

The intrinsic value of biological diversity is well recognised, as is the historical demise caused by large-scale land clearance and urbanisation. The committee found that biodiversity in South Australia is in decline. This is despite valiant efforts from all tiers of government, industry and, increasingly, private landholders and the citizens of the state. The inquiry focused on the policy and regulatory framework, but the committee considered anything that supports biodiversity values and abates species extinction.

Three key messages are contained in the report: the current legislative framework needs to change and a three-phase approach to address this is recommended; habitat loss and fragmentation must be addressed; and the community is key to the new strategy and approach. Biodiversity outcomes are not the focus of the acts that govern the environment and the human activities that most influence biodiversity. We know the limits of legislation but we need a strong signal that biodiversity is an overarching value.

The main change to the legislation should be the instigation of a comprehensive approach. The acts have emerged as history has dictated and are piecemeal with regard to biodiversity. This has produced both gaps and overlapping of responsibilities. There is a lack of cohesion and consistency, particularly regarding enforcement and compliance provisions.

This seems relatively easy to fix by making amendments to current acts—the low-hanging fruit. Mostly, the National Parks and Wildlife Act 1972 and the Native Vegetation Act 1991 would be the subject of these improvements. This would be the first of a three-phase approach to reforming the legislative framework. The second phase would be to make amendments to improve integration between acts and improved support for landholders and community participation. The third phase addresses the statutory fragmentation of biodiversity considerations.

Consideration of different aspects of biodiversity under different pieces of legislation results in a lack of cohesion and consistency, duplication and inefficiency. What is needed is a landscape approach, and the third phase would implement a system whereby all resources and management would be managed by one piece of legislation with protection of biodiversity and sustainable development at its core. Such a change will require policy development and drive.

Habitat loss: the report discusses the threat that pest plants and animals pose to biodiversity as well as the need for changes to approach so that adaption caused by climate change is possible. The committee wants to see a review of current vegetation clearing regulations to better protect native vegetation, together with more targeted revegetation strategies to help improve the ecosystem resilience within the formal reserve network.

The state needs mapping and benchmarks for biodiversity indicators to allow the measurement of losses and gains: for example, state scale modelling to identify climate refugia both on private and public lands for species of conservation concern. Such information can be used to underpin the design of and land acquisition into the formal reserve network, access development applications and inform other decisions.

Community engagement will become increasingly important for biodiversity conservation, especially given the growing role of volunteers to support works on public land as well as the voluntary conservation efforts of private landholders. The expanding role of volunteers reinforces that biodiversity conservation is everybody's business.

There were several cost-cutting themes identified in submissions to the inquiry. There was broad recognition of the strong cultural and historic significance of elements of biodiversity to Aboriginal people and that this is often poorly understood outside those communities. Continuing to identify ways for Aboriginal people to contribute to land and water management in South Australia remains a priority.

As a result of this inquiry, the committee has made many recommendations and looks forward to their consideration by the government. I would like to take this opportunity to thank all those people who contributed to the inquiry. I thank all those who took the time and made the effort to prepare submissions for the committee and to speak to the committee. I especially extend my thanks to the members of the committee: Mr Eddie Hughes, the member for Giles; the Hon. Michelle Lensink, a member of the upper house; the member for Goyder; the Hon. Tung Ngo, a member from the upper house; and the Hon. Mark Parnell from the upper house. I also thank the consortium led by Dr Mark Siebentritt, who provided expert advice, and Mr Phil Frensham, the secretary of the committee. I commend this report to the house.

Mr GRIFFITHS (Goyder) (11:06): I will speak very briefly to support the motion from the Chair and commend him on the way in which he chairs the Environment, Resources and Development Committee. It is not a term used very often but it is, indeed, collegiate and welcomes those who might have a difference of opinion but who are given an opportunity to put their views, and I am grateful for that.

This report was primarily driven by the Hon. Michelle Lensink. As a long-term former shadow minister for the environment, she was very keen on the committee to undertake this investigation. The Chair and the government members were supportive of that. I think all of us would have liked the report to have been submitted some time ago, but there were circumstances around that, and the consultants who were engaged by the committee were very generous in continuing to return and do some work on that even though it was probably beyond the scope of their original contract with the committee.

It was a good learning experience for me, too. I enjoyed the representations made by those who made them, and we had an opportunity to have several visits to look at particular sites. To me, it is an example of where the committee structure of the parliament can work exceptionally well where there is a focus on the outcome and where it drives an opportunity for policy and legislative review that must come later on. I commend the report to the parliament and look forward to some of the recommendations being adopted in the future stages.

The Hon. T.R. KENYON (Newland) (11:08): I add my thanks to those of the member for Goyder to the consultancy. He rightly points out that they made an extra effort to assist us with the conclusion of the report. It was remiss of me not to include them but I now do so and once again commend the report to the house.

Motion carried.

SELECT COMMITTEE ON THE SACA PREMIER CRICKET MERGER DECISION

The Hon. J.M. RANKINE (Wright) (11:09): I bring up the report of the select committee, together with minutes of proceedings and evidence.

Report received.

The Hon. J.M. RANKINE: I move:

That the report of the committee be noted.

On 18 May last year, this house appointed a select committee to look into the decision made by the board of the South Australian Cricket Association to merge Port Adelaide and West Torrens District cricket clubs. The committee was made up of the member for Little Para, the member for Fisher, the member for Davenport, the member for Chaffey and myself as Chair.

The committee received 10 written submissions from the general public and from interested parties, and we thank them for taking the time to make their views known to us. Representatives of the South Australian Cricket Association appeared and gave oral evidence to the board on two occasions, and I thank them for the time they gave the committee. Both the Port Adelaide Cricket Club and the West Torrens District Cricket Club also appeared twice before the committee. These clubs are essentially run by volunteers, and the effort they put into their evidence and submissions was therefore all the more impressive and greatly appreciated.

This issue was raised in parliament by the member for Colton, who raised concerns that the merger decision had been neither fair nor transparent, nor in accordance with SACA's constitution. To provide a brief background, SACA's board of management decided that a merger between two Premier Cricket clubs would be the best way to address what it believed was the declining standard of competitiveness of the South Australian Premier Cricket competition. This would be assisted by removing the bye in the competition.

Based on the Zadow report it commissioned in 2013, SACA's board of management decided that a merger between these clubs would be supported. The Zadow report had in fact recommended reducing the competition to 10 teams. Prior to and throughout this inquiry, Port Adelaide and West Torrens maintained firm opposition to the merger decision and cited a lack of evidence and objectively based criteria to support the merger.

As this inquiry neared its conclusion, SACA announced that its board had reversed its decision to reduce the number of clubs from 13 to 12 in order to remove the bye in favour of creating a 14th team for the men's Premier Cricket competition. Irrespective of the reversal by SACA to merge the Port Adelaide and West Torrens clubs, the select committee considered it important to finalise its report, its findings and recommendations.

SACA claimed that a merger of Premier Cricket clubs was necessary to halt the decline in the cricket competition. The committee found little evidence to support this. Indeed, it appears that South Australia is supplying first grade players and that South Australia is conducting itself admirably in the Sheffield Shield this season. I understand the Redbacks are currently in the grand final.

Further, SACA was unable to explain how its criteria were used in the making of the decision to merge these two Premier Cricket clubs. It was apparent to the select committee that SACA had emphasised the population and geographic criteria to the complete exclusion of other criteria available to them. In particular, the select committee was disappointed to note that the population and geographic criteria used in this decision far outweighed the clubs' investment in women's and junior cricket, their success on the field and their financial stability.

In using the population criteria, SACA claims that the western suburbs have a smaller population pool from which to draw players. Yet, as noted in the report, other clubs fall below the average for males in the zero to 14 age category also. Woodville is one, as are Adelaide and Kensington. Of course, Kensington has the benefit of attracting players from private colleges. SACA has the view that people in these areas have a greater tradition of playing cricket.

Port Adelaide and West Torrens District cricket clubs are two of only six clubs that field women's teams. Adelaide University, for example, fields neither women's nor junior teams. SACA did not take into account premiership success, yet the whole point of the merger was to improve the standard of cricket and the flow-on effects for the Redbacks.

West Torrens District Cricket Club was this year's premiers, and Port Adelaide was also in the finals. SACA gave evidence that it was concerned about the vulnerability of West Torrens District Cricket Club's access to their home oval, yet grave concerns about other clubs in similar circumstances were not taken into account. West Torrens District Cricket Club disputed this assertion made by SACA. The financial instability of West Torrens District Cricket Club was a consideration by SACA in wanting this merger, yet other clubs appear to have been in much more precarious financial positions. Again, the clubs gave evidence which contradicted SACA's assertion.

The committee found the contradictions put by SACA hard to fathom. Port Adelaide was targeted because it was not consistently fielding four junior teams, yet, as I said, Adelaide University has none. It is worth noting that SACA is responsible for the development of cricket at the junior level.

Their program, which was altered some years ago, does not take into account the different needs of a population in a much less affluent area. West Torrens District Cricket Club field both junior teams as well as junior teams in the community competition. They have an abundance of junior cricketers, yet they were told they must cease participation at the community level.

SACA presented visual displays to the committee which showed high participation rates in the eastern and north-eastern areas as opposed to the western areas. They were not keen that the western clubs had imported players from other areas. Yet, when questioned, it was apparent that applied to all clubs, again especially Adelaide University. Tea Tree Gully District Cricket Club has the lowest participation rate of any club.

The committee became aware of a document referred to as the Schedlich report. The committee was less than impressed with the run-around it received in trying to obtain a copy of this report, which was essentially a brief assessment of all the clubs and which confirmed the committee's assessment that consistent criteria were not used in determining which clubs would be subject to merger.

The select committee finds that the attempt by SACA to force Premier Cricket clubs to agree to merge discussions flouts the intentions of section 15 of SACA's constitution and that SACA's interpretation of section 3(a) is unfair and arbitrary. SACA has clearly interpreted its constitution in such a manner as to give weight to their argument and to go around the only avenue in SACA's structure which gives voice to premier clubs.

The select committee makes 10 recommendations: first, and most importantly, that the merger should not proceed because SACA does not have the authority to proceed with a merger without first receiving a recommendation from the Grade Cricket Committee, neither does it have robust evidence to support that any such decision is even necessary to help improve the competitiveness of the Premier Cricket competition; further, that reducing the number of clubs in the western suburbs is likely to compound issues of low participation by removing options for participating in cricket and sending a negative message to the community that SACA does not believe in investing in junior cricket in the western suburbs.

SACA also needs to review its junior development program and in particular work closely with western suburbs clubs to address the lack of participation, preferably by adopting new and innovative practices to encourage junior players, which are appropriate to these areas. SACA's board of management must be seen to be transparent and fair in how the board arrives at decisions that affect the clubs. Specifically, the board should be able to demonstrate to affected stakeholders how the decision is in the best interests of cricket in South Australia and that the decision can be assessed against a strategic plan by all affected stakeholders.

The select committee was somewhat stunned to find that no attempt was made by SACA to provide the Premier Cricket clubs, particularly the affected ones, with some sort of plan of engagement. At best, it would appear that SACA has simply reacted and changed the goalposts to each issue as this whole process has played out. At worst, it appears that the SACA Board made the decision and SACA backtracked to create evidence and criteria to justify that decision.

The select committee was also concerned to note that SACA had not addressed outstanding issues of trust that were highlighted in the Zadow report, and it has therefore recommended that SACA should make some effort to address this with clubs as a matter of priority. Making available for inspection its decisions and allowing the clubs to evaluate the board's decisions against its strategic plan would be a place to start. The Schedlich report was eventually provided to the committee, but it was requested that it remain confidential because it might upset some of the other clubs.

It has been recommended that SACA should consider introducing a process that allows board members to declare and distance themselves from decisions about clubs with whom they may have an affiliation. Some of the submissions raised issues of conflict of interest, which could have affected the board's merger decision. Indeed, the merger decision did not affect Premier Cricket clubs that were in any way affiliated with a board member or the authors of the Zadow report.

SACA's interpretation of its constitution has been of most concern to this committee. The select committee is firm in its view that section 43 of the constitution does not allow the board of

management to negate the role of another of the committees of management in this and any other matter. Further, the select committee recommends that SACA should make it clear that the objects in section 3.1(a) of the constitution are relevant to each level of the cricket pathway, not just the bits of the pathway that are relevant because it suits SACA's particular purposes at that particular time.

It was also concerning for the select committee to note that there appear to be limited options to access a cost effective and independent arbiter of disputes between the clubs and SACA and/or its board of management. A cash-strapped club is unlikely to be keen to pursue arbitration by Queen's Counsel, as is suggested by SACA's constitution, at a cost to the club of anything up to $1,000 per hour—and that is probably the discounted rate.

Finally, probably one of the most unpalatable issues raised is that SACA submitted in their oral evidence that the results of the most recent election of board members endorsed the action of the board because sitting members had been re-elected. This statement resulted in a submission to the committee detailing the procedures for filling casual vacancies created by the resignation or retirement of a SACA Board member. The submitter went to some length to prove the case that the SACA board of management is dominated by board appointees, and that this occurred because arrangements had been made for the retirement or resignation of a member due to stand down at the next election and that the casual vacancy would be filled with an appointee.

Board appointees then generally become elected once the ex-member's term is due by virtue of having the advantage of being denoted as a sitting member on the ballot paper. This systemic process of appointment and conferring of the advantage of incumbency flouts the intention of a democratically elected board. I have no doubt that SACA members—the general members—will be concerned about this matter as it becomes clear to them that eight of the 11 elected members were appointed through this process. This is as close to deceiving SACA members as you can get, and the select committee recommended that the process of manipulating appointments to the board cease. Board appointees filling casual vacancies should be the exception rather than the rule.

The committee is pleased, as I am sure the Port Adelaide and West Torrens District cricket clubs are, that SACA has determined another way forward, rather than their proposed forced merger of these clubs. I want to again thank all of those who provided evidence in the submissions to the committee. I want to thank the other committee members for their due diligence throughout this process, and particularly the member for Chaffey, a declared SACA member, for his wise guidance throughout the deliberation process of the committee. Finally, the select committee wishes to express its thanks to parliamentary officer Lauren Williams and research officer Meredeth Brown for their support of the committee throughout this process.

Mr WHETSTONE (Chaffey) (11:23): I rise to speak today on the final report tabled by the Select Committee on the SACA Premier Cricket Merger Decision, of which committee I am a member. We heard from a wideranging list of witnesses, mainly cricket clubs and people who had raised questions about the merger or the process of the merger. The select committee had an issue about the process and the heavy-handedness of SACA in trying to merge two clubs for the betterment of the premier league.

It is important to note that the South Australian Cricket Association made the decision on the merger before the work of the committee was finalised. By way of background, cricket participation in South Australia continues to increase with record numbers and 50 per cent growth in the past four years. Last year, we had 112,000 participants in cricket in South Australia. Most encouragingly, 25,000 of those participants were female. The rapid growth of female participants has exceeded everyone's expectation.

The South Australian Cricket Association commissioned the Robert Zadow report. He was the chair and he, along with Geoff Daly and Bill Baker, were commissioned to investigate the grade cricket competition on behalf of the SACA Board in March 2013. The review was completed one year later, titled the Zadow report, and after concerns were raised during that following process, the select committee was formed.

As part of the merger proposal, there were several clubs whose future was being reviewed. Those clubs came as witnesses to the committee, and I give credit to them. They came with

well-prepared arguments, they came with passion, they came with the facts, and they came representing each club and they worked collaboratively together to state their case for survival.

I want to make the point that, when the overarching governance of a sports code is in question, if there are issues with the survival of that code, and when there is a proposal put to those clubs, in most cases it brings out the best in the clubs. Those clubs came out there with the evidence they needed to portray their case, and I think they did that in an exemplary and fashionable style. I have seen many sports codes go through a similar situation. To SACA's credit, it made the decision before the committee handed down its finding, and that decision was to add a 14th team to the previous 13-team competition with the inclusion of the state under 19 team to bolster the Premier Cricket league.

Good luck to all the clubs for their future. SACA has made its decision in the best interests of the game. To the committee, I think it was a process that had to be undertaken and that both Port Adelaide and West Torrens, who were under question, will review the future structure of their club. They will review the finances and the direction in which their club will go, and I am sure that, through the process of the committee and its findings, through the Zadow report and SACA's wish to merge, these clubs will be made stronger and more focused on being a stronger competitor who is able to field all the senior, junior and female teams, as every South Australian sports spectator wants to see.

In closing, I wish the Redbacks the best of luck in the Sheffield Shield final because, as we know, anything is possible. They are up against it at the moment playing Victoria, but the Redbacks have depth, they have courage and the numbers show that anything is possible.

The SPEAKER: Is it true that West Torrens District Cricket Club won the grand final on the weekend?

Ms Cook: I will explain that in a moment.

The SPEAKER: Splendid! Member for Fisher.

Ms COOK (Fisher) (11:27): I am pleased to rise and make a contribution as a member of the Select Committee on the SACA Premier Cricket Merger Decision. I was honoured to be asked to be involved in this committee and found the process to be most beneficial in relation to seeing the big picture of cricket in South Australia, which is an important part of our sporting culture and a rich part of our history.

Principally, I was very concerned that the decisions being made, which have been well spelt out by the member for Wright, were not in the best interests of the game and were made from the point of view that the clubs being targeted for merger were some of only a handful of clubs that participate in all aspects of the game: men's, women's and youth cricket. The recommendations of the committee as tabled are positive and will serve to assist the SACA in its governance process as well as strengthen the competition moving forward, in my opinion.

With this inquiry kicking off prior to the commencement of the season, it is interesting now to reflect on the results in the context of the teams targeted for merger, in particular the West Torrens and Port Adelaide cricket clubs. Woodville had also been considered earlier but seemingly was ruled out. There are a few fun facts and figures to note now that the season and the inquiry has concluded regarding the Port Adelaide and West Torrens cricket club outcomes.

The West Torrens Eagles defeated the Glenelg Seahorses by eight wickets in the 2016-17 West End Twenty20 Cup. West Torrens ended the season in first place in the first grade men's two-day competition with Port Adelaide finishing fourth, and there was a West Torrens versus Port Adelaide showdown in the semifinals of the men's first grade with West Torrens defeating Port Adelaide to go into the first grade men's final against Kensington.

Mr Speaker, I know you are just holding your breath for this result. The final result was West Torrens all out for 334, defeating Kensington—which may well be the member for Bragg's team, over that way—all out for 176. My maths on the run is usually reasonably good; I think that is nearly double the score, very close. It is a great result. That is West Torrens, which has been touted for merger, absolutely flogging Kensington in the final. The result means that West Torrens successfully completed the first ever clean sweep of all three formats of the game—Twenty20, one-day and two-day games—after this result.

Previously, in the years leading up to the merger proposal—this gives some context regarding our confusion around the suggested changes—West Torrens made it to the 2014-15 West End one-day competition semifinals and were defeated by Sturt; Port Adelaide won the first grade men's competition in 2013-14; West Torrens made it to the first grade men's finals in 2011-12 and were defeated by Woodville; West Torrens made it to the finals of the 2011-12 West End one-day competition and were defeated by Tea Tree Gully; Port Adelaide made it to the first grade men's semifinals in 2010-11 and were defeated by Sturt; and West Torrens made it to the first grade men's semifinals in 2009-10 and were defeated by Sturt, who went on to win the finals.

It is really not a bad effort for the western suburbs. Removing a team from this region based on this type of background just did not make sense to me or other committee members. If we then go further and talk about the women's cricket competition—and I must say that having evidence from someone like Kate Rush was fantastic, because she has lived and breathed this game down the port for many years, and I have taken special note of her achievements over the years. She is a great leader and a great speaker. Both Port Adelaide and West Torrens finished in the top four of their competition, with Port Adelaide unable to topple Kensington in the final, unfortunately.

Port Adelaide and West Torrens both submit first grade women's teams to the competition, and they are two of only six Premier Cricket clubs to do so, as pointed out by the member for Wright. Other clubs that submit first grade women's teams are Kensington, Sturt, Southern and Northern Districts, and it appears that Tea Tree Gully and Northern Districts may have submitted a combined first grade team in the past. Cricket Australia is investing heavily in female engagement through the Growing Cricket for Girls Fund, and, of course, investment in women's sport is a state government priority. Cricket Australia's website states:

> The investment follows research into female participation commissioned by Cricket Australia, which revealed a need for more local girls competitions, allowing girls to play alongside people of similar age and ability, for associations and clubs to actively support female competitions and for better coaching and facilities at a club and school level.
>
> Through the Growing Cricket for Girls Fund, clubs and secondary schools have access to $2,000 of funding annually, while associations may receive $10,000 over two years.

So, there has been a big investment from Cricket Australia. The South Australian government is also investing heavily in women's sports, including the facilities grants for change rooms, which continue to be rolled out. Again given this significant investment, it seems contradictory, counterproductive and almost perverse to try to implement a decision that will reduce the number of clubs that are genuinely investing in and supporting women's cricket. Eliminating a club that has a women's team just does not make any sense to me.

For the South Australian Redbacks—and we have talked about this as well—the win is looking improbable, if not almost impossible at this point, but I have been wrong once before. They did finish second on the ladder, which puts quite a few teams underneath them that did not make the final. So, irrespective of the outcome, what a fantastic result again by the Redbacks this season and another piece of evidence that says, 'Hang on a minute—we are doing well in South Australian cricket.' However it is working now, we are doing well.

It was a relief to see that SACA reversed its decision to seek mergers during a release that was sent out in February. I think the proposal to increase to a 14-team competition by playing the under 19 SACA team in first grade is excellent. This will expose the juniors to a great competition and it will avoid the bye. I wish them all well in the future.

I thank all the witnesses as well and the members of the committee, but particularly the players and volunteers for being so giving of their time and for showing us so much passion regarding their cricket. Peeling back the layers sometimes of a due or undue process is often enlightening. I hope that this report helps members of SACA to make good decisions moving forward. This really highlights the importance of grassroots competitors and grassroots supporters actually becoming members and having their say and voting in order to ensure fairness and participation. I commend the report.

The Hon. P. CAICA (Colton) (11:35): Firstly, I thank the committee for its comprehensive and, I believe, very thorough and outstanding report. I thank all the members of the committee for

their contribution, both in the stages when witnesses were there and, most importantly, during the process where they went through their deliberations to finalise this report.

I particularly pay tribute to the Chairperson, the member for Wright, who did an outstanding job in not only analysing the evidence, along with her colleagues on the committee, but who certainly was absolutely forensic in her interpretation of the evidence that was provided by all the witnesses. To that extent, for a person who originally said she knew nothing about cricket, she understands a lot more now and also understands the processes very well and that is why I think, amongst other reasons, the Chair did such an outstanding job.

I also want to thank the witnesses, those from my club, the West Torrens District Cricket Club, who appeared—Denis Brien, Scott Jones and Brenton Woolford—and those from the Port Adelaide Cricket Club as well—James Case and Kate Rush. My colleague mentioned Kate Rush; she was an outstanding witness, and also Maurie Vast, a legend down at that club and also a legend in the western suburbs at the Flinders Park Football Club, and I know people will not hold that against him.

The thing I want to say about Maurie as well is that he was one of the first people to contact the West Torrens District Cricket Club after the weekend's grand final victory, offering his personal support and that of the club for the outstanding season they had. Also, in that email which has been shared around, and I know Maurie would not have any problem with that, he highlighted how this whole process had brought the clubs together in such a way that the bond between the clubs is now stronger than it ever was.

My colleague mentioned the grand final, but also the semifinal was held at the beautiful Henley Memorial Oval. Ideally, it would have been nice for Port Adelaide and West Torrens to play off in the grand final, but that wasn't to be. It was a cracking game. I remember I went off with Annabel in the morning and went past and we were 7 for 96, chasing 154, I think it was, and I said in a way that I cannot repeat here, 'I think we are not going to go very well.'

We came back about an hour and a half later and we were still at 7 for around 125, 130, chasing an extra 30 runs. It was a cracking game, and to Port Adelaide's credit they did not give up, and to the Eagles' credit they did not give up, and we were very lucky to make the grand final and we were 9 for, with a couple of runs to go, and we were fortunate enough to win that game.

I want to acknowledge Port Adelaide's efforts throughout this season, under duress, because people should not underestimate the duress that the clubs were under as a result of this forced merger decision, which did lack transparency and did lack logic, which was identified in the report. So, to Port Adelaide and West Torrens, a fantastic season. I will be talking about West Torrens a little bit later today.

I also want to pay tribute to Kensington. They did very well throughout the season and they are a good club. They are not the enemy within the competition. The enemy through this process was actually SACA. What SACA undertook through the processes it did was a very divisive way by which the clubs were pitted against each other. It came to the situation where, whilst others might not have supported the merger, they were not going to say too much about it because 'there but for the grace of God might go our club'. It was a very, very divisive process. I think two of the outstanding recommendations within the report were those that focused on juniors and the support that needs to be provided by SACA with respect to being able to strengthen participation.

Historically, they did have members of SACA allocated to various clubs to assist them in their organisation of the junior competitions. Port and other clubs are certainly not benefiting from what was once provided. SACA certainly needs to review what level of support they provide to the clubs to help them engage with the broader community in such a way that we increase the participation of junior competitors in both the male and female sections. That is an outstanding recommendation in the report.

I could bang on for a long while about the SACA administration. I think the member for Wright articulated it in an exceptional way. In the world of politics, whether on that side of the house or this side of the house, we think that we deal with things reasonably well in regard to how appointments might be made and so on, but we have nothing on SACA and the way they organise their board so

that people who resign from the board are replaced by a casual vacancy, then they again sit and become an existing board member.

There is a legitimacy in being able to appoint vacancies as and when they arise, but it seems to me that this process has been ingrained within the administration of SACA in such a way that they are getting who the board at that time wants without there being any great engagement through a democratic process by the members themselves. That is another very important recommendation that is contained within this report.

Having said a lot about SACA since the establishment and even before the establishment of the select committee, to the extent that I do not ever expect I will get on their Christmas card mailing list—and that does not bother me in the slightest—the clubs have to work with SACA. I hope that this report is a wake-up call to them about the way they administer cricket in this state as the peak authority for the administration of cricket, which cannot be done without a proper relationship with the clubs. I want to see that relationship further developed.

There is a saying, and it is not this way: 'God created SACA from which the cricket clubs were spawned.' It is the other way around: SACA exists as a result of the fact that those clubs are there and have been for a long, long while. SACA needs to improve its relationship with the very reason it exists, and that is the cricket associations and cricket clubs throughout the length and breadth of this state. I need to challenge one of the comments made by my good friend the member for Fisher when she talked about the under 19s being included in the competition.

Anyone who knows cricket at all—and most people know more than I do—have come up to me and said, 'Paul, we've got another fight on our hands.' They said, 'The inclusion of under 19s into Premier Cricket will not benefit those young people at all. Junior cricketers at that age get more from playing in a club environment and being mentored by those seniors within it.' I said, 'Well, that's a fight you're going to have to fight on your own. I have had enough of fighting and it's your job to do that.' I understand that the Grade Cricket Committee, save and except for the university, did not support that particular proposal because it will not add to the growth of those particular cricketers.

The other thing I found very interesting was the member for Chaffey's analysis of the whole process, and I will read that with interest. I am not suggesting in any way that he has not been an outstanding contributor during deliberations of the report because the member for Wright told me and told the house that that is the case, but all was not sweet with the way SACA undertook this process. It smelt, and smelt very badly, and I think they have been brought to bear with regard not only to this report but also to the fact that they then did a turnaround on the decision that was ill thought through in the first instance anyway. So, they have come to their senses.

I hope this report will continue them on a road to operating differently from the way they have in the past. I congratulate all the teams and players within the district competition and all those who play cricket across the state. I will finish off by saying that they will be better served by a far more effective, inclusive and professional SACA Board than we have today. Again, I congratulate the committee and I am very pleased with the work they did and the report they provided to the house.

The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister for Housing and Urban Development) (11:44): Can I also thank the member for Wright and the rest of the committee members who gave up their time and dedicated themselves to what was, at least in one instance, a bit of a steep learning curve in getting to know the ins and outs of not only the sport itself but also what we have learnt to be some of the entrails of the administration of a key sport in South Australia.

This was an initiative of the member for Colton, who was motivated for the parliament to take some sort of action by what appeared to be a completely arbitrary decision by the South Australian Cricket Association in determining that there had to be a merger of two proud western suburbs cricket clubs for their premier grade teams, at the least, if not the clubs themselves to merge so that only one would be able to play cricket at that highest grade level.

It is a concern I shared as the member for Lee and as a person whose electorate takes in a large part of the community from which the Port Adelaide Cricket Club draws its players, its officials, its supporters and its volunteers, as well as someone who has also donned the creams for the Port

Adelaide Cricket Club. We will not go into that—it was not a great experience for them or me, I have to say, but I am very proud of that—

Mr Pederick interjecting:

The Hon. S.C. MULLIGHAN: I did both, neither with distinction, in response to the member for Hammond.

I was very concerned, as was the member for Colton, with the fortunes of his club, the West Torrens Cricket Club, that this decision had come about. I completely understand the trepidation that many members felt when it came to the vote to establish this select committee. It is highly unusual, but not without precedent, for the parliament to establish such an inquisition for an appropriately and legally incorporated association, one that has its own constitution and one that largely conducts itself to its own rules and requirements.

But there is a good rationale for doing it in this case, and that is because not only does the South Australian Cricket Association superintend cricket in South Australia, but they are responsible (as we heard the member for Colton and member for Wright say) for promoting participation in cricket, particularly through juniors but also in supporting women's cricket, as well as the longstanding men's competitions, but they are also the custodian or part custodian of a massive investment this parliament has made in the redevelopment of the Adelaide Oval, or should I say the latest investment this parliament has made in the redevelopment of Adelaide Oval, because this parliament has a longstanding history of having supported the South Australian Cricket Association and the Adelaide Oval through many decades.

Imagine the outcry there would have been from the public more generally had the other organisation, which now shares in the tenure and administration of the Adelaide Oval, the South Australian National Football League, had been seen to make an arbitrary decision to suddenly merge two state league teams or two state league clubs out of the clubs that are in there at the moment. Imagine the hue and cry there would have been—

The Hon. J.M. Rankine: Sturt and Norwood.

The Hon. S.C. MULLIGHAN: The member for Wright says 'Sturt and Norwood'. I would argue that there is probably apt reason to merge those two clubs, given their long history of underperformance in the South Australian National Football League. Imagine the hue and cry there would have been had they managed to merge two vastly more successful clubs, like the Port Adelaide Football Club or the Woodville West Torrens Football Club. People would be outraged. This is the cricket equivalent of the SANFL making such a move, and that is why it could not go without external and thorough examination.

As a member of this parliament, I am very proud that the parliament, through a select committee comprising members of both sides, has done such a good job putting SACA through its paces and getting to the bottom of how they came about this decision. Of course we know now that in the course of their inquiry the South Australian Cricket Association has not only reversed their decision but they have changed their direction on how the premier grade should be comprised. They have not only kept all existing 13 clubs that had a presence in that premier grade but they have added a 14th team to eliminate the bye.

If you ever wanted to take up time at a front bar, you could debate whether having a bye or not having a bye improves or undermines performance within a particular league. There are strong opinions within cricket in South Australia about whether or not the bye has contributed, but it is almost impossible to make a determination about whether that can be the case. Look at the current season and the previous season, when we had the South Australian Redbacks state team contest grand finals. That has been on the back of having a premier grade with a bye, for example. Of course, we have also had a bye where the Redbacks have massively underperformed as well. So on the basis of performance alone you cannot make an assessment.

When it came to these clubs trying to understand why the Cricket Association had made a move to eliminate the bye, they were trying to understand why their clubs had been singled out, particularly because the initial decision was that three clubs in the western suburbs—West Torrens, Port Adelaide and Woodville—would be in the gun for reduction and/or merger, but somehow

Woodville was extricated from that process. They were given what would appear to be some commitment that they could continue on and it would just be West Torrens and Port Adelaide that would remain in the gun.

I am glad that the committee's work has not only fleshed what the SACA believes its rationale to be but fleshed out the inconsistencies and the infelicities in that rationale, particularly when you compare the attributes and the performance, on field and within the club and financially, of those clubs compared to other clubs like University, like Kensington, like West Torrens which, in different ways, do not share the same benefits and attributes that the West Torrens District Cricket Club or the Port Adelaide Cricket Club share.

You can see why, as the member for Colton has just said in his contribution to the house, there is a suspicion amongst western suburbs cricketers—let alone the clubs that they support, volunteer for or even play for—that there is a different mindset from the South Australian Cricket Association when it comes to considering western suburbs clubs versus eastern suburbs clubs. That is unfortunate. If you talk to anyone who plays cricket or who loves cricket, one of the top, if not the top, attributes they would point out as the basis for their love of the game is its psychological element, which is perhaps more important in cricket than in any other sport—except maybe chess.

It is incredibly important, and when you think you may be contesting the last season at the highest possible grade for your cricket club, and you are expected to front as a contributing fast bowler or specialist batsmen or keen slips fielder, etc., and you are meant to give six to eight hours of unbroken concentration on the field of play for several days, you can understand how the lack of confidence in the future of your club brought about by the South Australian Cricket Association can undermine performance.

It is remarkable that, in those circumstances, nearly the whole way through the season both the West Torrens District Cricket Club and the Port Adelaide Cricket Club were able to overcome that psychological hurdle, that mental impairment that had been thrust on them by the uncertainty this process has caused. I am incredibly proud of both the Port Adelaide Cricket Club and the West Torrens District Cricket Club. They did everything they possibly could to establish a rock solid case as to why they need to stay in the premier grade, let alone why the decision-making process was flawed from their perspective.

Not only have they done that, but the leadership of their clubs, their club committees, their players, the coaching staff, the other staff, the volunteers have all remained rock solid by these clubs the whole way through. At Port Adelaide I am incredibly proud of Maurie Vast and the club he leads, I am incredibly proud of all those players. I am deeply honoured to be able to represent them in this place, and I think I am very lucky that they would deign to have me attached to their club. I commend the committee's work.

Motion carried.

CRIME AND PUBLIC INTEGRITY POLICY COMMITTEE: ANNUAL REVIEW

Adjourned debate on motion of Hon. A. Piccolo:

That the second report of the committee, entitled 'Annual Review of the Public Integrity Policy Committee into public integrity and the Independent Commissioner Against Corruption', be noted.

(Continued from 15 February 2017.)

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (11:54): I rise to speak on the annual review submitted by the Crime and Public Integrity Policy Committee into public integrity and the ICAC. It is their second review. We have it because the committee was established at the time of the statutory implementation of the ICAC and the Office for Public Integrity (which is the gatekeeper to it), and it is an important committee of review.

Why do we have it? We have it because, primarily, the parliament determined that if we were going to establish an ICAC and provide that entity as an integrity body with extraordinary powers of surveillance, access to telephone tapping etc. for the purposes of investigation of potential corruption, maladministration and misconduct, then we needed to have an oversight body. So that is why this committee continues to work hard. It receives regular submissions and updates in evidence from the

relevant integrity bodies in South Australia and, in particular, investigative work undertaken by the police, the ICAC, the Ombudsman and various other bodies that have responsibility to ensure proper conduct or administration pursuant to their statutory powers.

Interestingly, the recommendations from this report are largely to undertake some statutory reform, although relatively minor—I think I can suggest that—to deal with the tightening of obligations under the warrant powers, in particular to mandate that a copy of any search warrant should be provided to the owner or driver of a vehicle, or a place, depending on the intrusion, and recommendations to amend the Criminal Law Sentencing Act to add in the ICAC as a law enforcement agency for which you get credit if you cooperate as we currently have available to other agencies where an accused or prisoner is cooperative with the authorities, so to speak, and seeking to be incorporated.

They are matters which can probably be relatively easily inserted into legislation, into the principal acts. For example, the sentencing reform currently before the parliament—the rewriting of the Sentencing Act—is a matter that, certainly from our side, we would be happy to talk to the government about. If they are not already taking up the option to deal with that, then it is a relatively straightforward matter, and I think we should try to undertake the recommendations where they are easily able to be applied or implemented.

I read with some curiosity recommendation 6, which was to have a review of whether the ICAC had made any appreciable difference to the prevention or minimisation of corruption, misconduct and maladministration in public administration. We could start with whether it had any influence or made any difference to whether the government should accept unsolicited bids arising out of the Gillman inquiry, and under what circumstances. I seek leave to continue my remarks.

Leave granted; debate adjourned.

Bills

LAND AND BUSINESS (SALE AND CONVEYANCING) (BENEFICIAL INTEREST) AMENDMENT BILL

Introduction and First Reading

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Industrial Relations, Minister for Child Protection Reform, Minister for the Public Sector, Minister for Consumer and Business Services, Minister for the City of Adelaide) (12:00): Obtained leave and introduced a bill for an act to amend the Land and Business (Sale and Conveyancing) Act 1994. Read a first time.

Second Reading

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Industrial Relations, Minister for Child Protection Reform, Minister for the Public Sector, Minister for Consumer and Business Services, Minister for the City of Adelaide) (12:01): I move:

That this bill be now read a second time.

I rise to speak briefly about the Land and Business (Sale and Conveyancing) (Beneficial Interest) Amendment Bill 2017, which amends the Land and Business (Sale and Conveyancing) Act 1994. The bill significantly strengthens protections for consumers when selling a property which includes land or a business. The intention of the bill is for consumers to feel confident they are not being unfairly taken advantage of if they choose to sell to a real estate agent or sales representative or one of their associates. I seek leave to have the remainder of the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Through the introduction of harsher penalties for those found guilty of offences under section 24G in line with the level of risk associated with the sale of property, it is hoped that there will be a stronger deterrent factor for agents considering whether to take the risk. This is the first time section 24G has been reviewed and amended since the introduction of the section in 2008.

The need for the proposed amendments has become increasingly apparent in recent times as a result of failed prosecutions under section 24G. There have been many situations where the agent or sales representative in question has blatantly acted unethically and caused a financial detriment to their client for their own benefit; however, due to technicalities in the legislation, their actions have fallen just outside of the scope of the provisions and therefore they have not been successfully convicted of an offence. The most common scenario is where relatives of employees are used to purchase properties, or transactions are performed in the name of body corporate entities where agency employees are the sole directors.

Whilst it is difficult to envisage every possible scenario in which an agent or sales representative could escape liability, every effort has been made to consider hypothetical situations and address all previous shortcomings of the section. For example, the definition of an associate has been expanded to include a relative of an employee of the agent, and step-relations have been classified as relatives to reflect changes in family structures that have evolved over time. The scenario mentioned earlier regarding a body corporate has also been addressed by clarifying who is considered an associate of a corporate entity.

Directors of real estate agencies will now be discouraged from using the corporate entity as a vehicle to gain a beneficial interest through the introduction of a vicarious liability provision, unless it is proven that due diligence was exercised and the director could not have prevented the commission of the offence. Likewise, both general managers and managers of individual real estate branches will now be held liable for the actions of their employees in certain circumstances, unless they are able to rely upon the general defence that exists in the Act. This allows for a high level of accountability at a managerial level, and encourages high level management to ensure that offences are not committed within their agency. A specific provision has been inserted to ensure that managers of individual branches (as opposed to general managers overseeing the corporate entity) are not held liable for transactions occurring in other branches so as not to capture scenarios that are too far removed from the manager.

Although it is true that there will always be members of the industry that will choose to commit offences, the existing penalties under section 24G of the Act were grossly disproportionate both to the level of detriment suffered by vendors and the benefit received by the agent or representative. Penalties have been increased from $20,000 to $50,000 for many offences and aggravated offences have been established for each existing offence, with penalties of up to $100,000 or 2 years imprisonment. In line with other legislation, offences will be aggravated if vendors are aged over 60, are under guardianship, or are suffering from a mental incapacity. The importance of the aggravating factors are clearly seen when looking at previous cases, where the most significant losses suffered have involved the elderly or those who are not able to fully understand the transaction.

Lastly, the Bill proposes to increase the time limit for prosecution proceedings to be commenced from two years to five years, and up to seven years in extenuating circumstances. The reason for this is that previous attempted prosecutions have often been impeded by time restrictions due to the lengthy nature of property transactions.

The proposed reforms have been welcomed by key industry bodies, who have recognised the regulatory gap and have witnessed unethical and illegal transactions firsthand. In addition, Consumer and Business Services, the regulatory body responsible for the administration of the legislation, are committed to streamlining the exemption process and improving the efficiency of the application process.

I commend this Bill to the House.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Land and Business (Sale and Conveyancing) Act 1994*

4—Amendment of section 24G—Restriction on obtaining beneficial interest in selling or appraising property

(1) The penalties in section 24G(1) and (2) are increased (from $20,000 to $50,000) and a penalty is added for an aggravated offence ($100,000 or imprisonment for 2 years). Aggravated offences are defined at new subsection (10a).

(2) Proposed new subsection (2a) will prohibit three new categories of person from obtaining, or being concerned in obtaining, a beneficial interest in land or a business that an agent is authorised to sell. The categories are:

(a) a natural person who is responsible for managing or supervising the agent's business (including, but not limited to, a natural person referred to in section 10 of the *Land Agents Act 1994*, in relation to that business);

(b) a natural person who is responsible for managing or supervising 1 or more places of business of the agent at which any of the negotiations, administration or other functions relating to the sale are conducted by employees of the agent or persons otherwise engaged by the agent (including, but not limited to, a natural person referred to in section 11 of the *Land Agents Act 1994*, in relation to that place of business);

(c) in the case of an agent that is a body corporate—a director of the body corporate (within the meaning of the Land Agents Act 1994).

(3) The penalty for the offence in section 24G(3) is increased to the same level (and with the addition of the penalty for an aggravated offence) as for the preceding subsections.

(4) Section 24G(4) is amended to clarify its interaction with new subsection (10a).

(5) Section 24G(6) is amended to clarify the persons that that subsection is talking about.

(6) The penalty for the offence in section 24G(9) is increased from $5,000 to $10,000, with a new penalty for an aggravated offence added of $20,000.

(7) Proposed subsection (10a) sets out what constitutes an *aggravated offence* while new subsection (10b) facilitates the proof of paragraph (c) of the definition of *aggravated offence*.

(8) The definitions of associate and relative are substituted, while a new definition of *medical practitioner* is inserted.

5—Insertion of section 39

This clause inserts section 39 into the Act with the effect of imposing directors' liability for offences committed by the bodies corporate.

6—Amendment of section 40—Prosecutions

This amendment increases the period of time within which prosecutions for summary offences against the Act may be commenced, namely to within 5 years (or, with the consent of the Minister, 7 years) after the alleged offence (this is up from within 2 years (or, with the consent of the Minister, 5 years)).

Debate adjourned on motion of Ms Chapman.

SOUTH AUSTRALIAN EMPLOYMENT TRIBUNAL (MISCELLANEOUS) AMENDMENT BILL

Introduction and First Reading

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Industrial Relations, Minister for Child Protection Reform, Minister for the Public Sector, Minister for Consumer and Business Services, Minister for the City of Adelaide) (12:02): Obtained leave and introduced a bill for an act to amend the South Australian Employment Tribunal Act 2014 and to make related amendments to various acts. Read a first time.

Second Reading

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Industrial Relations, Minister for Child Protection Reform, Minister for the Public Sector, Minister for Consumer and Business Services, Minister for the City of Adelaide) (12:02): I move:

That this bill be now read a second time.

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

Leave granted.

Today I am introducing the South Australian Employment Tribunal (Miscellaneous) Amendment Bill 2017 (the Bill).

The Bill is required primarily to correct omissions from the *Statutes Amendment (South Australian Employment Tribunal) Act 2016* (the Amendment Act) and to support the jurisdictional expansion of the South Australian Employment Tribunal (SAET).

The Amendment Act was given Royal Assent on 8 December 2016 and remains uncommenced. The Amendment Act is currently proposed by the Government to commence on 1 July 2017.

It is intended that the Bill, if passed by Parliament, will commence immediately after the commencement of the Amendment Act.

SAET was established by the *South Australian Employment Tribunal Act 2014* (the SAET Act). SAET commenced operations on 1 July 2015 with jurisdiction over workers compensation disputes under the *Return to Work Act 2014*. SAET was established on the premise that the collective industrial relations skills and experience of SAET's members and administration would in the future be utilised for resolving other employment-related disputes. The aim is that SAET will, as much as possible, be a one-stop-shop for resolving disputes between employers and employees.

On its commencement, the Amendment Act will amend the SAET Act and a number of other Acts to confer additional employment-related jurisdiction on SAET in addition to its existing jurisdiction under the *Return to Work Act 2014*, namely:

- jurisdiction over dust disease matters under the *Dust Diseases Act 2005*;
- the jurisdictions of the Industrial Relations Court of South Australia and of the Industrial Relations Commission of South Australia under the *Construction Industry Long Service Leave Act 1987, Fair Work Act 1994*, *Fire and Emergency Services Act 2005*, *Industrial Referral Agreements Act 1986*, *Long Service Leave Act 1987*, *Public Sector Act 2009*, *Training and Skills Development Act 2008* and the *Work Health and Safety Act 2012*;
- the jurisdiction of the Equal Opportunity Tribunal under the *Equal Opportunity Act 1984*;
- the jurisdictions of the Teachers Appeal Board and teachers' classification review panels under the *Education Act 1972* and *Technical and Further Education Act 1975*;
- part of the jurisdiction of the Police Review Tribunal under the *Police Act 1998*;
- the jurisdiction of the Public Sector Grievance Review Commission under the *Public Sector Act 2009*;
- criminal jurisdiction in respect of summary and minor indictable offences that are currently 'industrial offences' under the *Summary Procedure Act 1921*; and
- common law civil jurisdiction in respect of contractual disputes between employer and employee and common law claims for damages under Part 5 of the *Return to Work Act 2014*.

Since the passage of the Amendment Act, a need to amend s45 of SAET Act has arisen. In brief, the current effect of s45 is that SAET cannot proceed to hear any matter unless a pre-hearing conference has first been held before a Presidential member. The proposed amendment of s45 will be beneficial to parties and to SAET.

SAET proposes that, on the commencement of the Amendment Act, a SAET Commissioner or Presidential member undertaking a conciliation, mediation or arbitration (ADR) process with parties that proves to be unsuccessful would be able with the parties consent to move immediately into a contested hearing of the matter to arrive at a binding determination of the dispute. That is, it is not anticipated that the proceedings would be adjourned for the parties to return at a later time for the contested hearing of the matter.

At this time, it is proposed that this process would mainly occur in the case of reviews under the *Public Sector Act 2009* and employment disputes currently heard in the Industrial Relations Commission under the *Fair Work Act 1994*.

As it currently stands, s45 would not allow an unsuccessful ADR process to proceed immediately into a contested hearing, and a pre-hearing conference would first have to be held before a Presidential member. It is likely to be nearly always the case that the pre-hearing conference would not be able to be held immediately and the parties will need to return to SAET at a later time to resume the proceedings.

The Bill proposes to amend s45 so that the requirement for a mandatory pre-hearing conference before a Presidential member of SAET will only apply in the case of proceedings under the *Return to Work Act 2014* and in any other prescribed class of proceedings. The latter would have the advantage of allowing the making of Regulations to require pre-hearing conferences under other legislative schemes as appropriate.

The amendment of s45 will produce benefits to SAET and the community in those cases where it is appropriate to move immediately from an unsuccessful ADR process to a hearing.

The Bill makes a small number of other amendments to the *Education Act 1972*, the *Equal Opportunity Act 1984*, the *Technical and Further Education Act 1975* and the Amendment Act which were overlooked during the original drafting of the Amendment Act.

The amendment of s54(2) of the *Education Act 1972* will ensure that the President of SAET can choose to list Supplementary Panel Members for all review proceedings under that Act. This is achieved by changing the word 'Division' to 'Act'.

A further provision in the Bill would repeal s105 of the *Equal Opportunity Act 1984*. This currently allows the Presiding Officer of the Equal Opportunity Tribunal (EOT) to make rules regulating the practice and procedure of the Tribunal. Section 105 will be redundant when SAET assumes the EOT's jurisdiction.

The amendment of s18A(2) of the *Technical and Further Education Act 1975* corrects an error, in that the reference to 'this section' was intended to be a reference to 'this Division'.

The amendment of s100(7)(b) of the Amendment Act reflects the intention that SAET be able to adopt any findings or determinations of the EOT in proceedings commenced prior to the commencement of the Amendment Act.

The amendment of s142(2) of the Amendment Act is required to reflect the intention that the appointment of a person as a member of the Teachers Appeal Board (not 'the Tribunal', which is a reference to SAET) is terminated on the commencement of that subsection.

Serious consequences could result if these other amendments proposed in the Bill are not made, and would represent a change from the *status quo*. This includes most importantly that Supplementary Panel Members will not be available to sit for the full range of review proceedings under the *Education Act 1972*, that the power in s18A(2) of the *Technical and Further Education Act 1975* to reinstate an officer will not be able to be exercised as broadly as intended and that the appointments of members of SAET may be at risk.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *South Australian Employment Tribunal Act 2014*

4—Amendment of section 45—Pre-hearing conferences

This clause amends section 45 to provide that the requirement to conduct pre-hearing conferences applies to proceedings under the *Return to Work Act 2014* and other proceedings prescribed by regulation.

Schedule 1—Related amendments

Part 1—Amendment of *Education Act 1972*

1—Amendment of section 54—Appointment and selection of supplementary panel members for reviews

This clause amends section 54 of the principal Act to substitute a reference to 'Division' with a reference to 'Act'.

Part 2—Amendment of *Equal Opportunity Act 1984*

2—Repeal of section 105

This clause deletes section 105 of the principal Act.

Part 3—Amendment of *Technical and Further Education Act 1975*

3—Amendment of section 18A—Review by SAET

This clause substitutes a reference to 'section' with a reference to 'Division'.

Part 4—Amendment of *Statutes Amendment (South Australian Employment Tribunal) Act 2016*

4—Amendment of section 100—Transitional provision

This clause substitutes a reference to the Tribunal with a reference to SAET.

5—Amendment of section 142—Transitional provision

This clause substitutes a reference to 'Tribunal' with a reference to 'Appeal Board'.

Debate adjourned on motion of Mr Pederick.

LIQUOR LICENSING (LIQUOR REVIEW) AMENDMENT BILL

Introduction and First Reading

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Industrial Relations, Minister for Child Protection Reform, Minister for the Public Sector, Minister for Consumer and Business Services, Minister for the City of Adelaide) (12:03): Obtained leave and introduced a bill for an act to amend the Liquor Licensing Act 1997 and to make related amendments to various acts. Read a first time.

Second Reading

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Industrial Relations, Minister for Child Protection Reform, Minister for the Public Sector, Minister for Consumer and Business Services, Minister for the City of Adelaide) (12:03): I move:

That this bill be now read a second time.

South Australia is recognised internationally for its fine food and wine. This sector is of vital importance to South Australia's economy and reputation. South Australia must work to enhance this sector but in a way that maintains a safe drinking culture. The government's goal is to ensure that the liquor licensing regime in South Australia reflects contemporary standards and ensures that there are adequate safeguards in place to protect the public, while supporting a safe, vibrant hospitality industry that has become a central part of our economy and our state.

In recognising the importance of the sector and the need to provide efficiency in the regulation of liquor licences but also to promote a safe drinking culture, the government appointed former Supreme Court Justice the Hon. Tim Anderson QC to conduct a review of the liquor licensing laws in South Australia. The terms of reference for the review included assessment of the existing liquor licensing regime under the Liquor Licensing Act 1997 and the development of recommendations for improving the regime to reduce red tape, promote safer drinking and allow greater flexibility to encourage innovative business models. I seek leave to have the remainder of the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Mr Anderson's report entitled the 'Review of the South Australian *Liquor Licensing Act 1997*' dated 29 June 2016, contained 129 recommendations. In conducting his review, Mr Anderson considered 89 written submissions received in response to the discussion paper released by Consumer and Business Services. Mr Anderson then held face to face discussions with 58 industry organisations, health groups, councils and other interested parties for further elaboration on information. Mr Anderson also considered the legislation and liquor licensing models used in other jurisdictions, both interstate and overseas.

The Government accepted the vast majority of the recommendations in full, in part or in principle, in its response to the recommendations made by Mr Anderson.

This Bill seeks to implement a comprehensive raft of amendments to the Act arising from the independent review undertaken by Mr Anderson.

This Bill has been informed by a comprehensive consultation process. In addition to the consultation that occurred as part of Mr Anderson's review, the Government undertook a seven week consultation process by releasing a draft Bill for public comment in November 2016.

As part of the consultation process the Government analysed the feedback from respondents during the consultation process and, where considered appropriate by the Government, made adjustments to the Bill.

Music and events industry representatives have outlined to me issues encountered in arranging music festivals and events. I have considered their concerns and it appears that many of the issues raised may be resolved by better coordination between regulating authorities. In addition to the amendments proposed in this Bill, the Government will consider mechanisms to better facilitate coordination, including case management beginning at the application stage involving Consumer and Business Services, SA Police and councils.

The broad measures in the Bill are designed to:

- reduce red tape for new and existing licensees in the liquor supply market;
- increase efficiency in the regulation of liquor licensing in this State; and
- enhance measures for safe drinking, including for the enforcement of offences under the Act.

The previous comprehensive review of the liquor licensing framework occurred around two decades ago in 1996. The reforms in this Bill seek to modernise the liquor licensing framework, to ensure it meets current community expectations and standards.

The reforms that are aimed at reducing red tape within the industry include:

- removing restrictions on the sale of liquor on Sundays, Christmas Day, Good Friday, New Year's Eve and New Year's Day;
- introducing an automatic extension for trading on New Year's Eve until 2am on New Year's Day;

- removing requirements for designated areas within licensed premises;
- removing the obligation for meals from some new classes of licences;
- introducing a process of notifications in relation to the fit and proper assessment for members of a committee of management of a club; and
- removing restrictions in relation to the sharing of licensed premises.

The reforms that are aimed at increasing efficiency, including during the application process, include:

- streamlining the classes of licences, which have reduced the number of classes;
- replacing the existing objections process for advertised applications, including new licence applications, with a submissions based process;
- replacing the 'needs test' in sections 58 and 61 of the Act with a test based on community interest;
- removing most notification and advertising requirements for licence applications;
- removing the requirement for a separate consent for extended trading hours;
- removing the requirement for entertainment consent other than for prescribed entertainment as defined in the Act;
- providing for the temporary approval of responsible persons; and
- removing the need for crowd controllers, that are already licensed under the *Security and Investigation Industry Act 1995* to then again be approved under the Act.

The reforms that are aimed at promoting a safe drinking culture include:

- strengthening the focus of harm-minimisation through amendments to the objects of the Act;
- introducing a three hour liquor break in trade for late night venues between the hours of 3am and 8am;
- creating a Non-Compliance Register to publish details of licensees who have been convicted of an offence against the Act;
- tightening the laws regarding secondary supply of liquor to minors;
- introducing further eligibility criteria within the fit and proper person assessment;
- restricting the hours for the sale of packaged liquor; and
- tightening the laws regarding the sale of liquor through the internet or by telephone, otherwise known as direct sales.

Reforms aimed at promoting a safe drinking culture, through increased enforcement include:

- making various offences under the Act expiable to improve enforcement;
- providing the Liquor and Gambling Commissioner ('the Commissioner') with wider powers to deal with repeat breaches of the Act or serious offences;
- providing the Commissioner with power to direct a licensee, responsible person or person who sells, offers for sale or serves liquor on licensed premises to undertake specified accredited training;
- introducing further provisions to reverse the onus for offences relating to the sale or supply of liquor to minors and intoxicated persons;
- increasing the power of the Licensing Court to impose injunctions;
- widening the circumstances where the Licensing Court may award costs;
- widening the circumstances for a welfare barring order against a person to include the risk to the welfare of a family member not residing with that person;
- providing a power to seize false, fraudulent or stolen identification documents;
- widening the power of a prescribed person to require evidence of age;
- reforming the hours that a minor may be present on licensed premises; and
- introducing a legislative process for liquor accords.

There are also other administrative and technical reforms incorporated into the Bill, including:

- amendment to streamline the appointment of inspectors.

- insertion of new section 11AA to allow for the Commissioner to publish a determination and to exclude personal, confidential, commercial sensitive information and information where publication would be contrary to public interest and otherwise inappropriate to publish.
- insertion of new section 15A providing for a Registrar of the Licensing Court to be appointed on a basis determined by the Minister. Currently the Act does not have a provision for a Registrar of the Licensing Court, but rather the function is performed by the Clerk under the Licensing Court Rules.
- replacement of the term 'lodger' with the term 'resident on licensed premises'.

I would like to elaborate on some of the more significant reforms.

Licence classes

The Bill deletes and replaces current Part 3 Division 2, with the new regulatory model of licence classes ('new licensing scheme'). The proposed new classes of licence are:

- General and Hotel Licence, which replaces the Hotel Licence.
- On Premises Licence, which replaces the Entertainment Venue Licence.
- Residential Licence, which essentially remains the same.
- Restaurant and Catering Licence, which replaces the Restaurant Licence.
- Club Licence, which amalgamates both the Club Licence and Limited Club Licence.
- Small Venue Licence, which essentially remains the same.
- Packaged Liquor Sales Licence, which amalgamates both the Retail Liquor Merchant's Licence and Direct Sales Licence.
- Liquor Production and Sales Licence, which amalgamates both the Producer's Licence and Wholesale Liquor Merchant's Licence.
- Short Term Licence, which replaces the Limited Licence.
- Special Circumstances Licence is abolished.

The new licensing scheme removes current onerous and outdated trading restrictions and seeks to make the licence classes more flexible to meet community expectations. The following restrictions have been removed:

- restrictions on the sale of liquor on Sundays, Christmas Day, Good Friday, New Year's Eve and New Year's Day;
- requirements for designated areas within licensed premises; and
- obligation for meals for some new classes of licences.

Under the new General and Hotel Licence, Club Licence and Packaged Liquor Sales Licence trading hours for the sale of packaged liquor have been reduced to between the hours of 8am and 10pm (which must not exceed 13 hours).

The new Restaurant and Catering Licence includes the existing safeguards around selling liquor without a meal, to avoid any risk of restaurants operating as bars. One of those safeguards is that subject to the Act and the conditions of the licence, the holder of a Restaurant and Catering Licence may sell liquor without a meal to a person attending a function at which food is provided or to a person seated at a table. Similar restrictions are contained in the new Residential Licence and new Liquor Production and Sales Licence. The new Restaurant and Catering Licence is extended to capture caterers, as recommended in Mr Anderson's report. It is also intended for the new licence to extend to cooking schools to be prescribed in the regulations under new section 35(1)(b)(i).

The new Club Licence includes provisions to remove administrative burden on clubs that wish to hold a club event involving the sale or supply of liquor outside of the licensed premises. Rather than having to apply for a licence (such as a Limited Licence), under the new Club Licence a club may seek a club event endorsement on its licence. Similarly under a Club Licence, a club may seek a club transport endorsement to allow the sale, supply or consumption of liquor by members of the club on a public conveyance specified in the endorsement for the purposes of transporting members to and from club activities specified in the endorsement. The licensing authority will still regulate these activities as clubs will be required to supply relevant information to the licensing authority for the grant of an endorsement.

The new Liquor Production and Sales Licence reduces administrative burden for producers by extending the current producer's event endorsement to cover sites other than within a particular wine region and to sell or supply products other than the licensee's own product, to be called a production and sales event endorsement.

The New Packaged Liquor Sales Licence is aimed to reduce the current level of uncertainty associated with section 37(2) of the Act, which requires that the licensed premises must be devoted entirely to the business conducted

under the licence and must be physically separate from premises used for other commercial purposes. The Bill seeks to clarify the meaning of physical separation in relation to proposed licensed premises and premises used for other commercial purposes (such as supermarkets) under the proposed new Packaged Liquor Sales Licence. The Bill requires:

- the licensed premises be separated from the other premises by a permanent barrier that is not transparent and is of a height of at least 2.5 metres; and
- the licensed premises cannot be accessed from the other commercial premises. However in relation to retail premises in a shopping centre, accessibility from a common area, such as a mall or thoroughfare, will be allowed.

The regulations will prescribe premises where a Packaged Liquor Sales Licence may not be granted unless there is proper reason to do so under proposed new section 38(7).

The Bill creates a temporary licence class known as a Short Term Licence. The Bill allows for different classes of Short Term Licence to be prescribed by the regulations. The regulations will prescribe the detail relating to Short Term Licences including application requirements, fees and the maximum term for each class (which may not be more than three years). Depending on the class of licence, it is expected that the grant of the licence may be by application or notification. For low risk events, the application or notification process in relation to Short Term Licences is intended to be an expedited process. To allow for this the Bill enables the regulations to provide that provisions of Part 4 of the Act do not apply or apply with prescribed variations.

Transition of existing licences to the new classes

The transitional provisions in Schedule 2 of the Bill are aimed at facilitating a smooth transition for existing licences into the new classes of licences. The transitional provisions are also aimed to provide a mechanism by which the information and conditions contained on existing licences is cleansed to ensure that it aligns with the reforms and contains the necessary information for enforcement purposes, such as the actual hours of trade and the hours between which there will be a break in trade. Mr Anderson was clear in his report that the actual trading hours of a business should be detailed on the licence to aid in enforcement.

For most licences, there will be an easy transition to the new class of licence because the transitional provisions will automatically convert existing licences to the new corresponding licence. In the case of existing Special Circumstances Licences, these will be converted to either a General and Hotel Licence, Packaged Liquor Sales Licence or an On Premises Licence depending on the model of operation. However the Commissioner may on application, or on the Commissioner's own initiative, issue the holder of an existing Special Circumstances Licence with a different class of licence if appropriate taking into account the trade authorised under the licence.

In the case of existing Limited Licences, they will not transition but rather continue to apply until the expiry of the licence.

Pursuant to the transitional provisions, existing trading hours will be preserved on transition. In order to give effect to the break in trade and the reforms removing trading restrictions, the Commissioner is given the power to vary trading hours by written notice to the licensee. In addition, if a licensee wishes to reduce the trading hours authorised under the licence, they may apply to the Commissioner within two years after the commencement of the new licensing scheme. The intention is that existing authorised trading hours will continue to apply (subject to the break in trade provisions and trading restrictions removed by the reforms). For example, a bottle shop with existing authorised trading hours beyond 10pm, may continue to trade beyond 10pm despite the restricted hours authorised under the new Packaged Liquor Sales Licence.

The transitional provisions also provide that existing conditions (which includes terms of a licence, an authorisation or any other right or limitation set out in a licence) will be preserved on transition. For example, this would mean that a Club Licence with authorisation to sell packaged liquor to members, may continue to sell packaged liquor but only to its members.

The Commissioner will have a broad discretion to, by written notice, add, substitute, vary or revoke a condition on a licence for a period of two years following the commencement of the new licensing scheme. The power is however limited to conditions where the Commissioner is of the opinion that it is necessary or desirable as a consequence of the reforms, or because the matter should be dealt with or addressed under the *Development Act 1993* or the *Planning, Development and Infrastructure Act 2016* or for such other reason as the Commissioner thinks fit. This power is considered necessary in order to better align the licences with the reforms and to remove unnecessary conditions, which were highlighted in Mr Anderson's report. One such example of a condition, which was highlighted in Mr Anderson's report, was a condition requiring the licensee to ensure that its rubbish bins are emptied or replaced no less than twice per week and that the lids on the bins should be fully closed.

If for some reason a licensee does not agree with the exercise of the discretion by the Commissioner, the licensee may apply to the Licensing Court for a review within one month after the licensee receives the notice.

Community interest test

The Act currently requires applicants for the grant or removal of a Hotel Licence and a Retail Liquor Merchant's Licence to satisfy the licensing authority that the licence is necessary in order to provide for the needs of the public in that locality. This is known as the 'needs test'.

In accordance with the recommendation by Mr Anderson, the Bill replaces the 'needs test' with a test based on the concept of community interest. This will refocus the application process on community interest, rather than focusing solely on competition. It will also widen the scope of applications subject to the test. Only designated applications will be subject to the new test, these are applications for the grant or removal of a designated licence and applications determined by the licensing authority to be a designated application by applying the Community Impact Assessment Guidelines.

The Bill defines a designated licence as a General and Hotel Licence, On Premises Licence (with certain exceptions), Club Licence and Packaged Liquor Sales Licence (not direct sales).

The new community interest test will consider:

- harm that might be caused (whether to a community as a whole or a group within a community) due to excessive or inappropriate consumption of liquor; and
- the cultural, recreational, employment or tourism impacts; and
- the social impact in, and the impact on the amenity of, the locality of the premises or proposed premises; and
- any other prescribed matter.

The licensing authority must apply the Community Impact Assessment Guidelines in assessing the community interest. The Community Impact Assessment Guidelines are published by the Commissioner by notice in the Gazette.

It is intended that the Guidelines will provide the criteria for when the licensing authority will determine whether an application should satisfy the new test. In addition it is intended that the Guidelines will outline a two tiered level of assessment for applications that must satisfy the community interest test, with Tier 1 being less onerous than Tier 2. Tier 2 assessment will require more detailed information and evidence to support the application. A Tier 2 assessment is expected to be for high risk premises, including pubs, night clubs and bottle shops.

Submissions process

Mr Anderson describes that many of the respondents to the review expressed that the objections process within the current application process results in delay and cost for an applicant.

The Bill replaces the objections process under the Act with a process based on written submissions. The main features of the proposed new process include:

- Written submission in relation to an advertised application must be lodged at least seven days before the day appointed for the determination or hearing. The licensing authority will have the discretion to accept late submissions.
- Submissions must be based on the grounds outlined in new section 77(2).
- The Commissioner will have an absolute discretion in accordance with the rules of natural justice to invite written submissions from particular bodies or persons in relation to a particular application. These submissions will not be limited and may be made on any ground.
- The Commissioner will have an absolute discretion to decide whether to endeavour to resolve an application by conciliation, where there have been one or more written submissions opposing the application.
- The Commissioner will have an absolute discretion to decide whether to determine an application entirely on the basis of the application and written submissions, or to hold a hearing in relation to the application.
- The Commissioner will have an absolute discretion to refer an application for hearing and determination to the Licensing Court, other than an application relating to a Small Venue Licence. A person who has made a written submission will be taken to be a party to the proceedings before the Licensing Court.

There have also been changes to the rights of review in relation to a decision of the Commissioner to align with the new submissions process.

Councils

The Bill also changes the way in which councils are involved in the application process.

Mr Anderson raised a concern that the ability of councils to intervene or object to an application often requires an applicant to address the same issues that were previously considered at the planning level. Another issue raised by Mr Anderson was that some of the conditions on the liquor licences are duplicates of those conditions already imposed as part of the approval under the *Development Act 1993*.

As a way of reducing the duplication, the Bill seeks to refer planning related matters to the process created under the *Planning, Development and Infrastructure Act 2016*. Therefore written submissions that relate to a matter that is, or should be, dealt with or addressed under the law relating to planning or carrying out building work can be made if a combined assessment panel under the *Planning, Development and Infrastructure Act 2016* has been established.

It is important to note that the Commissioner will have a discretion, in accordance with the rules of natural justice, to invite submissions from particular bodies in relation to an application. Therefore, if an applicant is not required to obtain a development approval, the Commissioner will have the ability to invite the local council to provide a submission on planning type matters.

Secondary supply

The Bill seeks to address the social issue of underage drinking by introducing secondary supply provisions in relation to minors. These new provisions are in addition to current section 110, which relates to the sale and supply of liquor to minors on licensed premises.

The new provisions are aimed to protect young people, who are vulnerable members of our community, from behaviour that may have a negative influence on their attitude towards alcohol.

Under new section 110A, the supply of liquor to a minor and the consumption or possession of liquor by a minor will be an offence, unless it is a gratuitous supply occurring in a prescribed place and under certain conditions. These conditions include that the liquor only be supplied by a responsible adult (e.g. the parent) or with their consent by an authorised adult and that it be properly supervised, according to the responsible supervision requirements in the Bill. The prescribed places will include residences, public places or other places prescribed by regulation.

These new provisions will bring South Australia in line with other Australian jurisdictions that have similar restrictions.

Direct sales

In addition to the introduction of secondary supply provisions in relation to minors, the Bill seeks to further regulate the sale and supply of liquor by direct sales, being sales by telephone or internet.

Proposed new section 107A imposes specific requirements in respect to direct sales, in line with the suggestions made by Mr Anderson including:

- requiring a licensee to obtain a purchaser's date of birth at the time of taking the order;
- requiring a person who delivers liquor to require the person who takes delivery of the liquor to produce evidence of age and to take a record of such evidence; and
- prohibiting a person from directing or requesting a minor to take delivery of liquor.

A purchaser will have the ability to instruct a licensee to deliver the liquor in accordance with the purchaser's instructions. This may mean leaving the liquor at premises unattended. It was considered that to require an adult person to accept delivery of the liquor, without the option of allowing delivery unattended, may create inconvenience to purchasers who may not be able to arrange for an adult to accept the delivery.

Seizure of identification

Another aspect to addressing underage drinking is providing police, inspectors and others with the appropriate tools to enforce the law. Mr Anderson outlined that there is no power for enforcement authorities to seize fraudulent or stolen identification.

New section 115A generally follows the model suggested by Mr Anderson. The new provision allows a prescribed person to seize an evidence of age document if certain pre-conditions are satisfied. These are that the prescribed person reasonably believes that:

- the person who produced the document is not the person identified in the document; or
- the document contains false or misleading information about the name or age of the person who produced the document; or
- the document has been forged or fraudulently altered; or
- the document is being used in contravention of the Act.

A prescribed person is a police officer, inspector, licensee, responsible person or crowd controller.

Consistent with Mr Anderson's suggestion a passport is exempt from the provisions and may not be seized. Regulations may also prescribe other documents that may not be seized.

A prescribed person must provide a receipt on the seizure of a document, which complies with the prescribed requirements.

The regulations will prescribe procedures relating to the seizure, how a seized document may be dealt with and the keeping of records in relation to the exercise of the power.

Commissioner's power to suspend

Mr Anderson was of the view that the Commissioner should have wider powers to suspend a licence for repeat breaches or for a serious first offence. The Government agrees with this view.

New proposed section 119B sets up a process whereby the Commissioner can hold an inquiry to determine whether there is proper cause for disciplinary action against a licensee in relation to certain offences (to be prescribed in the regulations) or repeated offences as determined by the provision. Amongst other measures, the Commissioner will have the ability to suspend the licence.

A person that is dissatisfied with the Commissioner's decision has a right of appeal to the Licensing Court. This inquiry power was modelled on the *Gaming Machines Act 1992*.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Liquor Licensing Act 1997*

4—Amendment of section 3—Objects

This clause amends section 3 to provide for the revised objects of the Act as a result of the review findings and other amendments in the measure.

5—Amendment of section 4—Interpretation

This clause amends various definitions for the purposes of the Act.

6—Amendment of section 5—Resident on licensed premises

These amendments are consequential on changing references to 'lodgers' to 'residents'.

7—Amendment of section 7—Close associate

These amendments are of a consequential nature.

8—Insertion of section 11AA

This clause inserts a new section:

11AA—Publication of determinations—confidential information

This new section gives the Commissioner discretion to exclude from publication of a determination made by the Commissioner under the Act certain information of a confidential nature.

9—Amendment of section 11A—Commissioner's codes of practice

The clause amends section 11A to allow the Commissioner to include a provision in a code of practice that declares that a provision of a code is to be expiable for the purpose of section 45 of the Act as amended by the measure.

10—Insertion of section 15A

This clause inserts a new section:

15A—Registrar

The proposed section allows for the appointment of a Registrar of the Court.

11—Substitution of section 17

This clause substitutes section 17 as follows:

17—Division of responsibilities between Commissioner and the Court

The new section provides for the division of powers and responsibilities between the Court and the Commissioner, taking into account that new provisions in this measure now specify whether a matter is to be determined by the Commissioner or the Court.

12—Amendment of section 20—Representation

The clause makes amendments consequential on objections being handled through written submissions rather than by hearing.

13—Amendment of section 21—Power of Commissioner to refer questions to the Court

The clause makes an amendment consequential on the enactment of new Part 4 Division 13.

14—Substitution of section 22

This clause substitutes section 22 as follows:

22—Application for review of Commissioner's decision

The proposed section makes provision for the persons who may apply to the Court for a review of a decision of the Commissioner, and the circumstances in which those decisions may be reviewed. These changes reflect the new provisions in relation to who may make submissions opposing an application, and the handling of applications by written submissions rather than hearings.

15—Amendment of section 24—Powers with respect to witnesses and evidence

The clause removes the ability for the Commissioner to issue a summons on behalf of the Court on the application of any party to proceedings before the Court.

16—Insertion of sections 24B and 24C

This clause inserts new sections as follows:

24B—Injunctive remedies

The proposed section provides the Court with power to order that a person refrain from contravening or failing to comply with a provision of the Act if there are reasonable grounds to believe that a person is about to engage in such conduct. Contravening or failing to comply with an order of the Court is a contempt of the Court.

24C—Punishment of contempts

The proposed section provides for the penalties for a contempt of the Court.

17—Insertion of section 25A

This clause inserts a new section:

25A—Intervention by Commissioner

This new section relocates the provision formerly in Part 4 Division 13 providing for the circumstances in which the Commissioner may intervene in proceedings before the Court.

18—Substitution of section 26

This clause inserts a new section:

26—Power to award costs

The new section provides that if a person has acted unreasonably, frivolously or vexatiously in bringing proceedings, or in relation to the conduct of proceedings, the Court may make an award of costs against the person.

19—Insertion of Part 2 Division 5A

This clause inserts a new Division:

Division 5A—Intervention by Commissioner of Police

28AA—Intervention by Commissioner of Police

The new division inserts a new section in relation to the circumstances in which the Commissioner of Police may intervene in proceedings before the licensing authority. This provision was formerly located in Part 4, Division 13.

20—Amendment of section 28A—Criminal intelligence

These amendments are consequential on changes in the measure providing that objections be dealt with by written submissions rather than by hearing.

21—Amendment of section 29—Requirement to hold licence

This amendment extends the offence of selling liquor without being licensed to circumstances where a licence is suspended.

22—Substitution of Part 3 Division 2

This clause inserts a new Division that provides for the various classes of liquor licences. A number of requirements that apply under certain existing licence classes (such as a requirement to provide meals to members of the public at certain times and to remain open at certain times) and certain restrictions on times and days of trading are not prescribed under the new Division. The special circumstances licence class is effectively abolished because no similar such class is provided for in the new Division. Limited licences are proposed to be replaced by short term licences.

Division 2—Licences

Subdivision 1—Authorised trading in liquor

31—Authorised trading in liquor

The proposed section sets out the various classes of liquor licences.

Subdivision 2—Ongoing licences

32—General and hotel licence

The proposed section provides for the matters that may be authorised by the conditions of a general and hotel licence.

33—On premises licence

The proposed section provides for the matters that may be authorised by the conditions of an on premises licence.

34—Residential licence

The proposed section provides for the matters that may be authorised by the conditions of a residential licence.

35—Restaurant and catering licence

The proposed section provides for the matters that may be authorised by the conditions of a restaurant and catering licence.

36—Club licence

The proposed section provides for the matters that may be authorised by the conditions of a club licence. The provision consolidates requirements relating to clubs and to that end relocates into this provision certain requirements currently provided for in section 49 of the Act.

The provision also provides for club licences to be endorsed with a *club event endorsement* or *club transport endorsement* in certain circumstances.

37—Small venue licence

The proposed section provides for the matters that may be authorised by the conditions of a small venue licence.

38—Packaged liquor sales licence

The proposed section provides for the matters that may be authorised by the conditions of a packaged liquor sales licence.

39—Liquor production and sales licence

The proposed section provides for the matters that may be authorised by the conditions of a liquor production and sales licence. The provision (similar to the current producer's licence) allows for liquor production and sales licences to be endorsed with a *production and sales event endorsement*.

Subdivision 3—Short term licence

40—Short term licence

The proposed section provides for the matters that may be authorised by the conditions of a short term licence. In particular, the provision provides that the regulations may prescribe a number of matters relating to such licences (and that the licences may be of different types and duration in accordance with the regulations).

23—Amendment of section 42—Mandatory conditions

The clause inserts a new subsection (1a) that provides that it is a condition of every licence (other than a short term licence) that if there is a change in the name of the licensed premises, the licensee must, within 14 days, give the Commissioner written notice of the change in the form determined by the Commissioner.

24—Insertion of section 42A

This clause inserts a new section:

42A—New Year's Eve trading in relation to certain licences

A licence authorising the sale of liquor for consumption on the licensed premises is authorised to continue such trade until 2 am on New Year's Day.

25—Substitution of section 43

This clause substitutes section 43 as follows:

43—Power of licensing authority to impose conditions

The proposed section substantially re-enacts existing section 43 with some minor changes.

26—Substitution of section 44

This clause deletes section 44 which makes provision in relation to extended trading authorisations and substitutes the following:

44—Continuous 3 hour period where trading not permitted

The proposed section requires that the licensing authority must fix or vary the trading hours in respect of every licence (other than the Casino licence) authorising the sale of liquor for consumption on the licensed premises so that trade under the licence cannot be conducted for a continuous period of at least 3 hours each day between the hours of 3 am and 8 am.

27—Amendment of section 45—Compliance with licence conditions

The clause amends the expiation fee provision in the section to provide that an offence for failure to comply with a licence condition may be declared to be expiable in a code of practice, as provided for in clause 9 of this measure.

28—Amendment of section 48—Plurality of licences

Subclause (1) amends section 48(3) to provide that 2 or more club licenses may be granted for the same premises provided that each licensee maintain a register including details required by the licensing authority (including details relating to the times at which liquor is sold by each licensee). The amendments in subclauses (2) and (3) are consequential on the change of license classes.

29—Repeal of section 49

The clause deletes section 49 the provisions of which are to be included in section 36 of proposed Part 3 Division 2.

30—Amendment of section 50A—Annual fees

Certain amendments relate to procedures for the suspension of licences for the failure to pay an annual fee. Other amendments relate to the power to revoke a licence for such a failure.

31—Amendment of Heading to Part 4

This amendment is consequential.

32—Amendment of section 51—Form of applications

These amendments are consequential.

33—Amendment of section 51A—Applications to be given to Commissioner of Police

A period of 28 days before the day appointed for the hearing or determination of an application to which the section applies is prescribed for the Commissioner to give a copy of the application to the Commissioner of Police. Other amendments are related or consequential.

34—Amendment of section 52—Certain applications to be advertised

The current requirements relating to advertising applications are amended—the provision requires that public notice be placed on the relevant land or premises. The local council is only required to be given notice of an application in certain circumstances. Other amendments are consequential.

35—Amendment of section 52A—Confidentiality of certain documents and material relevant to application

The clause makes amendments consequential on objections being handled through written submissions rather than by hearing.

36—Amendment of section 53—Discretionary powers of licensing authority

1 amendment requires the licensing authority to refuse to grant an application for a licence, or for the removal of a licence, if the licensing authority is satisfied that to grant the application would be inconsistent with the objects of the Act.

The remaining amendments are consequential on objections being handled through written submissions rather than by hearing.

37—Insertion of section 53A

This clause inserts new sections as follows:

53A—Licensing authority to be satisfied that designated applications in community interest

The proposed section provides that the licensing authority may only grant a designated application if satisfied that granting the application is in the community interest. A designated application includes an application for the grant or removal of a designated licence (as defined in section 4) or an application that the licensing authority determines to be a designated licence in accordance with the community impact assessment guidelines published in accordance with proposed section 53B. A designated application must comply with requirements specified by the licensing authority and those specified in the community impact assessment guidelines.

53B—Community impact assessment guidelines

The proposed section provides that the Commissioner must publish in the Gazette guidelines (the *community impact assessment guidelines*) for the purposes of determining whether or not an application under Part 3 is a designated application and whether or not a designated application is in the community interest. The proposed section sets out the matters that may be provided for in the guidelines.

38—Amendment of section 55—Provisions governing whether person is fit and proper

This clause amends the section to expand the provision to be applied in deciding whether a person is a fit and proper person for a particular purpose under the Act.

39—Amendment of section 56—Applicant to be fit and proper person

The clause inserts new provisions in the section which relate to an applicant for a club licence.

40—Amendment of section 57—Requirements for premises

These amendments are consequential.

41—Repeal of section 58

The clause repeals section 58 as these matters are now to be dealt with under the community interest provisions in proposed sections 53A and 53B.

42—Amendment of section 59A—Licence fee payable on grant of licence

These amendments are consequential on the change of license classes in the measure.

43—Amendment of section 60—Premises to which licence is to be removed

This amendment is consequential on the change of licence classes in the measure.

44—Repeal of section 61

The clause repeals section 61 as these matters are now to be dealt with under the community interest provisions in proposed sections 53A and 53B.

45—Amendment of section 62A—Removal of liquor production and sales licence in respect of outlet

This amendment is consequential on the change of license classes in the measure.

46—Amendment of heading to Part 4 Division 4A

This amendment is consequential on the change of license classes in the measure.

47—Amendment of section 62B—Addition of outlets to liquor production and sales licence

This amendment is consequential on the change of license classes in the measure.

48—Amendment of section 62C—Certificate of approval for addition to liquor production and sales licence of proposed premises as outlet

This amendment is consequential on the change of license classes in the measure.

49—Amendment of section 63—Applicant for transfer must be fit and proper person

This amendment is consequential on the change of license classes in the measure.

50—Insertion of Part 4 Division 5A

This clause inserts a new Division:

Division 5A—Special provision relating to amalgamation of certain clubs

65A—Special provision relating to amalgamation of certain clubs

The proposed section provides for the requirements in relation to the club licences of 2 or more associations that each hold a club licence who apply to amalgamate as a single association under the *Associations Incorporation Act 1985*.

51—Amendment of section 68—Alteration and redefinition of licensed premises

Subclause (1) removes the requirement for designating a part of licensed premises as a dining or reception area. Subclause (2) makes an amendment consequential on the change of name of license classes in the measure.

52—Substitution of Part 4 Division 8A

This clause substitutes Part 4 Division 8A as follows:

Division 8A—Alteration of endorsements

69A—Alteration of endorsements

The proposed section is consequential on changes in proposed Part 3 Division 2 to be substituted in the measure.

53—Amendment of section 71—Approval of management and control

The clause makes a number of amendments to simplify the manner in which the approval of responsible persons are to be approved.

54—Insertion of section 71A

This clause inserts a new section:

71A—Revocation of approval of responsible person

The proposed section provides the procedure for the revocation of approval of a responsible person.

55—Repeal of Part 4 Division 10A

The clause repeals Division 10A dealing with the approval of crowd controllers which is provided for under the *Security and Investigation Industry Act 1995*.

56—Substitution of Part 4 Division 13

This clause substitutes Part 4 Division 13 as follows:

Division 13—Submissions in relation to applications

76—Commissioner of Police may make written submissions

The proposed section provides for the circumstances in which the Commissioner of Police may make written submissions to the Commissioner in respect of an application under Part 4.

77—General right to make written submissions

The proposed section provides for the circumstances, manner and form of written submissions by a person in respect of an application under Part 4.

78—Further written submissions

The proposed section provides that the Commissioner may call for further written submissions from a person or may invite a person or body determined by the Commissioner to make submissions in relation to a particular application, and the manner and form of such submissions.

79—Conciliation

The proposed section provides for the circumstances in which the Commissioner may endeavour to resolve a disputed application by conciliation.

80—Commissioner may refer matters to Court

The proposed section provides for matters related to the referral of an application under Part 4 to the Court.

81—Hearings etc

The proposed section provides for matters related to the determination of applications under Part 4 by hearing or written submissions.

82—Variation of written submissions

The proposed section provides for the variation of written submissions made in relation to an application.

57—Amendment of section 97—Supervision and management of licensee's business

The amendments in subclause (1) and (2) are consequential on other amendments in the measure. Subclause (3) inserts a maximum penalty of $20,000 and an expiation fee of $1,200 for the offence of failing to supervise and manage the business conducted under a licence.

58—Insertion of section 97A

This clause inserts a new section:

97A—Direction to complete training—responsible persons

The proposed section provides that the Commissioner may direct a designated person (being a licensee, responsible person or person who sells, offers for sale or serves liquor on licensed premises) to undertake specified accredited training. It is an offence with a maximum penalty of $10,000 and an expiation fee of $500 for a person or a licensee in respect of the person to fail to comply with the Commissioner's direction under the section.

59—Amendment of section 98—Approval of assumption of positions of authority in corporate or trust structures

This clause makes an amendment consequential on the change of name of licence classes in the measure.

60—Amendment of section 99—Prohibition of profit sharing

This clause makes an amendment consequential on the change of name of licence classes in the measure.

61—Amendment of heading to Part 6 Division 3

This amendment is consequential on substituting references to 'lodgers' with 'residents on licensed premises'.

62—Amendment of section 100—Supply of liquor to residents on licensed premises

The clause amends the section to substitute references to 'lodgers' with 'residents on licensed premises'.

63—Amendment of section 101—Record of residents on licensed premises

The clause amends the section to substitute references to 'lodgers' with 'residents on licensed premises'.

64—Amendment of section 103—Restriction on consumption of liquor in, and taking liquor from, licensed premises

The amendment in subclause (1) inserts an expiation fee of $1,200 for the offence in subsection (4). The amendments in subclauses (2) to (5) are consequential on substituting references to 'lodgers' with 'residents on licensed premises'.

65—Substitution of heading to Part 6 Division 5

This clause substitutes the heading to Part 6 Division 5 as follows:

Division 5—Regulation of prescribed entertainment

66—Amendment of section 105—Prescribed entertainment on licensed premises

The clause deletes from section 105 the requirement for consent of the licensing authority to provide entertainment.

67—Insertion of Part 6 Division 7A

This clause inserts a new Part 6 Division 7A as follows:

Division 7A—Sale of liquor through direct sales transaction

107A—Sale of liquor through direct sales transaction

The new section provides for the requirements and restrictions on a licensee who advertises or sells liquor by direct sales transactions and on the delivery of such liquor.

68—Amendment of section 108—Liquor not to be sold or supplied to intoxicated persons

Subclause (1) substitutes subsection (1) and inserts a new subsection (1a). Subsection (1) is amended to extend the class of persons who may be guilty of an offence of sale or supply of liquor to an intoxicated person. Subsection (1a) provides that if it is alleged that a person sold or supplied liquor on particular licensed premises, the allegation constitutes proof (in the absence of proof to the contrary) that the sale or supply occurred on the licensed premises.

69—Amendment of section 109—Copy of licence etc to be kept on licensed premises

The clause amends section 109 to provide that the copy of the licence to be kept must be displayed in accordance with any requirements prescribed by the regulations.

70—Insertion of section 109C

This clause inserts a new section:

109C—Interpretation

The proposed section defines *parent* and *responsible adult* for the purposes of Part 7.

71—Amendment of section 110—Sale and supply of liquor to minors on licensed premises

Subclause (1) amends subsection (1) to include additional persons who are taken to have committed an offence if liquor is sold or supplied to a minor on licensed premises. Subclauses (2) to (5) insert expiation fees for the offences in subsections (1), (1a) and (2). Subclause (6) inserts new subsections (2a) and (2b) which provide that if it is alleged that a minor was sold or supplied liquor or consumed liquor on particular licensed premises, the allegation (in the absence of proof to the contrary) constitutes proof that the sale or supply occurred on the licensed premises.

72—Insertion of section 110A

This clause inserts a new section:

110A—Supply of liquor to minors other than on licensed premises

Proposed subsections (1) and (2) create the following offences:

- a person who supplies liquor to a minor, with a maximum penalty of $10,000 and an expiation fee of $500;
- a minor who consumes or has possession of liquor, with a maximum penalty of $2,500 and an expiation fee of $210.

Subsection (3) provides that the offences do not apply if section 110 applies in respect of the supply, consumption or possession of the liquor.

Subsection (4) provides that the offences do not apply to the gratuitous supply of liquor to, or the consumption or possession of liquor by, a minor in a prescribed place if—

- the liquor is supplied to the minor by a responsible adult (defined as the parent, spouse or domestic partner of the minor, or a person standing in the position and undertaking the responsibilities of the parent of the minor) or an adult person who has obtained the consent of a responsible adult to that supply of liquor to the minor; and
- the supply is consistent with the responsible supervision of the minor.

Subsection (5) sets out matters relevant to whether the supply of liquor is consistent with responsible supervision of the minor.

Subsection (6) defines *prescribed place* for the purposes of subsection (4) as being a public place, a place occupied as a place of residence, a church or any other place prescribed by the regulations.

73—Amendment of section 111—Areas of licensed premises may be declared out of bounds to minors

This clause makes amendments to provide that the licensing authority or a licensee may declare any area of licensed premises (other than a bedroom) to be out of bounds to minors. The requirement for a notice of this fact has been relocated to proposed section 113A. It is an offence with a maximum penalty of $10,000 and an expiation fee of $500 for a licensee to contravene or fail to comply with a requirement relating to erecting a notice under section 113A in connection with areas declared out of bounds to minors.

74—Amendment of section 112—Minors not to enter or remain in certain licensed premises

The clause makes various amendments, including:

- an offence for a minor to enter or remain in licensed premises subject to a packaged liquor sales licence unless accompanied by a responsible adult at all times;
- an offence for a minor to enter or remain in licensed premises of a prescribed kind at prescribed times;
- offence for a minor to remain in any area in licensed premises if liquor may be sold in the area at that time (other than a bedroom) between midnight and 2 am unless the minor is accompanied by a responsible adult, or between 2 am and 5 am.

Subclause (2) amends subsection (3) to provide the penalties for the above in relation to a licensee is for a first offence $10,000 and a second or subsequent offence $20,000 with an expiation fee of $1,200.

Subclause (3) inserts the following new subsections:

- subsection (4a) provides for an offence for a person who permitted entry of a minor onto licensed premises in contravention of the section, with a maximum penalty for a first offence of $10,000, for a second or subsequent offence of $20,000 and an expiation fee of $1,200;
- subsection (4b) provides a defence for a person charged with an offence under subsection (4a) if the person took reasonable care to prevent minors entering or remaining in the relevant area at the relevant time;
- subsection (4c) provides an offence for a minor to enter or remain in licensed premises in contravention of the section or a condition of the licence with a maximum penalty of $2,500 and an expiation fee of $210.

Subclause (4) substitutes subsections (5) and (6). Subsection (5) provides an offence for a licensee to contravene or fail to comply with a requirement under section 113A relating to the display of notices for the purposes of this section with a maximum penalty of $10,000 and an expiation fee of $500. Subsection (6) provides that the section does not apply to minors of a prescribed class, licensed premises of a prescribed class, an area of the licensed premises exempted from the section by the Commissioner and in other prescribed circumstances.

75—Amendment of section 113—Notice to be erected

The clause makes consequential amendments and provides an offence for a licensee to contravene or fail to comply with a requirement under section 113A relating to the display of notices.

76—Insertion of section 113A

This clause inserts a new section:

113A—Requirements relating to notices

The section provides that the Commissioner may specify the requirements relating to the erection or display of notices for the purpose of Part 7.

77—Repeal of section 114

The repeal of section 114 is consequential on the insertion of proposed section 110A.

78—Amendment of section 115—Evidence of age may be required

Section 115(1) is substituted to provide that a prescribed person (as defined) may require a person on, about to enter, or in the vicinity of, regulated premises, or who is, or has recently been in possession of liquor, to produce evidence as to the person's age that complies with the requirements of the regulations. Section 115(2) is amended to insert a penalty of $2,500 and an expiation fee of $210 for failing to comply with a requirement to produce evidence of age, or for making a false statement or producing false evidence in response to such a requirement. The definition of *prescribed person* is amended to include the appropriate persons consequential on the amendment of section 115(1).

79—Insertion of section 115A

This clause inserts a new section:

115A—Seizure of evidence of age document

The section provides for the manner and circumstances in which a prescribed person (as defined) may seize an evidence of age document produced to the person under section 115.

80—Substitution of section 116

This clause substitutes section 116 as follows:

116—Power to remove or refuse entry to minors

The proposed section consolidates and updates the provisions in current section 116 to take account of amendments to section 115.

81—Repeal of section 117

The repeal of section 117 is consequential on the insertion of proposed section 110A.

82—Amendment of section 118—Application of Part

These amendments are consequential on other provisions in the measure.

83—Amendment of section 119—Cause for disciplinary action

The clause makes amendments of a technical and consequential nature.

84—Insertion of section 119B

This clause inserts a new section:

119B—Disciplinary action before Commissioner for certain matters

The proposed section provides for the procedures for an inquiry held by the Commissioner as to whether there is proper cause for disciplinary action against a prescribed licensee. Prescribed licensee is defined as a licensee who has been convicted of or expiated an offence of a kind prescribed by the regulations or who has been convicted of or expiated more than 1 offence within a period of 5 years.

85—Substitution of section 124A

The clause inserts a new section:

124A—Interpretation

The proposed section inserts definitions for the purposes of Part 9 Division 3 to do with barring orders.

86—Amendment of section 125—Licensee barring orders

Subclause (1) amends section 125(1)(aa) to provide that the grounds on which a licensee or responsible person may bar a person from licensed premises are to be extended to include where a family member of the person is at risk. Subclauses (2) and (3) make amendments to increase penalties for offences in the section.

87—Amendment of section 125B—Police officer barring orders

The clause amends the section to provide that the grounds on which a licensee or responsible person may bar a person from licensed premises are to be extended to include where a family member of the person is at risk. The clause also amends the definition of senior police officer and makes related consequential amendments.

88—Amendment of section 125C—Offences

The amendment increases the penalty provision as a result of the review findings.

89—Amendment of section 128A—Reports on barring orders

This amendment is consequential on the amendment in clause 90.

90—Insertion of section 128AB

This clause inserts a new section:

128AB—Commissioner of Police to report to Minister for Police on barring orders

The new section provides that the Commissioner of Police must report to the Minister for Police information outlined in the section in respect of barring orders made in each financial year because of information classified as criminal intelligence.

91—Insertion of Part 9A

This clause inserts a new Part 9A as follows:

Part 9A—Liquor accords

128D—Interpretation

The proposed section defines terms to be used in the proposed Part.

128E—Preparation of draft local liquor accords

The proposed section provides for the persons with whom a licensee may prepare a draft local liquor accord for the Commissioner's approval.

128F—Terms of local liquor accords

The proposed section sets out the matters that a local liquor accord may provide for.

128G—Competition and Consumer Act and Competition Code

The proposed section provides that any conduct engaged in for the purpose of the drafting, approval, promoting or giving effect to the terms of a local liquor accord is authorised for the purposes of section 51 of the *Competition and Consumer Act 2010* of the Commonwealth and the *Competition Code of South Australia*.

128H—Approval of local liquor accords

The proposed section provides that the Commissioner may approve a local liquor accord, and the procedures for the variation or revocation of such an accord.

92—Amendment of section 129—Consumption of liquor on regulated premises

The amendments introduce penalty provisions consistent with other offences in the Act.

93—Amendment of section 131—Control of consumption etc of liquor in public places

The clause amends section 131 to insert provisions which enable a council, by notice in the Gazette, to prohibit the consumption or possession (or both) of liquor in a public place within the area of that council during the period (not exceeding 48 hours) specified in the notice. Such a notice must be published at least 14 days before the commencement of the period specified in the notice in order to be effective. The council must notify the Commissioner of any such notice.

94—Amendment of section 131A—Failing to leave licensed premises on request

The clause amends the penalty provision to be consistent with other offences in the Act.

95—Insertion of sections 135A and 135B

This clause inserts new sections as follows:

135A—Publication of names of certain licensees

The new section provides power for the Commissioner to cause a notice to be published on a website identifying a licensee who has been guilty of an offence under the Act.

135B—Determination of second or subsequent offence in case of previous offence that has been expiated

The new section provides that an offence which has been expiated will be taken into account in determining whether an offence for the purpose of penalty provisions in the Act related to intoxicated persons and minors is a second or subsequent offence.

96—Amendment of section 136—Service

The clause amends the service provisions consequent on other amendments in this measure.

97—Insertion of section 137C

This clause inserts a new section as follows:

137C—Special transitional provision—disapplication or modification of certain restrictions or requirements in respect of licences

Proposed new section 137C provides that a *designated restriction or requirement* (which is defined) may be disapplied or modified by the regulations from the commencement of the clause. A restriction or requirement that a licensee provide meals to members of the public at certain times or remain open at certain times are examples of restrictions or requirements that might be designated. The clause facilitates the disapplication or modification of these restrictions or requirements from the commencement of the clause.

98—Amendment of section 138—Regulations

These amendments allow for the making of regulations by the Governor consequent on the enactment of this measure.

Schedule 1—Related amendments

Part 1—Amendment of *Controlled Substances Act 1984*

1—Amendment of section 32—Trafficking

This amendment is consequential on the change of licence classes in the measure.

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

2—Amendment of section 32C—Spiking of food or beverages

This amendment is consequential on the change of licence classes in the measure.

Part 3—Amendment of *Gaming Machines Act 1992*

3—Amendment of section 3—Interpretation

These amendments are consequential on various other amendments in the measure.

4—Amendment of section 15—Eligibility criteria

These amendments are consequential on the change of licence classes in the measure.

5—Amendment of section 27—Conditions

This amendment is consequential on the amendments in clause 26.

6—Amendment of section 28—Certain gaming machine licenses only are transferable

These amendments are consequential on the change of licence classes in the measure.

Part 4—Amendment of *South Australian Motor Sport Act 1984*

7—Amendment of section 27B—Removal of certain restrictions relating to sale and consumption of liquor

8—Amendment of section 27C—Control of noise etc during prescribed period

These amendments are consequential on the change of licence classes in the measure.

Part 5—Amendment of *Summary Offences Act 1953*

9—Amendment of section 17AB—Trespassers etc at private parties

10—Amendment of section 72A—Power to conduct metal detector searches etc

These amendments are consequential on the change of licence classes in the measure.

Schedule 2—Transitional provisions

Part 1—Preliminary

1—Preliminary

This clause defines terms to be used in the Schedule.

Part 2—General

2—Amendments apply to existing licences and approvals

The clause provides for amendments in the measure to apply to existing licence holders, subject to the other provisions in this Schedule.

Part 3—Licences

3—Licences to continue

The clause provides for the continuation of classes of licence under the existing Act as classes under proposed Part 3 Division 2.

4—Trading hours

The clause provides that the trading hours of existing licence holders will remain in force. Certain limited circumstances in which such trading hours may be varied by notice by the Commissioner are provided for.

5—Other conditions

The clause provides that existing licence conditions will remain in force, and for the circumstances in which the Commissioner may add, vary, substitute or revoke existing licence conditions by notice to a licensee.

6—Exemptions

The clause provides for existing exemptions to remain in force.

7—Review of notices

The clause provides for the rights of review in relation to a notice to a licensee under clause 5.

8—Licence applications

The clause provides for transitional arrangements in respect of existing licence applications.

9—Limited licences continue

The clause provides for existing limited licences to remain in force.

10—Crown not liable to pay compensation

The clause provides that the Crown is not liable to pay compensation in respect of the operation of the transitional provisions in this Part.

Part 4—Other matters

11—Entertainment consents and conditions

The clause provides that existing entertainment consents and conditions are to be of no effect.

12—Disciplinary action

The clause makes transitional arrangements in respect of taking disciplinary action in respect of certain offences.

13—Procedures

The clause disapplies certain provisions of the Act in relation to the transitional provisions.

Debate adjourned on motion of Ms Chapman.

EMERGENCY MANAGEMENT (ELECTRICITY SUPPLY EMERGENCIES) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 28 March 2017.)

The DEPUTY SPEAKER: The member for Hammond is continuing his remarks and he has 10 minutes? No, 19 minutes. I think that is probably doable.

Mr PEDERICK (Hammond) (12:06): Thank you, Madam Deputy Speaker, the Independent member for Florey. I rise to continue my remarks in regard to the Emergency Management (Electricity Supply Emergencies) Amendment Bill 2017. It was only yesterday that I was saying that we had an historic day in this place for a range of reasons, apart from it being six months from when we had the statewide blackout on 28 September.

It has been well reported that Alinta Energy went to the government with an offer of $25 million over three years to keep the Northern power station open through to June 2018. If you compare that with the $558 million proposal that the state Labor government has put in place, plus the many hundreds and hundreds of millions of dollars that blackouts have so far cost companies, individuals and services across the state, let alone the billion dollars it is costing people in their power bills, I think that would have been a very wise investment. But we do not have a government that makes wise investments: we have a government, as I indicated in my remarks only yesterday in this place, that just had a green ideology. They were hijacked by the Greens, and they do not know the reality of operating in this state a successful business or even a successful home.

I talk to so many people out in the community who just to run their homes are spending $20,000-plus on generators. I talked to one gentleman, and I have mentioned this here before, who spent $22,000 on a four-cylinder diesel Mitsubishi plant with automatic switching, so that he can have power to his house. That is being multiplied and multiplied right across the state, especially on Eyre Peninsula, most of which is represented by the member for Flinders.

It is almost impossible to get a generator, and what I have heard recently is that this automatic switching gear for when there is a blackout is even harder to get. Certainly, in my electorate and in adjoining electorates, dairy farms are putting in big emergency power systems because of the loss of milk. They can lose thousands and thousands of dollars just from one lot of milk being lost, so they are putting in these backup systems.

It was not that long ago at Coomandook (the power only went through in 1966) that we had our 32-volt plants. We still have the little room outside the farmhouse, which has always been called 'the engine room'. The engine is long gone, but I wish I had kept it now. That will certainly be the base if I decide to put in a generation plant at our farm. This is being repeated over and over again throughout the state just to keep things functioning and to keep the lights on.

The Premier denied in the first instance, at a business lunch the other day, that there was a deal with Alinta, and then said, 'Yes, there might have been a deal but I am not going to admit to it.' It is time for the government to come clean and admit what a stuff-up they have made for this state, but I doubt that they will do it. Now they have landed us with this proposal. It is interesting that this $558 million proposal is part of a multipronged attack, part of which is this direction to power companies to fire up extra generation.

I notice that Pelican Point No. 2 was obviously running yesterday because they had about 440 megawatts of power coming out of Pelican Point and they are both about 240 megawatt plants. So, obviously, the gas was found. We hear different stories that gas is not available, and then all of a sudden it is available. On this side of the house, we understand that the renewable energy certificate subsidies of around $85 to $90/megawatt hour which are paid, put coal and gas into the background.

As I indicated earlier in this place, we have only had the chaos here since May when the Northern power station shut down, with no real leadership on what was going to happen into the future. As I have indicated in this place before, we are going to be in real strife when Hazelwood shuts down. It is on the way to shutting down; I have noticed that they are shutting down different sections of it. Today may even be the final day on which they shut it right down, 1,600 megawatts of capacity (which is more than three times what the Northern power station produced) going out of the market, 22 per cent of the Victorian market and a vital contributor to the feed into South Australia.

For the Green idealists: quite frankly, we would be stuffed without the 600 megawatt Heywood interconnector and the 200 megawatt Murraylink interconnector into Victoria, which, perhaps someone needs to tell the other side in this place, feeds on coal. So, when people come in here and tell me we are not reliant on coal energy, they really need to have a good hard look at themselves and a good hard look at what a mess they are making of this state.

The Australian Energy Market Operator's report indicated that in 125 days out of the next two years there is a significant blackout risk in South Australia. That means that, on average, every 5.84 days we are going to have a problem. That is madness. No wonder people are leaving this state and no wonder industries are leaving this state, and no wonder industries are not wanting to invest in this state.

In my electorate, I have been contacted by a couple of businesses doing their forward estimates for their forward contracts for electricity and one of the quotes is as high as 142 per cent. I challenge anyone in this place: if you had to account for anything—be it power, water, whatever—if it was going up by 142 per cent I reckon you would start grizzling. They have been talking to me and I think it is outrageous. It was indicated to them that part of the reason for those high price quotes was because of Hazelwood shutting down and then nothing coming on in the background, and that is a real live issue happening today.

I want to go back to something that happened in 2010. It was reported in *The Advertiser* on 26 November 2010, about a proposal for a $750 million power station near Mannum to meet summer demand. I quote:

A gas-fired electricity power station will be built near Mannum to help meet peak demand over summer months. The state government today will approve construction of the Cherokee Power Station at Tepko. The $750 million project would create 400 jobs, Industry and Trade Minister Tom Koutsantonis said.

'This is a major infrastructure project with enormous benefit not just for the Mid Murray, but for the whole state', he said yesterday.

'South Australia's electrical loads are increasing in line with the state's economic growth and prosperity.

Cherokee Power Station will deliver a cleaner source of power to cater for the increased demands this will place on the electricity grid, which is currently reliant on coal.'

The power station will be built by the Tungkillo Power Company, a wholly owned subsidiary of asset management company Investec Bank.

Tepko was chosen as the site so power could be fed into the Tungkillo sub-station and the existing Tungkillo-Tailem Bend electricity transmission line.

Energy minister Patrick Conlon said the power station would reach a maximum operating capacity of 1000 megawatts by 2021.

'Cherokee Power Station will be a peaking station—which means it will kick in at times of peak demand,' he said.

'On the completion of its final stage, the facility will be capable of meeting up to 25 per cent of the state's peak demand.

The first stage of the project will create 250MW of generating capacity at an estimated cost of $200 million and is scheduled to come on line in 2013.'

Investec's head of project infrastructure investment Mark Schneider said the company had found South Australia an 'ideal place in which to invest'.

'We have undertaken extensive consultation and negotiation with landholders surrounding the proposed development site,' Mr Schneider said yesterday.

'We are confident the local community is right behind the (power) project.

That is the end of the quote. It is very interesting that they talked about it being an ideal place to invest. What happened to the investment? It did not happen. Obviously this company found that it was not an ideal place to invest. At the time, the present energy minister was spruiking that this was going to do so much for this state. What drove this investment out of South Australia? That is a very good question. If we had that plant now, it could have been part of the transition through to renewables into the future.

All the infrastructure is there. The gas pipelines, including the SEA Gas pipeline, are at Tepko, which is near the edge of my electorate, but with the boundary redistribution it will come fair and square into Hammond. As was stated in the media article, the substations are there between Tungkillo and Tailem Bend to feed into the state's grid. By 2021, we would have had 1,000 megawatts of gas-fired power coming out of that plant, which is almost double the size of the Northern power station.

That would have been real leadership in this state if it had happened. But what drove this company away from investing? What barriers were placed by this state Labor government to stop them investing? Let me guess: I bet it was green ideology. I bet it was wind farm proposals. The disaster that happened on 28 September was because nine wind farms tripped out and caused the whole state to go black. It is an absolute disgrace that that investment did not happen.

I know of a program by Snowy Hydro and EQUS Energy (and I have mentioned it here before) regarding the 30-megawatt diesel plant at Tailem Bend, coupled with a 100-megawatt solar farm with 400,000 panels. There will be 1,000 containers of solar panels out of China being put up there, and in time they will be connected to battery storage. Perhaps that will happen, but let's see if they are prepared to invest and get the green light to do that. The solar panels will be fine, but the batteries will be absolutely necessary to make that power usable, obviously, at night.

I go back to this potential power station, the Cherokee plant at Tepko. I was talking to one of the landowners and he said, 'Well, the options have been in place and we are still comfortable with it going in.' That is certainly something that could have well and truly alleviated the pain that people are feeling as we speak. I want to comment on the Alinta Energy letter. I will go to the last few paragraphs. This letter was written on 6 May 2015 to Mr Kevin Cantley, the general manager of the South Australian Government Financing Authority. I quote:

The SA government would make net payments of…$25 million over the 3 years, which is in fact likely to be a better financial outcome for the [South Australian] government than if it provided no support and the Flinders business ceased operations now.

Additionally the SA government will have certainty that any payments made will ensure operations to 30 June 2018 or, if not, the SA government will recover its outlay.

We appreciate your ongoing consideration of these matters and look forward to further discussion.

Yours sincerely

Michael Riches

Executive Director, External Affairs [Alinta Energy]

Not a truer word could have been said in regard to what would have been a better outcome for the government and this state for that $25 million to go into so that Leigh Creek could have operated.

There is plenty of coal for three years. In fact, some industry pundits will tell you that there is up to 30 years' coal at Leigh Creek. Alinta obviously needed some assistance because they are up against assisted energy in renewable energy, especially the wind farms.

That is what blew them out of the market, because they were about $90 behind before they started, on the megawatt per hour price. That is why they said, 'Enough is enough. We are not going to keep subsidising this generation ourselves, because we are just not making anything out of it.' It was a real tragedy for the hundreds of workers at Leigh Creek and the hundreds of workers at Port Augusta who were put out of work by the state Labor government because of this decision not to take this $25 million and move it on.

I know I have mentioned in this place before my father-in-law, John Richard Abernethy, or Dick, as he was known. He would be rolling in his grave. He spent many years at Northern as a plant operator working at that site. I almost hate to say it, but he was a good Labor voter. That is how he voted; that was his politics. He spent a lot of time in the Cheltenham Port Adelaide area, but he would be rolling in his grave if he knew what was going on today in this state, which could have been so great but has been neglected because of what this government has done.

Look at what the energy minister says about it: 'Coal is not the future, coal is not going to get us out. There isn't enough coal.' There was enough coal. There was plenty of coal to keep the Leigh Creek mine going and plenty of coal to keep the Port Augusta plant going. That would have kept us going on our way to better outcomes. I also reflect on why the Cherokee power station did not crank up all those years ago. We would have had plenty of power in the system at the moment to support what we are doing now.

When I look at what we are doing with this Emergency Management (Electricity Supply Emergencies) Bill, it is all about directing people to operate. Anybody would think we were short of generation because part of the government's proposal is for this 250-megawatt peaking plant at a cost of $360 million. It will be no more than something like the desalination plant, which cost $2.2 billion all up and runs at 10 per cent capacity just to keep everything operational. This plant, if the government built it, would run only when we need it.

From what I understand, we already have about 3,000 megawatts of installed gas in this state. We have about 1,500 megawatts of wind, but that is the trouble: when it stops blowing and it is too hot it stops blowing, yet the government is still convinced they need to build another power station, but in the same breath they are coming out with this legislation to direct other stations to come online. It just goes to show that the policy proposal in South Australia is deeply flawed, that the functions of the government are deeply flawed in supplying power, and the people of the state will remember.

Parliamentary Procedure

VISITORS

The DEPUTY SPEAKER: I would like to note in the house that year 11 and 12 students from Charles Campbell College, guests of the member for Hartley, were with us briefly. I am not sure if they are coming back for question time, but I just want to put on the record that the house was grateful for their visit today. I hope that they had an enjoyable moment when they were with us.

Bills

EMERGENCY MANAGEMENT (ELECTRICITY SUPPLY EMERGENCIES) AMENDMENT BILL

Second Reading

Debate resumed.

Mr WHETSTONE (Chaffey) (12:25): I rise to speak on the Emergency Management (Electricity Supply Emergencies) Amendment Bill. It has all been said before, that is, there seem to be three certainties in South Australia: life, death and blackouts. It is disappointing to see the lack of bipartisanship on this bill and I have real concerns. As many on this side have previously mentioned, no bipartisanship was shown. There was no brief, there was no notification and it was clearly rushed into the parliament, and a briefing was provided to the opposition only after the bill had been

introduced to the house. Really, how genuine is this government about a genuine energy policy after the crisis they have created?

We all hear the continual blame game, that it is everyone else's fault, but the state government has now been exposed, particularly with the release of the AEMO report confirming yesterday that the loss of power and the resultant blackout in South Australia, particularly on 28 September, was caused by nine wind farms being tripped unnecessarily. This was instrumental in causing damage to our businesses and to our economy, and it would not have happened had it not been for the trip out on the wind farms software.

With regard to South Australia's reliance on renewables, yes, I think we need to head down the renewable path but, as has been stated many times before, it is all about the timing of the transition away from fossil to renewables and how South Australia has been up-front about it. But they have also used the South Australian taxpayer as a guinea pig. They have used the economy as a guinea pig. Emerging businesses, exporters, stablemate businesses, all the SMEs, all the households and every South Australian taxpayer have been used as guinea pigs in the government's obsession with the quickest possible route to renewables, which will be the most costly. It is all now coming to roost.

Today, it has also been revealed that the secret deal, the letter that was revealed today to keep the Port Augusta power station open, is just a crime. Back in 2015, that letter stated that it would cost about $25 million to keep open the power station as well as the Leigh Creek coalmine to mid-2018. I see that as a transitional period where we should not be actually running around like flustered chooks trying to get any form of battery storage onto the agenda, any form of gas-fired power generation onto the agenda, but not going to the other market and putting out a tender to have some power generation. The cheapest price possible would be of greatest benefit to every South Australian taxpayer.

It appears that the Premier and his Minister for Energy are obsessed with control, they are obsessed with their centralisation approach, they are absolutely obsessed with ripping off every South Australian taxpayer and every South Australian business. Every South Australian who wants to be a South Australian and remain in South Australia is paying the price for a dodgy, ill-fated energy plan in South Australia.

In terms of the energy policy and, as I have just said, that letter in May 2015, the impact would be to trigger a $150 million blowout to regional GDP plus 450 jobs. The Premier said, 'Well, let's just do it.' Of course, that is right! Regional South Australia is not the government's core voter base, is it? I forgot about that. Let every South Australian be aware that the $450 million hit in that blackout cost the South Australian economy and also our reputation. It cost every South Australian the grace of being a proud South Australian to now to being the butt of jokes. It beggars belief.

Every South Australian needs to carefully consider what they will do next year, in March 2018, about whether they are prepared to put up with more secrecy and the most expensive power prices in the nation and whether they will put up with uncertainty and the lack of ability to expand their businesses. SMEs are trying to expand and employ more people. What they are doing now is investing in power generation. They are not looking at their core business and how they can employ another one, five, 10, 50 or 100 people; they are now looking at how they can invest further in keeping the lights on, keeping their power on and keeping affordable, reliable power generation for their businesses in South Australia.

Yes, as I said, we all agree that renewable energy is part of our energy mix now and in the future, but is the government really focused on stable supply at an affordable cost and is it trying to reduce power costs? The $550 million for the power policy that was just announced by the government is like feeding the chooks. They have thrown some information into the mix, and this is what has been spat out. They will put up a new gas-fired power station. It is a pity they have not negotiated a tender at Pelican Point, or Torrens Island. These peaking plants are there for the taking, yet we continually see the government wanting to take control and build new power plants.

It is all very well to stand up and say that we want to have the biggest battery, some are saying, in Australia or, others are saying, in the Southern Hemisphere. Why are we looking at this? Why are we not looking at going out to the free market and looking at ways that we can have this

power generation with the existing infrastructure? Remember, it will be South Australian taxpayers who will foot this bill once again. We have already footed the bill for the loss caused by the blackouts, and we are now footing the bill of the government's ill-fated power policy. No transitional arrangements were given to South Australians, when it comes to this obsessed Premier and his minister, to hit the 50 per cent renewable target sooner rather than later.

Yes, the government has been in for 15 years, and this is a situation that has been slowly coming at them. Advice has been given to the government not only from the opposition but also from industry, and they continually ignore it. They have been warned, they have been given advice, they have been given the tap on the shoulder to warn them that this is what is going to happen and this is what they need to tackle in their push for renewables, but it has fallen on deaf ears.

In 2009, the renewable target was 20 per cent, and the contemplated move for a renewable energy target of 33 per cent happened sooner rather than later. However, they paid for external advice from two different consultants who told them that this was not going to happen. They were warned over and over by the opposition. I think the government was quite slow to act on it because, of course, they had power contracts in place.

Every other business in South Australia was going through the process of negotiating new contracts, and it was as plain as the nose on your face that these new contracts would see significant increases in the cost of power. Of course, what does the government do? They increase their target. They increased it to 50 per cent. Obviously, the government is not listening. They are making policy on the run, and who is going to pay for it? Every South Australian is going to pay for it—not just South Australian businesses and not just South Australian households but also South Australia's reputation is paying dearly.

What I am concerned about is the $550 million that South Australians are now going to have to guarantee with the installation of another gas-fired peaking plant—the biggest battery that the country has ever seen. This is all coming at a cost, and it is all matter that is being smeared over an energy policy here in South Australia to the detriment of South Australians by a government that has no clear direction and is not prepared to listen to the industry, not prepared to listen to friendly advice and not prepared to listen to anyone who has credibility on the board.

The Liberal opposition has so far put forward a number of constructive suggestions. We will see what the opposition's energy policy will be after the budget, and I hope that every South Australian will be waiting when that comes along, because what we have seen is Rafferty's rules when it comes to a 15-year government with this scattergun approach on energy policy that is half-baked, half thought out and not utilising the current infrastructure that we have in place.

One of the other things I am extremely concerned about is what is happening here in South Australia. What is happening to business confidence? What is happening to our competitiveness? Who is paying for the mismanagement of government energy policy? Who is actually paying the price? Again, it is about being competitive. Yes, it is about our business, it is about our exporters, but it is really about what is going to be a barrier to the reliability and the efficiencies that we need to be competitive.

We need to be competitive with Victoria, New South Wales, Western Australia and Queensland when we are dealing with markets, but we also need to be competitive with every country in the world because that is where we want to send our products and where we want to engage with our growing export economy. It is also about creating investment opportunities here in South Australia, and that is currently not happening. I would like to touch on some of the real-life examples of what is happening here in South Australia. I will touch on a couple of businesses in the great electorate of Chaffey in the Riverland.

We have one of the largest water distribution companies in the country, the Central Irrigation Trust. It is bearing the brunt of a $1.3 million increase to its electricity bill over the next 12 months—that is a forecast, we are not talking about the already coexisting price of electricity increases. It is a forecast increase. They are paying 30 per cent more for their electricity in the 2016-17 year than they did for the previous year. The increase will see trusts managed by the CIT operating at losses—about a half a million dollar loss in the 2016-17 financial year, instead of an expected surplus of about $121,000.

If power costs remained at the current levels for the 2017-18 year, the trust would have to increase water consumption prices by 15 to 30 per cent. That cost is being passed on to every irrigator and every household in the CIT districts. This is not something new. CIT and Riverland irrigators using electricity to pump water have been battling these high prices for six to seven years. The CEO of the Central Irrigation Trust has met with government and industry and has forecast these increases in prices, the impact on these businesses and the impact on our economy, and yet it has fallen on deaf ears.

We look at Riverland irrigators trying to compete with Victoria some 20 kilometres away. From 20 kilometres away, you can almost see your neighbour who is paying nearly half the cost of power. From 20 kilometres away, you can almost throw a rock. The member for Mitchell has a strong arm, so he might be able to throw a rock and hit an irrigator in Victoria. Let me tell you that they are paying nearly half the cost of power. Where are the efficiency gains from operating a business in South Australia? There are none.

We look at one of the great new emerging commodities in horticulture: the almond industry. Almondco, one of the great South Australian exporters, have been given numerous awards in recent times. They have just invested $25 million in New South Wales for a new hulling plant. Why did they go to New South Wales? I can tell you why. The main reason is that the cost of electricity in New South Wales is far cheaper than it is in South Australia. A hulling plant is very energy hungry, so Almondco have gone to New South Wales and invested their money over there.

We look at diesel generation. I feel that South Australia is going to be one of the diesel capitals of the country, generating power. Not only do we have the government bringing diesel generation into the state just in case, to stop blackouts and stop the embarrassment, but we have large irrigators, large wineries, the small IGAs and the industry support growers and irrigators all starting to import diesel power generation so they can pump water when they have to.

We have to remember that we have been through a drought, we have been through the Murray-Darling Basin Plan and we have been through growers having to find more water efficiencies, but finding water efficiencies makes your business more power hungry. The reason it makes it more power hungry is that you have to irrigate when the plant needs the water.

Going from broadacre or broad irrigation methods to limited, restricted irrigation methods, such as strip irrigation, means that the plants are now watered by pulse irrigation, so they are watered many times a day. In some instances, they are watered five, six or up to 10 times a day. The reason they are irrigated like that is so that they irrigate the plant when the plant needs the water. The plant needs the water in the heat of the day, and the heat of the day is when we are having all these issues with reliability.

We are having issues with blackouts. We are having issues with keeping the state alive and with keeping high-tech horticulture alive. We cannot say we are going to turn the pump off because the price of power has just hit $1,400 a kilowatt hour on the open market. What we have to do now is put in diesel generation to make sure the plant is getting watered when it needs the water, and that is of real concern.

I know the owner of one of my larger wineries at Kingston Estate has been forced to install diesel generators at a cost of nearly $0.5 million. While he is investing in diesel generation, he is not investing in expanding his winery. He is not employing more people. We look at the IGAs up in the Riverland. They are facing power bill increases of more than $100,000. Almondco, again, are not only investing interstate but are now bracing for a $250,000 jump in their annual electricity bill.

We have the Waikerie Hotel. Here is a picture for you, Deputy Speaker. The Waikerie Hotel lost huge amounts of money during the last power blackout, so what have they done? They have now imported a diesel generator to supply power when the power goes out in South Australia. They have that generator, and the only place where they could fit it was on the footpath. When you drive past the Waikerie Hotel, they have diesel generation on the footpath.

I am also very proud to have one of the country's state-of-the-art new packing plants for citrus and stone fruit. What they have had to do is bring in diesel generation to run their pack house.

It has the world's leading state-of-the-art packing equipment with a diesel generator bolted into it out the back. How is this happening?

I have another almond grower who has just had to invest $300,000 in a one-megawatt power generator on the river to generate power so that he can pump water when he needs it, and he is not alone. There are many pumpers who are now investing in diesel power generation. I think it is outrageous that in South Australia we have irrigators, food producers and exporters who, instead of investing in their property and the future of their business, employing more South Australians and making South Australia a better exporter, are investing in diesel power generation to guarantee power supply. It really does smack of hypocrisy.

We have a premier who wants coal to be gone. He keeps referring to coal as a bygone era, yet we are now importing diesel generation and we are now putting more diesel into tanks to create power. I am sure that diesel generators from all over the place will smother South Australia in CO_2 emissions. We will see more diesel-fired power generation than ever before coming up to this summer, particularly in the Riverland, and I think that is a sad indictment on a South Australian government that has been in power for 15 years. It is time to change.

Ms WORTLEY (Torrens) (12:45): I rise to speak on the Emergency Management (Electricity Supply Emergencies) Amendment Bill. Recently, I had the opportunity to speak to people in my electorate about energy supply in South Australia and about our energy plan. I have held street-corner meetings, visited shopping centres and been out doorknocking. Importantly, I listen to what my constituents have to say and, on the issue of energy supply, many tell me that they are pleased the government is taking charge and putting South Australians first.

So it is that I am pleased to be standing here today to be part of a government that is taking control and introducing legislation that empowers our state, a government that is looking towards the future and will protect people and businesses who depend on a reliable electricity supply by taking ownership of our energy future and ensuring that South Australia becomes more self-reliant for its power supply. Under our energy plan, South Australians will have more reliable electricity supplies for future generations to inherit, increased competition that will put downward pressure on electricity prices in South Australia, new jobs created for South Australians and a cleaner and greener South Australia for future generations.

In my discussion with residents, there has been a strong message coming through, and that message is that the federal government has long since stopped caring about what happens to our community, what happens to our state. We saw an example of this during the storm events last September. Many South Australians were rolling up their sleeves and helping storm affected residents at relief centres, while emergency relief workers mopped up the storm damage at houses and properties. Then, by way of contrast, we saw the Prime Minister seize upon this unfortunate situation for his own purposes, all the while making trite and unhelpful statements about renewable energy targets.

The events of last September, a super storm with 80,000 lightning strikes, had a significant impact on our state. Power had not yet been restored to all households across South Australia when our Prime Minister made his ill-considered remarks. The federal government jumped straight into a blame game before the facts were clear, before emergency services workers had ensured the safety of residents or surveyed the extent of the damage. If it was not already abundantly clear, a line was drawn in the sand over that week in September. It clearly showed the federal government for what it is: a government that does not care about the welfare and wellbeing of South Australians.

We have seen it with the refusal to honour the Gonski funding for our schools and we have seen it with the severe cuts to health at the federal level. While people were mopping up their flooded houses and market gardeners were assessing their damaged or destroyed stock, we had a prime minister who chose political mudslinging over leadership and compassion. The Liberal-National Coalition government chose to play politics while a very serious situation was unfolding in our community.

At no time did the federal government look towards bipartisan policy solutions or even consider having a rational discussion. Meanwhile, from Queensland to South Australia, significant changes have been occurring in the National Electricity Market. In the past five years, nine coal-fired

power stations have closed, and the 10th—Hazelwood in Victoria—will cease operation this week, yet there have been no clear national policy settings and little to no investment to replace the thermal generation that has exited the system.

We know that the price of electricity has increased dramatically over a short period. We know also that there are a number of reasons, including an absence of leadership at a federal level, gas shortage and, of course, a lack of competition. These pressures are being felt across the nation, as energy prices increase to levels that are unsustainable and uncompetitive. While renewable energy is growing, we have a responsibility to ensure investment so we can build the next generation of technologies and store renewable energy and then dispatch it as required.

Additionally, last year's extreme weather events tested the system, with parts of the transmission and distribution networks repeatedly damaged and the national market now widely considered to be failing and in urgent need of reform. So, recent events have proven the need to fast-track South Australia's energy transformation. It is the South Australian government that will lead in this area, rebuilding confidence and ensuring reliability of electricity supply in our state.

While speaking to residents over the past few weeks about our vision for energy in South Australia, and highlighting our plan that will benefit South Australians now and into the future, one of the things that received a big tick is our state having greater local control of our own energy security. From the 1940s, South Australia's electricity supply system was owned by and run for the people of the state. It was known as the Electricity Trust of South Australia. Then, in 1999, the Liberal government sold the generation, transmission, distribution and retail arms of ETSA to the private sector under 100 or 200-year leases. The privatisation of our state's energy assets has placed an enormous amount of power in the hands of a few companies.

The Weatherill state government has a plan: it is taking charge to source, generate and control more of our power right here in South Australia. In the Premier's words:

> It is an energy plan that delivers more generating capacity, greater competition, increased public ownership of assets, more renewable energy with battery storage, more gas supplies and more job opportunities for South Australians.

It is a plan that gives the state government the legislative power to direct companies to turn on their generators during extreme weather events. Our plan will make our power supply more reliable, put downward pressure on prices and create jobs.

South Australia's energy plan will deliver for South Australians. South Australia has built a strong reputation on its clean, green environment. The energy plan will deliver Australia's largest battery, built in South Australia, to store renewable energy and enhance stability. Batteries capture energy generated by the sun or wind on a large scale, so it can be provided at peak times when demand exceeds production.

The state government will also use its bulk-buying power to attract new electricity generation and increase competition, thereby placing downward pressure on prices. The government's plan includes building our own gas power plant and this will remain in government hands and will be on stand-by so that power is available to South Australia in an emergency. The government will also offer incentives to source more gas for use in South Australia; importantly, replacing coal-fired energy from Victoria.

Of course, part of our purpose for being here today is to provide a legislative framework so that the energy minister will have the power to direct the market in the event of an electricity shortfall. This important legislative tool will ensure that the interests of South Australians are protected. New targets will increase South Australia's energy self-reliance by requiring more locally generated, cleaner, secure energy to be available in South Australia. Investing in these energy initiatives will create new jobs for South Australians. Initial estimates plan for 530 full-time equivalent jobs to be created through the construction of initiatives outlined in our energy plan, and 100 full-time equivalent jobs will be created through increased gas exploration.

In addition to the recent announcement, over the past several years the state government has invested in programs to add to system security and energy efficiency measures for householders and business owners. This has included investigation into a new regulated interconnector, looking at

how greater interconnection can ensure South Australia obtains more base load power when required and exports more wind and solar power.

In addition, $31 million over two years has been committed to helping large South Australian businesses manage their power costs. The government has also invested in making large schools more energy efficient through the installation of solar panels and LED lighting, sensors and timers, and work has recently begun to install 400 solar panels in Housing Trust homes across South Australia.

The state government continues to provide support to South Australians who are impacted by increasing electricity costs. The energy bill concession, Cost Of Living Concession, medical heating and cooling concession and the emergency electricity payment scheme continue to provide support to tens of thousands of South Australians every year. Quite rightly, South Australians regard electricity as an essential service. Labor's energy plan and subsequent legislative changes will give our state greater control of our energy security.

With our abundant natural resources, South Australia is leading Australia's effort to clean up its energy sector. We know that a mix of renewable energy and gas produces much less pollution than electricity generated from coal. Investing in renewable energy also creates jobs and is a boost for the economy. Indeed, investment in renewable energy has seen more than $7.1 billion invested in the state, with more than 40 per cent in regional areas. These investments have helped create new industries and jobs for many South Australians.

I look forward to continuing to speak with as many people as possible in my electorate of Torrens over the coming weeks and months as our energy plan to give South Australia greater local control gets underway. Our government's vision is to source, generate and control more of South Australia's power supply in South Australia so we can increase self-reliance and provide reliable, competitive and clean power for South Australians into the future.

Mr WINGARD (Mitchell) (12:57): I rise today to speak on this bill that has been rushed before parliament. I note with great interest the newspaper report today that really exposes the situation we have in South Australia and the turmoil and fiasco that have been created by the Premier. We see that the big bold plan that the Premier has put forward, worth more than $550 million, is in fact just a smokescreen for the inept operations of this government over the last 15 years.

In fact, we see that the truth has been revealed, that if the Premier had accepted a $24 million deal to keep the Northern power station open South Australia would be in a far better situation. The deal the Premier has put before the South Australian public is one of the biggest fiascos since the State Bank collapse in South Australia. We all remember what that did to our state and that is exactly what the Premier is putting before us right now.

The Premier had the opportunity to pay just to $24 million to keep the Northern power station open so that we could make this transition. The Premier, and the Treasurer for that matter, has no idea how to make this transition. Yes, the world is moving towards renewable energy and we all know that, but how we manage this transition will be the measure of this government, and they have failed and failed outright.

We know that this transition has to happen, and everyone is aware of that, but what happened when the Treasurer and the Premier drove the Alinta Northern power station into closure? The people at Alinta came to the Treasurer and the Premier and said, 'Look, we can help with this situation. If we close, there will be a massive rise in the cost of power in South Australia, which will be damaging to businesses, families and the prospect of jobs into the future. So, how about we work together on this project and we gradually exit the market so you can bring in new sources of power?'

Alinta said, 'We know that the renewable path through the solar and wind farms the government has gone down has created great intermittency in the marketplace and that there is no certainty of when power will be provided to South Australians if the sun is not shining and the wind is not blowing. We know of the problems with those renewable sectors as it stands.' In short, Alinta said, 'Let's do this deal together,' and the Premier and the Treasurer said, 'No, you can stick it up your jumper.' I seek leave to continue my remarks.

Leave granted; debate adjourned.

Sitting suspended from 13:00 to 14:00.

Parliamentary Procedure

ANSWERS TABLED

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

Ministerial Statement

WHYALLA SOCIAL HOUSING

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for the Status of Women, Minister for Ageing, Minister for Multicultural Affairs, Minister for Youth, Minister for Volunteers) (14:01): I seek leave to make a ministerial statement.

Leave granted.

The Hon. Z.L. BETTISON: I am pleased to inform the house that the state government has recently made a commitment to invest $3.4 million to accelerate capital upgrade works to social housing properties in Whyalla. This decision follows the tireless advocacy of the member for Giles. Those households that have been identified to potentially receive additional works will receive a letter of advice shortly. The letter will also advise that a representative from Housing SA's multitrade contractor in Whyalla, Trade Maintenance Direct, will be in contact with the tenant to arrange an assessment of their home.

In addition, Housing SA has worked to identify tenants whose homes may require modification, and a communication process is underway to keep these residents informed. It is important to note that Housing SA will also continue to respond to normal maintenance requests from tenants, whose homes are not included in this initiative. This will include not only the recording of maintenance requests but the carrying out of investigations into asset conditions. As part of the stimulus program, Housing SA will be undertaking horticultural works on several smaller group sites.

A review is also being undertaken to identify other properties where a horticulture upgrade could be undertaken. This project will seek to stimulate the employment of both skilled and unskilled labourers in the region, with additional employment opportunities open to residents of Whyalla. The state government also expects to see a number of training opportunities, including apprenticeships, arise as a result of this initiative.

Although the project has just recently commenced operation, I am pleased to say that 15 new jobs have already been created and filled by residents of Whyalla, and 12 of these are full-time positions, including two apprenticeships. The stimulus comprises work that has been brought forward and is in addition to the usual maintenance work. It has been scheduled to ensure that each apprentice has meaningful trade-related tasks across the 18 months of the program.

Parliamentary Committees

LEGISLATIVE REVIEW COMMITTEE

Mr ODENWALDER (Little Para) (14:04): I bring up the 42nd report of the committee, entitled Subordinate Legislation.

Report received.

Question Time

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:04): My question is to the Premier. Will the Premier tell the people of South Australia why, on 17 March this year, he claimed that Alinta had not made an offer to keep the Northern power station open given today's revelation definitively proves that Alinta had made an offer to secure South Australia's electricity grid?

The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:05): Leaving aside the misquoting of me implicit in the question, today I think we saw a wonderful contrast between essentially two energy futures: Pelican Point, which opened today, an efficient gas-fired generator which has a long-term future for generation in South Australia; and the Northern power station which was a depleted, coal-fired power station at the end of its life. We saw the contrast between essentially policy certainty which creates investment decisions in a coherent way, and also policy chaos on the other side of the parliament.

The proposition that seems to be advanced here is that the South Australian taxpayer should have slung tens of millions of dollars to a private company on the basis they might stay open. This is the proposition that those opposite want to advance, and this is from the self-declared free market proponent here, from the Leader of the Opposition. What we know for certain is this, is that if—

Members interjecting:

The Hon. J.W. WEATHERILL: What we know for certain is this: Northern, if it were open today, Pelican Point would not be open, it is as simple as that. So these are the choices: a low emissions energy future which has certainty and security for South Australia—

Ms CHAPMAN: Point of order: the Premier is debating a comparison between proposals. The question was very clearly to ask about whether there was a deal or not.

The SPEAKER: He stood by his position.

Ms CHAPMAN: Correct.

The SPEAKER: When you ask a minister if he or she stands by his or her position, you give the minister a fair bit of scope.

Ms CHAPMAN: Alinta had not made the offer.

Mr Marshall: I am happy to re-read the question, sir.

The SPEAKER: You might bring it to me.

Mr Marshall: It wasn't 'standing by'; it was, 'Why did he make that statement to the people of South Australia?'

The SPEAKER: Well, he is telling you why.

The Hon. J.W. WEATHERILL: On every occasion when I've been making public remarks about this, unless of course I was interrupted, I have always said that the offer never met our needs and it is no offer at all to say, 'We might stay open.' It is no offer at all to say, 'We might stay open.' Imagine the counterfactual. Imagine if we came in here and said, 'We slung tens of millions—

Mr MARSHALL: Point of order: I ask that you bring the Premier back to the substance of the question, which was clearly about why he told the people of South Australia that there was no offer.

The SPEAKER: That is just an impromptu speech.

The Hon. J.W. WEATHERILL: Yes, exactly. Imagine the counterfactual, imagine—

The SPEAKER: You have asked your question. You have asked the Premier why he said what he did, and that gives him a great deal of scope and he is using it. If you want to confine the Premier, you calibrate your questions accordingly. Premier.

The Hon. J.W. WEATHERILL: Thank you, Mr Speaker. And, of course, it was no offer at all. It was no offer at all when a company says, 'We can close at any point of time at our choosing.' It is simply no offer at all. It is simply not an offer that met our needs, and today was proof positive. The Leader of the Opposition woke up this morning thinking he was going to have a good day. Pelican Point opened today and put the absolute lie to this proposition that Northern was the future for our state. There is a clear choice: a gas-fired generator at Pelican Point securing our future or a depleted coal-fired power station which was always destined to close.

The SPEAKER: I call to order the members for Morialta, Kavel and Finniss, the leader and deputy leader, the members for Davenport, Schubert, Adelaide, Hartley, the Treasurer, the members for Mount Gambier, Stuart, Chaffey, MacKillop and Morphett, and I warn the members for Schubert, Mount Gambier, Morialta, the leader and the Treasurer. Leader.

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:10): My question is to the Premier. Why did the Premier tell a news conference on 15 March this year that, and I quote, 'We've never been offered anything from Alinta that would meet our needs,' when Alinta offered to keep generating affordable and reliable electricity for South Australia?

The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:10): A better question because at least then, on this occasion, the member—

Mr Gardner: Answer the question.

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

The Hon. J.W. WEATHERILL: —used the appropriate formulation, the one that I have always used, that is, that we are not inclined to talk about this offer because this company wanted it to remain confidential. We decided to respect that proposition, and we didn't want to embarrass the company. We certainly wanted to make it clear to the people of South Australia that this was never going to—

Mr Marshall interjecting:

The Hon. J.W. WEATHERILL: Of course there wasn't a deal.

Members interjecting:

The SPEAKER: The member for Schubert is warned for the second and final time and the member for Mitchell is called to order.

The Hon. J.W. WEATHERILL: We have consistently said that this was not an offer that met our needs, and today is proof positive.

Mr Marshall: You've changed the words.

The Hon. J.W. WEATHERILL: No. No, you've just used my words.

The Hon. J.J. Snelling: You've just quoted him.

The Hon. J.W. WEATHERILL: You've just quoted my words.

Mr Marshall interjecting:

The SPEAKER: The palpitant Leader of the Opposition will restrain himself.

The Hon. J.W. WEATHERILL: I understand why there is a degree of anxiety in those opposite. Today has been the ultimate proof about why those opposite, who have been advancing this idea of Northern, have completely and utterly been rebutted, and that is the opening of Pelican. The opening of Pelican Point is the complete answer to this nonsense about Northern. This is the—

Mr Hughes interjecting:

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

The Hon. J.W. WEATHERILL: I don't think I can help the leader any further.

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:12): My question is to the Premier. Were all ministers aware of the letter, dated 6 May 2015, from Alinta Energy to the South Australian Government Financing Authority?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:12): We don't talk about cabinet deliberations in the parliament. I would imagine that people who want to be part of a cabinet

one day would honour that principle. It is fair to say that everything the Premier has said is absolutely correct. Alinta were not offering us a deal that would secure our system. Alinta were not offering us what we really required. The letter itself explains that at any time within the period that they were seeking to be subsidised by the taxpayer they could close.

Mr Pengilly interjecting:

The SPEAKER: The member for Finniss is warned and he will now apologise to the house for the vulgar remark he just made, and he won't repeat it.

Mr PENGILLY: I wasn't planning to, sir.

Mr Whetstone: What is he apologising for?

The SPEAKER: He knows what he is apologising for.

Mr PENGILLY: If you feel it necessary to apologise, I will, sir, but it was an innocuous remark.

The SPEAKER: Innocuous but filthy and vulgar and unbecoming to a parliament. The Treasurer.

Mr Marshall interjecting:

The SPEAKER: The leader is warned for the—

Ms Chapman interjecting:

The SPEAKER: Well, because it's uttered in the house. Treasurer.

The Hon. A. KOUTSANTONIS: I love the sound of his frustration in the morning. It's the sound of victory. I have to say that what Alinta were offering the state proposed a great deal of risk for South Australian taxpayers. Let's imagine for a moment that Alinta actually offered us a deal we could accept, that is, that they would guarantee their operations. This letter makes it clear that they haven't even sought board approval yet—that's point 1. Point 2 is that they also had caveats saying that, at any stage in a period, they could pull out. Imagine, the remarks—

Members interjecting:

The Hon. A. KOUTSANTONIS: Desperation in place of policy. Imagine that we had signed a deal, as the opposition wanted us to sign, when we have the CEO of Alinta saying, 'That's correct; in fact, we're running out of coal.' This is the CEO of Alinta. Imagine that we are asked to sign a deal for our security with a company that says, 'We're running out of coal.' Alinta says that 'the quality of coal we were mining towards the end was very substandard'. This is 2016, not 2018.

Alinta says, 'It was very substandard. In fact, it was a very sophisticated operation where we were required to bring coal from different parts of the mine in order to have that quality of coal that we could actually burn through the process.' That's why there are all these caveats. That's why there are all these buts. That's why we couldn't accept any offer—they didn't offer what we needed because at any stage they could pull out.

Members interjecting:

The SPEAKER: The leader is warned for the very last time. The member for Mount Gambier is also warned for the last time, and the member for Mitchell and the deputy leader are warned. Treasurer.

The Hon. A. KOUTSANTONIS: Imagine the counterfactual: the state government signs a deal to subsidise a coal-fired power station that had been privatised and then—without putting any redundancy in place, without planning to build new generation or a new battery, without having an energy security target or having a plan—they pull out abruptly in summer. What do we do then?

Members interjecting:

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

Mr MARSHALL: Point of order, sir: relevance. The question is only asking about whether all cabinet ministers were made aware of the offer. That was the question.

The Hon. T.R. Kenyon interjecting:

The SPEAKER: The member for Newland is called to order. Treasurer.

The Hon. A. KOUTSANTONIS: Imagine the questions in this place if we hadn't planned for the eventual exit of Northern, if we weren't putting things in place to make sure we had security in the long term. Fancy putting the state's hope in the coalmines running out of coal.

The SPEAKER: Is the Treasurer finished?

The Hon. A. KOUTSANTONIS: Yes, sir.

ALINTA ENERGY

Mr VAN HOLST PELLEKAAN (Stuart) (14:17): Given the Treasurer's assertion that Leigh Creek was running out of coal, why does the State Development website say this morning that there are actually 100 million tonnes of coal available at Leigh Creek?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:17): Not my assertion, sir: Jeff Dimery's assertion, the people actually running the coalmine. Let's imagine that the member opposite is right, that there are vast amounts of coal there. Where is the private coal operator mining the coal for export? There is a rail line to a port. Where is the private operator?

Of course, we know that coal-fired power stations use very specific types of coal. That coal can't be used anywhere else. That's what Mr Dimery is talking about. Members opposite should know this. If the shadow mining minister doesn't know that that coalmine was running out of coal for that mine, and suggests that Mr Dimery is not misleading the market and that Mr Dimery is being honest about what's in there, either the opposition is calling Mr Dimery a liar or they don't understand.

Members interjecting:

The SPEAKER: Before we go to a supplementary, the member for Kavel is warned, the member for Hammond is called to order and warned and the member for Mitchell is warned for the second and the last time.

ALINTA ENERGY

Mr VAN HOLST PELLEKAAN (Stuart) (14:19): Given the minister's answer, why did the minister advance Mr Dimery's information to the house given that he must not believe it's true because his own department's website has contradictory information?

The SPEAKER: I don't even know where to start with how out of order that question is but, given the Treasurer's preternatural ability to provoke the opposition, it seems he is eager to answer it.

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:19): There is a difference between resource qualities and reserves. I have to say that the issue with coalmines is that when you mine coal for use in a coal-fired power station you build the furnaces and the boilers around the quality of the coal you have at the mine. You don't generally source brown coal from a whole series of different mines; you generally use it from one mine.

In South Australia, when the Playford station and the Northern power station were built they were predominantly mining from Leigh Creek. They built that generation and those furnaces to deal with the calorific value of that coal. If the assertion of members opposite is true, that this coal can be used anywhere, and in fact that there are vast reserves of this coal, I point out to members that the coal they say there is so much of is still there. Why isn't the private sector mining it? Better still, why isn't Alinta mining that very valuable coal they have there for export?

The reason they don't mine it, the reason they don't use it, is that it is poor quality. Don't believe me, believe Jeff Dimery, because Jeff Dimery ran the mine.

Members interjecting:

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

The Hon. A. KOUTSANTONIS: Jeff Dimery ran the mine, Alinta operated the mine. They were the people mixing the coal reserves they had to bring it up to a calorific value that they could use. It wasn't something they could export, and they were running out of it. To pin the entire state's future on a coalmine that is running out of coal it can use is folly.

ALINTA ENERGY

Mr VAN HOLST PELLEKAAN (Stuart) (14:21): Is the minister aware of the proposal personally presented by Jeff Dimery to the Port Augusta community—and no doubt to the government—to mine a third series of coal at Port Augusta so that there would be useful, appropriate calorific-value coal until 2032?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:21): Yet Mr Dimery says it is not economic, yet they are getting no surcharges on the coal. In fact, the coalmining operations now receive discounts. They could not make that mining economic. I have to say that if they could make the mine economic, why aren't they mining it now? Oh, they don't want to mine it, but apparently it is really valuable.

These are the contradictions we have. The Port Augusta power station is so vital to South Australia's needs that they sell it, and then the coalmine is so valuable that the private sector closes it. I have to say that the understanding of policy and the way this operation is run is appalling. No wonder the shadow minister was demoted.

Members interjecting:

The SPEAKER: The member for Chaffey is warned, as are the members for Stuart and Hartley.

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:23): My question is to the Premier. Given that Alinta's offer to the government in May 2015 would have secured 520 megawatts of constant electricity supply until at least June 2018, when will the government's 200 megawatts of temporary diesel generation become available?

Ms Sanderson interjecting:

The SPEAKER: The member for Adelaide is warned.

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:23): First and foremost, there is no guarantee that we would have had any of those megawatts over that period, and Alinta made that clear. They made it clear that they couldn't guarantee being operational for three years; indeed, to satisfy the government they were offering clawbacks because they might actually close it, and they had no board approval for the ask they were seeking from us.

So Alinta were not able to offer us what we needed to get through the failure of the National Electricity Market, where you are seeing across jurisdictions from Queensland, New South Wales and Victoria the coal operators creating scarcity by pulling coal out of the system to try to increase the pool price. We are seeing forward prices now in New South Wales and Victoria above $100. Those levels are unacceptable. Indeed, this is after the abolition of the carbon tax when we were all told that by abolishing the carbon tax, power prices would drop. Well, how has that gone? How is that going?

The SPEAKER: Minister, you will cease expatiating about Alinta and coal and line up your remarks with the question, which was about diesel.

The Hon. A. KOUTSANTONIS: Yes, sir—and Alinta. The generation that we are seeking, we have not specified a type of fuel that we want to be used to be burnt to provide us with—

Mr Pisoni: Try snake oil.

The SPEAKER: The member for Unley is warned, and because I have warned him his interjection will get on *Hansard*. Treasurer.

The Hon. A. KOUTSANTONIS: Thank you, sir. There you go, there it is. Scratch a little under the surface and out it comes: fish and chip shop, taxi. Scratch and it comes to the surface. That is the party you lead. I have to say that—

Members interjecting:

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

The Hon. A. KOUTSANTONIS: The generation we are bringing in is all about making sure that South Australians will have the security that they need that the National Electricity Market cannot deliver us because the market is broken. We want it in place by 1 December, so we are going through a procurement process with South Australian Power Networks to attempt to see what we can get in place. There have been a number of options that are being put forward—some gas, some diesel, some biomass—so, what you are seeing is a real diversity of options being offered.

But of course we are not just relying on that temporary generation, we also have our tender out for our battery. We want our battery in place as quickly as possible to meet that shortfall, but unfortunately there was nothing that could have guaranteed that shortfall of supply that was in this letter from Alinta.

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:26): A supplementary to the minister: will the diesel generators that taxpayers are going to have to pay for to operate during summer this year be higher or lower than the $8 million that Alinta was seeking to continue the Port Augusta power station?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:27): If you are making a comparison, compare oranges to oranges, not oranges to apples.

Mr Marshall interjecting:

The Hon. A. KOUTSANTONIS: There is no guarantee that Alinta would have been there this summer. No guarantee. I can't guarantee—and Alinta say they couldn't guarantee being here next summer, even with this offer. Of course, what we can say is that if we had done a deal with Alinta to pay them to operate, we can assure you that today the announcement of Pelican Point having both units in the system wouldn't have occurred and that gas-fired generator would still be mothballed.

Parliamentary Procedure

VISITORS

The SPEAKER: I would like to draw the house's attention that a distinguished former member of the other place is with us today, the Hon. Ian Gilfillan.

Question Time

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:27): A supplementary to the minister: can he tell us what the government has budgeted for the diesel generators this summer?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:28): I answered this question yesterday when the leader asked it, and I said that we would make all of that available in the budget.

Mr Gardner interjecting:

The SPEAKER: The member for Morialta is on two warnings.

The Hon. A. Koutsantonis interjecting:

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

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:28): My question is to the Premier. Did the government undertake any modelling to ascertain the net effect of Alinta's proposal on the South Australian economy?

The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:28): All we know is that it wasn't an offer that was capable of being accepted.

Mr Marshall interjecting:

The Hon. J.W. WEATHERILL: When somebody is not offering you something which is capable of acceptance—

The SPEAKER: The leader is on two warnings, and if he makes another utterance outside standing orders he will be departing.

The Hon. J.W. WEATHERILL: Let's just understand what is being suggested here. The leader of the free market party over there wants us to subsidise a coal-fired—

The Hon. T.R. Kenyon interjecting:

The SPEAKER: The member for Newland is warned.

The Hon. J.W. WEATHERILL: —generator that has already told us that they are about to close and can't give us any guarantee that they will stay open for any period of time. That seems to be the proposition that we are meant to entertain—

Members interjecting:

The SPEAKER: I keep hearing a komitadji interjecting when he is on two warnings.

The Hon. J.W. WEATHERILL: —chucking tens of million dollars at a large corporate in this country to give them the possibility of staying open. That seems to be the proposition. Is he serious? Is that the depth of the policy analysis that is being undertaken by those opposite. What we know standing here is this: our modelling demonstrated that if we were investing in coal-fired generators, and even if they were managing to stay open despite all the caveats they put in their offer, today Pelican Point would not be open. We would have destroyed the best opportunity of us securing South Australia's energy future here today on this occasion.

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:30): Supplementary, sir: is the Premier telling the people of South Australia that this government did no due diligence whatsoever on the Alinta proposal?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:30): The Treasury, the Department of State Development at the time and our energy markets office were all very cautious about the idea of subsidising one generator in the National Electricity Market. Why? It amounts to a capacity payment.

Mr Gardner interjecting:

The Hon. A. KOUTSANTONIS: Capacity payments are very dangerous for the economy—

Mr Knoll interjecting:

The Hon. A. KOUTSANTONIS: —and I will tell you why capacity payments are very dangerous to an electricity market.

Mr Knoll interjecting:

The Hon. A. KOUTSANTONIS: I enjoy the interjections from members who have no policy on energy. Perhaps rather than interjecting, they could release a policy we can debate. In the absence of a policy, the government will move ahead with its proposal. We were very concerned about the idea of paying a capacity payment to one generator. Why? Because that capacity payment they were seeking first of all would have given us no guarantee that they wouldn't have pulled out anyway.

Mr MARSHALL: Point of order, sir: I ask that you bring the minister back to the substance of the question, which was whether any due diligence was done on the Alinta offer.

The Hon. A. Koutsantonis: That's exactly what I was talking about.

The SPEAKER: I just think that is a point of order without merit. Treasurer.

The Hon. A. KOUTSANTONIS: What the Treasury and State Development and energy markets were all considering was: if we made this payment to a generator in Port Augusta that was offering 250 megawatts into the National Electricity Market, what would be the next phone call we would receive from generators that were older and in need of urgent upgrades? We have already seen the threats from AGL and Torrens Island already bringing out their A units.

I know that facts get in the way of the slogan-speaking and the shouting, but the facts are these. Torrens Island is at risk of being of course decommissioned. We want new investment. We want AGL to reinvest in Torrens Island. If we were paying a capacity payment to one generator, it goes without saying that every other generator that has a larger footprint in the NEM and has a much larger impact on prices would turn around the very next day and say to the South Australian taxpayer, 'If you're prepared to pay this for 250 megawatts, what will you pay for 1,200 megawatts?'

Ms Sanderson interjecting:

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

The Hon. A. KOUTSANTONIS: Then Osborne with its Origin contract, which has tolled through, would say exactly the same thing. Then, when we are reaching peak demand in summer, those gas-fired generators would be exercising not only monopoly rent, not only market power, but they would have market power over the taxpayers' purse and that would be unacceptable. The biggest threat to the economy is subsidising the private sector.

EMISSIONS INTENSITY SCHEME

The Hon. T.R. KENYON (Newland) (14:33): My question is to the Premier. Why is it in South Australia's interest for an emissions intensity scheme to be established?

Members interjecting:

The SPEAKER: There are many members of the opposition who are on two warnings. I am interested in the answer to this question.

The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:33): Thank you, sir. Why are they so exercised today? In fact, today's announcement of Pelican Point, which I think is at the heart of their discomfiture, is a good example of what would have happened for an emissions intensity scheme should it be in place in this country. It has a very similar effect. The effect that our plan has had on the South Australian investing climate is very similar to the effect that an emissions intensity scheme would have on the national investing climate.

Businesses crave certainty. They crave the capacity to understand what the rules of the game are so they can make money. It is as simple as that. If they are given a clear set of principles, what they will do is invest in the future. Almost every country and every company that has thought about energy markets knows that there is a price on carbon coming; it's just that it hasn't been described yet. They know it's coming, and so it chills investment to actually not know what it is. You are making a 20 or 30-year investment decision, so you need to understand the rules of the game so you can construct a business case.

This is at the heart of why companies like ENGIE closed Hazelwood. They couldn't make the relevant investment in maintenance because they didn't understand what the future was going to

look like. That's why you lead to disorderly exits from the market, such as the closure of Hazelwood and indeed the closure of Northern, because people are basically uncertain about their future. That uncertainty is hurting households and it's hurting businesses.

We have seen at a national level that this investment uncertainty remains. About 5,000 megawatts of installed capacity have disappeared over the last few years across this nation. This is at the heart of the massive price spikes—because you reduce supply with increasing demands and of course you get price increases.

This is the phenomenon that is occurring all around the nation now. We are seeing this now in New South Wales, in Queensland and also in Victoria and Tasmania. This is why the smile has gone off the face of our federal energy minister. He was happily beating up on South Australia about renewables and saying that this was a South Australian phenomenon, and that all has now switched when it became obvious that these pressures are affecting New South Wales.

It started to turn the day after our last blackout on 8 February when there was a load-shedding event of exactly the same quality in New South Wales. All of a sudden, it dawned on those in the Eastern States that this was coming to a place near them, and it's essentially the chickens coming home to roost. It's the lack of a coherent national policy which essentially brings together climate policy and energy policy.

The emissions intensity scheme is something we advocated for back in May, and we took it to COAG in December. It's the fastest way to create investment certainty and resolve issues of unreliability and price increases, and it's worth talking about the people who support it. Of course, we had Dr Finkel, in his review that he presented to COAG, describing this as the lowest cost way of doing it. Spectacularly, Snowy Hydro is the latest group to come out and support a national emissions intensity scheme.

Here is the list of people who support it: the Business Council of Australia, Energy Networks Australia, the Australian Energy Market Commission, Origin Energy, BHP, the Australian Industry Group, AGL, CSIRO, National Farmers' Federation, the Chief Scientist (who of course we just mentioned), the Australian Energy Market Commission, the Clean Energy Council and indeed Mr Nick Xenophon. It seems that the only people who don't support it are the Liberal Party of South Australia, the Liberal Party of Australia and a few coal interests.

ENERGY MARKET

Mr VAN HOLST PELLEKAAN (Stuart) (14:37): A supplementary: given that in the Premier's answer he referred to a chilling of investment, can he explain to the house why the ASX reported that base futures contract prices for electricity have significantly increased since he announced his energy security target and the other components of the $550 million plan two weeks ago?

The SPEAKER: Well, that gives the Premier a lot of scope. Premier.

The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:38): Yes, it certainly does. Today, we have seen the announcement of one of the most substantial investment decisions in the energy market we have seen in recent memory: the introduction of additional installed capacity through the unmothballing of the Pelican Point gas plant. This is an incredibly important moment when we have now increased the capacity of the South Australian energy market. It was directly related to our energy plan and its quality. Pelican Point had to consider—

Members interjecting:

The Hon. J.W. WEATHERILL: —and it must be galling for those opposite. The energy security target has been modelled, and it will benefit gas-fired power stations like Pelican Point.

Mr Marshall interjecting:

The SPEAKER: Leader!

The Hon. J.W. WEATHERILL: The energy security target, which will come into effect on 1 July, which is indeed the very day when Pelican Point will begin its full operations in relation to the

market, is an important level of support for the decision that had to be taken by ENGIE to reopen the Pelican Point operation. Pelican Point and the ENGIE interests had to carefully consider—

Members interjecting:

The Hon. J.W. WEATHERILL: I am happy to provide a further briefing for the Leader of the Opposition on the energy plan so that he can understand the way in which—

Mr Marshall interjecting:

The Hon. J.W. WEATHERILL: —the energy security target advances—

Mr Marshall interjecting:

The SPEAKER: I am asking the leader to cease interjecting for the last time.

The Hon. J.W. WEATHERILL: Quite apart from the investment strike that has been occurring in this country in recent years, we are now seeing floods of investment opportunities present themselves to South Australia—batteries, other forms of generation—and there will be further announcements. People are lining up to invest in South Australia because of the certainty that has been created by our energy plan.

I know that those opposite have a rising anxiety because of the broad community support for this plan. We can sense it. We can sense it and I know they can sense it. That's why the anxiety levels are rising. On this side of the house, we have been able to take this plan and campaign on it in the community, and the more we explain it, the more people like it because it makes sense. The more the business community come to understand it, they are gaining a level of certainty and security about this plan.

We had the opportunity to meet with BHP yesterday, and on that occasion they welcomed the security and certainty associated with our energy plan. Businesses across South Australia are looking across the border and seeing the skyrocketing prices in relation to energy, and they are seeing the South Australian solution as a pattern and as a model for national action.

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:41): My question is to the Premier. Does the Premier reject Alinta's estimate that keeping the Northern power station open would have improved regional GDP by $150 million per year?

The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:42): I wish the leader would just think through his questions before he asks me. Alinta were always planning to close. The effect on regional GDP was going to happen with or without any proposition about them staying for a little while longer. So, the estimates about the effect on the gross state product of Alinta leaving were always going to occur.

The only proposition that could have been caused by Alinta staying a little longer is that it would have frozen out the sorts of investments that we now see are being made by places like Pelican Point. It would have crowded out other forms of investment in the South Australian energy market. It would have led to the mines for capacity payments in the way in which the minister has suggested. So, we had a choice: do we invest in the past and give false hope to the people of Port Augusta, or do we invest in the future, and ensure that we give them a bright energy future—

Ms Sanderson interjecting:

The Hon. J.W. WEATHERILL: —which is stable and secure and sustainable into the future, and we chose the future.

The SPEAKER: The member for Adelaide is on two warnings.

ALINTA ENERGY

Mr MARSHALL (Dunstan—Leader of the Opposition) (14:43): Supplementary, sir: what is the effect on the state's GDP from the closure of the Northern power station?

Mr Duluk interjecting:

The SPEAKER: The member for Davenport is warned.

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:43): Firstly, it's gross state product, not gross domestic product, and importantly—

Mr Tarzia interjecting:

The SPEAKER: The member for Hartley is warned.

The Hon. A. KOUTSANTONIS: Importantly, as the Premier outlined, this was about to occur anyway. The question then is: if you spend money to prop something up that is going to close anyway, without any guarantee of it staying—

Mr MARSHALL: Point of order, sir: I ask you to bring the Treasurer back to the substance, or anywhere near the substance of the question.

The SPEAKER: Treasurer, continue.

The Hon. A. KOUTSANTONIS: —then I think the question doesn't really contemplate the ultimate answer, which is that the impact of the loss of those jobs was going to occur anyway and, of course, it has occurred and we have seen 18 months of continuous job growth. We have seen our economy break the $100 billion mark for the first time. We have seen new investment through what I think are quite revolutionary types of investment in intensive agriculture in Port Augusta. What you are seeing—

Mr van Holst Pellekaan: That was happening anyway.

The Hon. A. KOUTSANTONIS: —is that transition—

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

The Hon. A. KOUTSANTONIS: I have to say that I find it very interesting how it is entirely our fault, according to the opposition, that Alinta closed or we can't take any credit for Pelican Point opening.

Mr MARSHALL: Point of order.

The SPEAKER: Yes, the Treasurer is debating the question. I uphold the point of order. Member for Light.

STATE ENERGY PLAN

The Hon. A. PICCOLO (Light) (14:45): My question is to the Minister for Mineral Resources and Energy. Can the minister outline to the house the growing role for gas-fired electricity generation as an important transition fuel as the state and the world seek to meet the commitments made last year in Paris to tackle climate change?

The Hon. T.R. Kenyon interjecting:

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

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:45): I thank the member for his question and his keen interest in South Australia's—

Mr Knoll interjecting:

The SPEAKER: The member for Schubert will depart under the sessional order for the next hour, his being a recidivist in this respect.

The honourable member for Schubert having withdrawn from the chamber:

The Hon. A. KOUTSANTONIS: I thank the member for the question and the recognition that South Australia as a major gas producer has a key role to play to ensure that our nation meets its obligations under the Paris Agreement signed by Prime Minister Turnbull to tackle climate change.

Our energy plan is a comprehensive strategy that responds to the needs to secure reliable, affordable electricity for all South Australians, and I do note that as we speak South Australia is exporting electricity to Victoria. Support for natural gas is an essential element of the plan. We want to see South Australian gas play a key role in partnering with emerging technologies and breakthroughs in battery storage to progress South Australia toward a low carbon future.

Tackling climate change is a global imperative, and a clean energy future does not have a place for coal. I have spoken in this place about the incentives the government has put in place to encourage greater gas exploration production so that local gas electricity generators can be assured of suppliers to source from our state's abundant gas fields.

Today, I can inform members that Origin Energy, one of the country's major gas producers and investors in South Australia in the Cooper Basin, and a gas provider, ENGIE, have today announced two agreements that will ensure greater certainty and security to the South Australian energy market. The first of these arrangements will allow Pelican Point, one of the most modern, efficient and environmentally friendly gas-fired turbines in the country to return to full capacity backed by natural gas supplied by Origin Energy—

Mr Pisoni interjecting:

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

The Hon. A. KOUTSANTONIS: —that is, 479 megawatts of power, a quarter of this state's average electricity needs, available from 1 July. This agreement has also enabled ENGIE the certainty it needs to invest $40 million into South Australia to upgrade, of course, that second unit's turbine. This three-year agreement means that Pelican Point will be at full capacity to help meet South Australia's peak summer demand, not just this summer, not just the summer after, but ongoing. And how much government money is in Pelican Point? Silence.

Origin has agreed to sell eight petajoules of natural gas to ENGIE to meet the demands of its customers through its domestic gas retailer, Simply Energy, for 2018 and 2019. This gas will be made available to Simply Energy's residential and commercial customers across south-eastern Australia. This comes as the last unit at Hazelwood coal-fired power station is switched off this afternoon. ENGIE'S Chief Executive Officer, Alex Keisser, points out that as a result of these agreements the company now has a flexible and sound commercial base on which to run its energy portfolio in South Australia.

Frank Calabria, the Chief Executive of Origin, in announcing these arrangements, highlighted the importance of understanding the NEM and understanding that this means more competition, more contracts in the market, more electrons generated here in South Australia for South Australian industry so that we can be more self-reliant, with fewer imports from Victoria and brown coal, and take charge of our own electricity future. It is no coincidence that it starts on exactly the same day as our energy plan's major aspect is implemented, the energy security target.

STATE ENERGY PLAN

Mr VAN HOLST PELLEKAAN (Stuart) (14:49): Supplementary: does the minister think that ENGIE would be satisfied with the minus $45 per megawatt hour, which it is currently receiving for the energy that it's exporting?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:49): No, but I bet you that South Australian consumers are. Here we go. Who would have thought the opposition energy spokesperson would be complaining about power being free? Only in South Australia—only in South Australia. No wonder you were demoted. How could any Liberal bemoan the fact that right now South Australia—

The SPEAKER: The hellion from West Torrens will stop right there. The member for Giles.

STATE ENERGY PLAN

Mr HUGHES (Giles) (14:50): My question is to the Minister for Mineral Resources and Energy. Can the minister outline the industry response to the $150 million renewable technology fund

and the largest battery built in Australia recently announced as part of the government's comprehensive energy plan?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:50): I thank the member for the question, recognising the relevance and need for renewable energy technologies in an ever-emerging industry. Since announcing our energy plan earlier this month, we have received an encouraging response from renewable and emerging energy technology firms locally, nationally and internationally.

In fact, many organisations have publicly declared their support for the government's energy plan, including the South Australian Chamber of Mines and Energy, BHP, the Australian Conservation Foundation, Lyon Solar Group, the Australian Petroleum Production and Exploration Association and the Deputy Leader of the Opposition. I want to thank all those organisations and individuals for their support.

Our renewable technology fund and the large-scale battery components of the plan have garnered what I think are unprecedented amounts of interest and shown a willingness and preparedness of companies to make significant commitments and investments into South Australia. As I said, the potential for investment and job opportunities generated by the government's energy plan have attracted a variety of companies which boost an impressive number of innovative technologies and capabilities.

One of the companies we visited over the past few days was Australia's only solar panel manufacturer, an Adelaide-based company, Tindo Solar. Last week, the Premier and I had the pleasure of touring this local business, which is globally competitive and prides itself on the quality of their world-class products. I also note it was recently purchased by another South Australian firm, and of course they have taken full advantage of the government's tax reforms and stamp duty concessions that are in place.

They pay nothing for the IP in terms of stamp duty, nothing in terms of plant and equipment and, of course, they are paying less for their stamp duty. They employ around 25 people, with plans to expand staff numbers and facilities at Mawson Lakes as they move to increase production to 24 hours a day. They are very supportive of the government's renewable technology fund and have also expressed an interest in partnering with a New Zealand company to bid for a grid-scale battery.

The procurement process for securing a large battery of up to 100 megawatts in South Australia is already well underway. Applications are closing this Friday. The expression of interest form has been downloaded more than 200 times by a plethora of countries, and we expect that to translate into a strong reply rate by the end of the week. Prospective providers will need to ensure that the project is made available to government in certain circumstances or would otherwise be available to participate in energy training and ancillary services in the National Electricity Market. To facilitate this, the South Australian government will provide a guaranteed minimum return to the project, with liability offsets by other market revenues.

The government recognises and understands the need for large-scale storage solutions in an ever-emerging industry as well as the need for immediate dispatchablity when required. Storage is the key to the puzzle in unlocking renewable energy and making it scheduled and dispatchable. It is very important that we do all we can to incentivise this type of energy because storage is going to be the answer, whether it is hydrogen, whether it's battery, whether it's pumped hydro.

Utilising those low-cost energy forms to try to make sure that we can store an abundant amount of renewable energy that we have in this state will make South Australia a powerhouse and return us to the vision that Mr Playford had when we had cheaper power to try to grow our economy rather than, of course, selling the assets to the private sector.

STATE ENERGY PLAN

Mr VAN HOLST PELLEKAAN (Stuart) (14:54): Supplementary, sir.

Members interjecting:

The SPEAKER: When your colleagues cease interjecting. Member for Stuart.

Mr VAN HOLST PELLEKAAN: Given the minister's answer, can he tell the house whether the $150 million that the government has allocated for the 100 megawatts of batteries includes the cost of disposal of the batteries when they reach the end of their life in five to 10 years?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:55): We won't own the battery, which I made clear in my speech. Again I would say to the member: please listen to the remarks I made. Secondly, we won't be using the entire $150 million. If you read the plan, the plan includes $75 million—

Mr van Holst Pellekaan: Just answer the question.

The Hon. A. KOUTSANTONIS: I am answering the question. The plan includes $75 million for low-interest loans and $75 million for the grants. The state won't own the battery: we will have a contract with the battery. The battery will be owned by the private sector. It will be their responsibility to dispose of the battery. I find it amazing that the members who sold our electricity assets are now opposed to us reinvesting in a gas-fired power station—

Mr GARDNER: Point of order, sir.

The SPEAKER: Point of order.

The Hon. A. KOUTSANTONIS: —and now have confused—

The SPEAKER: Point of order.

Mr GARDNER: Point of order: standing order 98, and the Treasurer continuing to talk while you have called a point of order is actually obstructing the house as well.

Members interjecting:

The SPEAKER: No, the Treasurer has already told me how to do my job several times today. The member for Colton is called to order—

Ms Chapman: He should resign.

The SPEAKER: The Treasurer or me?

Ms Chapman: You, sir. Join the Bedford party.

Members interjecting:

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

Parliamentary Procedure

VISITORS

The SPEAKER: In this pause, I would like to draw the house's attention today to the presence in the gallery of a member for Unley of blessed memory, Mark Brindal, and the former member for Bragg, Graham Ingerson.

Question Time

ELECTRICITY PRICES

Mr BELL (Mount Gambier) (14:56): My question is to the Premier. Can the Premier explain how the Hamilton's Run dairy in my electorate is going to afford the increase in electricity pricing from $45,000 last year to $70,000 this year, a $25,000 increase?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:57): The member should of course pass to that dairy operator the government's Our Energy Plan and then speak to that constituent about the possibility of more gas exploration in the South-East of South Australia, creating a more liquid gas market. I welcome the support of the Leader of the Opposition and the member for Mount Gambier for exploring for conventional wells in the South-East. The Leader of the Opposition shakes his head. Has there been a change of policy again?

I say to that constituent that our procurement for a new competitor into South Australia using our energy buy will bring new competition to the market. Pelican Point opening today will of course bring in more competition and the forward price, with the announcement effect of Pelican Point, with the announcement effect of the energy security target, with the announcement effect of a new generator being built by a new competitor in South Australia, the announcement effect of a royalty return program and the announcement effect of a grid-scale battery. All these things will begin to lower prices. The people who say that it will lower prices are not just the Premier and myself and not just BHP and the other groups that have endorsed our plan. It is Danny Price from Frontier Economics.

Mr Marshall interjecting:

The Hon. A. KOUTSANTONIS: No parliament in Australia has to deal with a leader of the opposition this out of control. Ultimately, an energy plan will put downward pressure on prices and increase competition, as opposed to a ban on gas, a ban on exploration of gas and no policy to incentivise new investment. There is a policy vacuum opposite.

I say to the member opposite to tell his constituent that help is on its way—despite members just yelling abuse without an alternative, without a plan, without a policy. Hope is not a strategy. Members opposite sit over there hoping the lights go out, hoping prices go up, hoping bad things happen to South Australia and offer no alternative. All they do is come to parliament in question time and yell abuse and shout, be disorderly and offer no alternative policy.

Mr PISONI: Point of order: the minister has entered into debate.

The SPEAKER: Yes, I uphold the member for Unley's point of order.

ADELAIDE FESTIVALS

Ms COOK (Fisher) (15:00): My question is to the Minister for the Arts. What outcomes have there been for the local arts community from the recent festival season?

Mr Whetstone interjecting:

The SPEAKER: The member for Chaffey will depart for the next hour under sessional orders for repeated interjection. It is your question time.

The honourable member for Chaffey having withdrawn from the chamber:

The SPEAKER: The cultural attaché.

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for the Arts, Minister for Health Industries) (15:01): Thank you very much, Mr Speaker. I thank the member for Fisher for her question and her interest in the South Australian creative industries. It has been a tremendous four weeks for the arts in South Australia. The Adelaide Festival, with Rachel Healy and Neil Armfield at the helm, increased ticket sales by a staggering 44 per cent, making it the biggest in the Festival's history, and the Adelaide Fringe, under the direction of Heather Croall, is up again around 9 per cent. What was exceptional about both events this year has been the involvement of—

Mr Marshall interjecting:

The Hon. J.J. SNELLING: The Leader of the Opposition bags our arts industries. It is not something he takes seriously. He is quite happy to go around and suck up to individual communities and pretend he is somehow interested, but when he comes in here he bags the industry at every opportunity.

Mr GARDNER: Point of order: he is making things up and it is a disgraceful display.

Mr Marshall interjecting:

The Hon. J.J. SNELLING: Once again, the Leader of the Opposition can't help himself but attack our hardworking arts industry. He is happy to go around and take the free tickets, but when it actually comes—

Mr GARDNER: Point of order, sir.

The SPEAKER: The minister will be seated. Yes, the Minister for Health has entered debate, and he has entered debate because, under repeated warnings from me, the Leader of the Opposition continues to interject at the top of his voice. The member for Morialta will be seated because he also is on two warnings.

Mr GARDNER: Sir, I have another: standing order 127.

The SPEAKER: What is the actual basis of its breach?

Mr GARDNER: The Minister for Health imputes improper motive on members of the opposition when we all know that at the Fringe Club, every night of the Fringe, he was there enjoying it, lapping it up, taking the free tickets, as he accuses others of.

Members

MEMBER FOR MORIALTA, NAMING

The SPEAKER: The member for Morialta is named.

Mr GARDNER: Sir, may I apologise to the house and withdraw?

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for the Arts, Minister for Health Industries) (15:03): I move:

That the house accept the explanation and apology of the member for Morialta.

Motion carried.

The SPEAKER: The member for Morialta is spared. The cultural attaché.

Question Time

ADELAIDE FESTIVALS

The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for the Arts, Minister for Health Industries) (15:04): Thank you very much, Mr Speaker. What was exceptional about both events this year was the involvement of local arts organisations and individual artists. I include amongst that number the Minister for Tourism. As the centrepiece of the Adelaide Festival, the Adelaide Symphony Orchestra and members of the State Opera of South Australia played to sell-out audiences across four nights of Barrie Kosky's production of *Saul*.

The ASO went on to perform with Miriam Margolyes in *Peter and the Wolf*, before rounding out the Festival with what I am told was a spectacular performance accompanying internationally acclaimed singer and composer, Rufus Wainwright. The Festival also played host to two very special local companies which both made their Adelaide Festival debuts. Restless Dance performed *Intimate Space* at the Hilton which explored the artists' lives, living with varying degrees of disability, while at the same time exploring various hallways, bedrooms and the back-of-house at the hotel. This unique work came to the attention of festival and venue programmers interstate, and there is strong interest in touring this work.

Neil Armfield's *The Secret River* was another standout, with our local State Theatre Company in co-production with Sydney Theatre Company creating magic and a sold out season, at the Anstey Hill quarry in the electorate of the member for Newland. It was wonderful to have an opportunity to attend one of those shows with the member for Newland.

Gravity and Other Myths, formed out of our local Cirkidz circus school, has gone on to create waves around the world, performing sold out Fringe seasons across Europe. Their performance *Backbone* saw the troupe graduate from a Fringe act to a Festival success with standing ovations at every performance. In the Fringe, local artists also reaped the rewards of the festival atmosphere. The Fringe saw more than 500 local artists perform across Adelaide, in Port Augusta for the Desert Fringe, and for the first time in Mount Gambier. Over Easter, it will be Whyalla's turn.

On the back of last year's Made in Adelaide campaign and our MOU with the Edinburgh Fringe Festival, the government announced a new Made in Adelaide Award, which provides a grant of $10,000 to help an artist further develop, promote and travel to the largest Fringe Festival in the

world. The inaugural winner of the award was prolific theatre producer and actor, Joanna Hartstone, with her piece, *The Girl who Jumped from the Hollywood Sign*.

I know that local artists are currently putting together their applications for the Made in Adelaide grant which will close next Monday. I look forward to seeing what other great local acts we can support to make this year's Edinburgh takeover a success. As a state, we should be extremely proud of our local arts organisations and, of course, the thousands of crew members, techies and production staff—the people who make events in disused quarries possible—the hundreds of jobs that are created behind the scenes to bring these terrific works to fruition and of course the volunteers.

Grievance Debate

YORKETOWN HOSPITAL

Mr GRIFFITHS (Goyder) (15:07): I want to talk about Yorketown Hospital, which is an area of grave concern for the people of Yorke Peninsula. Members would be aware that yesterday I asked the Minister for Health questions about the lack of information flow to the community about the reduction in surgical procedures at that hospital, originally intended to be removed on 1 April but now apparently it has been stretched out to some date that we have no knowledge of.

I want to set the scene about how this has occurred in a completely distasteful way to me where there has been no information flow to the community and none to me on behalf of that community. About six weeks ago, I was in Moonta meeting with some constituents and heard a rumour about the removal of surgical procedures. Upon returning to my electorate office that day, I contacted the chair of the Yorke Peninsula Health Advisory Committee (HAC) via email, a man I know quite well, a man I respect. Unfortunately, he did not get back to me—not until after a decision had been announced—and that is because the Yorke Peninsula Health Advisory Committee had been told that they could not talk to me.

Each member in this place is able to appoint a representative to their HAC, and those who are nodding understand that. It relies upon the feedback from those HAC direct representatives to us so that we know what is going on amongst the other people we talk to. That person, when I spoke to them for the Yorke Peninsula HAC after the announcement was made, said to me they specifically asked their departmental officer whether they could talk to their local member, and they were told no.

The Yorketown community is up in arms over this. It is hard to express in a polite way the level of frustration they feel. In 2008, when there were different concerns about the future of our hospitals in regional South Australia, there were meetings all over South Australia, but in Yorketown I held one that I chaired. There were 700 people in attendance. This is where people get angry when they are concerned about the impacts on their health services.

Since the announcement has been made, Dr George Kokar, a man I have known for nearly 40 years, has come out and expressed a lot of concern about misquotes attributed to him about how apparently there was support for the reduction in these surgical procedures. That is not true. He has understood, though, that, because he provides anaesthetic services to the surgery, if he is not there, it makes it very challenging to do so, and I understand that, but he has expressed concern about the lack of dollar investment in the surgery itself.

He quotes to me that about $220,000 is required. He tells me about the inability of the HAC to get access to the funds that have been donated by local community members or people with an interest in Yorketown Hospital for the future use of the hospital by the HAC. They cannot access those funds, and now it has all come out. I have had three contacts with the Minister for Health in the last three weeks to which I received no reply.

Last week, on a Thursday, I talked to Lainie Anderson, a journalist for the *Sunday Mail*, who had decided to write a story about the situation, which was published only three days ago. Lainie told me late in the day that she had been advised by Health SA that the lifting of the 1 April date had gone ahead and that consultation was finally going to occur with the general community instead of their being kept in the dark, but we do not know how long that will take and what form that will take.

I have contacted people I have known within Health for a long time who are in reasonably senior positions. They did not know anything about it. Ms Vickie Kaminski, the CEO of that organisation, was not working on a Friday, so the person who was assisting was unable to provide any information. There is a level of frustration in the Yorketown community and all the Southern Yorke Peninsula, which unfortunately also exists across many parts of regional South Australia.

Some of us in this chamber were at the meeting at Quorn only a couple of weeks ago where Dr Tony Lian-Lloyd spoke very passionately about impacts across every region. GPs from Mount Gambier at that meeting emphasised the concerns they hold. For Eyre Peninsula, Kimba, Cowell and Cleve, Mr Dean Johnson, who I believe is their HAC chair, was there to present on behalf of the HACs. There are worries everywhere. There is a concern that investment is not occurring. There is a concern about a downgrade of services, and that makes people really fearful of what the future is going to be.

At this stage, I have again called for a public meeting on 20 April at Yorketown. Dr Kokar is going to speak. I have invited minister Snelling and I have also invited minister Brock. Why was a regional impact assessment review not undertaken before this reduction of the service? Because if it is done, minister Brock has to acknowledge it and sign off on it and it has to go to cabinet. In regard to my call for a regional impact assessment review, the response we received back is that it is just not impacted by a RIAS.

I call on Mr Brock to understand that this regional community is worried about its future. It sees health as being a key to it. The community wants a better flow of information. They want to know how it is going to happen, though. They want to know what their chances are of impacting on a positive decision and an outcome being made and not a negative one, and there is a need for action to take place as soon as possible.

Time expired.

NORTHERN CONNECTOR

Mr ODENWALDER (Little Para) (15:12): On International Women's Day several weeks ago, I was really delighted to attend a celebration of women in construction at the NorthHub offices on Port Wakefield Road. As members will know, I have been involved with the Northern Connector project since just after its inception.

The Northern Connector, for those who have not heard, will be a six-lane, 15.5-kilometre motorway providing a vital freight and commuter link between the Northern Expressway, the South Road Superway and the Port River Expressway. This will of course benefit both industry and residents in the northern suburbs. The Australian government, to its credit, is committing $788 million to the project, with $197 million from the South Australian government and the project is scheduled for completion in December 2019.

But its importance as an infrastructure project is not limited to its utility and its value to the economy in terms of freight and efficiency of transit. It is also of vital importance in terms of providing work, training and upskilling into South Australians, particularly those in the northern suburbs and particularly those who, like many in Elizabeth, have been displaced by the auto industry and its supply chains.

As head of the Northern Connector Jobs Taskforce, it has been my role over the last year or so to work with the community, businesses, council, training providers, government and the Office of the Industry Advocate as well as the Holden Transition Centre and the broader Holden supply chain to ensure that, of the 480 full-time equivalent jobs supported by this project, at least half the workers employed on this project live in the northern suburbs.

It is early days, but I am pleased to report to the house that Lendlease is more than exceeding this target, as well as its other targets, including 90 per cent South Australian employment. At present, more than a third of their staff are from other key target groups including local people with barriers to employment, displaced automotive workers, Aboriginal people and apprentices and trainees.

While it is not a specific target, Lendlease are also exceeding expectations with the number of women they have working on the Northern Connector project. Indeed, women are being employed

at almost twice the national rate for civil construction. More than 21 per cent of positions across a range of roles, such as civil engineering, plant operation, safety, environment and administration, have so far been filled by women. This may not seem a lot at first, but it compares to the national average of 11.7 per cent across the construction industry.

Importantly, nearly half the engineers recruited in the project's first graduate intake for 2017 were women. It was an absolute pleasure to meet some of these women who have been recruited to work in this typically male-dominated industry, and it was great to have the Minister for Transport and other local MPs out there to celebrate on that morning.

I was also out at NorthHub again last week for the graduation of the first six certificate II civil construction course trainees. This was a course offered to a number of Lendlease construction worker employees who have made the transition to the construction industry from other industries. Of the six, I am very pleased to say that four were directly from Holden and have been helped along this path by the Holden transition centre. There was a story on the Channel 9 News about this very topic just last night.

The course itself was delivered by the Adelaide Training and Employment Centre (ATEC), which is located in the northern suburbs within the catchment area for the employment target, and it included safety and WH&S policies, measurements and calculations, operations of small plant and equipment, and the use of compact materials. The course also contained a practical component involving simulations of real site work—for example, measuring areas for compacting, setting string lines and the use of plate compactors.

It is really great to see the linkages built between the Northern Connector project, the Holden transition team, local registered training organisations and the government, bearing fruit. The Northern Connector project is setting new benchmarks in terms of local employment and local economic benefits, and I look forward to continuing working with both Lendlease and the Holden transition team over the next few years.

KANGAROO ISLAND PLANTATION TIMBERS

Mr PENGILLY (Finniss) (15:16): Again, I raise the issue of Kangaroo Island Plantation Timbers. I am pleased to say that yesterday they put out a market update for the Australian Stock Exchange where it would appear that some common sense is finally coming into their analysis of where they are going. They refer to a 35 per cent reduction in operating cash flow until a wharf is approved, or they may have to use barges to get timber out.

They seem to have woken up to the fact that perhaps the port at Smith Bay is not going to get the gig and that they have to look for alternatives. Unfortunately, in their material, they again made no mention whatsoever of the adjacent abalone farm or the potential damage to that. I am afraid that I am terribly disappointed in this company. It is a concern to me that, in the last couple years, spin has been to the fore, particularly recently, and reality has been forgotten.

The forestry issue and where it is all heading is currently a very topical Kangaroo Island subject. Not one person who has spoken to me has said the removal of the blue gum and pine plantation would not be a good thing. I am absolutely totally supportive, and I would be very happy to support KIPT if they got away from Smith Bay as the port site.

However, the manner of spin over the proposed port site at Smith Bay coming from Kangaroo Island Plantation Timbers is alarming and unrealistic. I remain completely mistrustful of the information coming from the company. Even today, there are questions over the material they have given to the Stock Exchange, in my view.

I completely reject the unprofessional manner in which they are approaching this. Twice now, drilling has taken place, both onshore and offshore, without consent or approval. They have acted illegally. Despite what they are circulating in the community, they have acted illegally on two occasions. The major project status is supported by myself, but Smith Bay is absolutely the wrong location. KIPT need to find another most necessary port site, which in reality would only be for tree export and not multi-user, which is indeed much more spin.

The inherent danger to the adjoining abalone farm, valued at $33 million and around 30 jobs, is too extreme, and spin doctors cannot convince me nor, as it appears, many other Kangaroo Island residents otherwise, and it has been very vocally discussed on social media.

The issue of road upgrades is critical. KIPT would need to fund millions of dollars in roadworks through their preferred route of Ropers Road through to the north coast and returning up Springs Road on Kangaroo Island. No ratepayer funds should go into it nor, indeed, government funds. They need to fund it themselves if the Smith Bay site is approved. The local council is in no way, manner or form in any position to borrow money to upgrade that road system that is not much more than a goat track.

If KIPT wish to be good corporate citizens, they need to find another port location close to the plantation, stop the media hype, obtain considerable social licence from the community (of which they have none) and stop acting like corporate cowboys. KI needs this forestry challenge to have a successful outcome for once, instead of hearing seemingly endless good news announcements followed by financial turmoil for many. There are many wounded from previous forestry and milling operations on the island.

My message is loud and clear to KIPT and to others making regular rereleases of spin, whether it be about this or other so-called investments on the island: get realistic, act in the best interests of the island community for the long-term, stop building up hopes and act responsibly. It is too important, and it has to be addressed and done properly. I sincerely hope that the Development Assessment Commission, through their major project status division, looks at all these issues. If the correct information is given by everybody, eventually we may get a suitable port site and the forestry industry on the island, for once, can be successful. No-one would be happier than me if this happened.

ARRIUM

Mr HUGHES (Giles) (15:21): I rise today to talk about the situation in Whyalla with Arrium. Before touching on that, I would like to respond to some of the things that were said during question time. An interjection across the chamber indicated that, at the time of the Pelican Point proposal, the Labor opposition opposed the establishment of Pelican Point. That is not entirely true. I know that it is not entirely true because at the time I was heavily involved in one way in the desire to secure the gas-fired power station in Whyalla. The company that put in the bid to build the gas-fired power station was, from memory, National Power.

At the time, I was a member of the Whyalla city council, and I think I might have been at that stage the deputy chair of the Whyalla Economic Development Board. Using both those roles, I led a campaign to lobby National Power to establish the power station at Whyalla. This is a bit of a repeat of history, except this time it is an existential threat, but at that time we were towards the end of over a decade of job losses in my community.

People would be aware that from 1985 onwards there was a major restructure of the steel industry. Over that decade to 15 years, approximately 4,000 direct jobs were lost out of the steel industry in Whyalla. Had those jobs not been lost, if that downsizing had not occurred, we would not have a steel industry in Whyalla today. But they were incredibly tough times, and we were keen to capture whatever economic development was around, and the National Power proposal seemed to fit well with an industrial city like Whyalla—an industrial city that was fed by a gas pipeline.

In those days of leading that campaign, we took a busload of people to Adelaide, and to Port Adelaide, to join in those protests, and that was the first time I met Kevin Foley. As we all know, Kevin Foley was a strong advocate for economic development, but he was also a strong advocate for the electorate he represented. At that stage, that electorate quite strongly opposed the establishment of a gas-fired power station at Pelican Point, and we were more than willing to add our weight to that, to put in the argument that the gas-fired power station should actually go to Whyalla.

We came down, we joined in the protest and I went over to Sydney with the CEO of the Economic Development Board at the time, Phil Tyler, who used to be a member in this chamber, to speak to National Power to see if we had any realistic possibility of establishing a gas-fired power

station in Whyalla. I have to say that National Power took the proposal we made seriously, had a very serious look at sites in Whyalla and concluded that Whyalla would be a good location.

There is always a whole range of factors that come into play in these decision-making processes, so at the end of the day National Power decided on putting the gas-fired power station at Pelican Point. That is all history. It is interesting that we are back here with this six-point energy plan and that once again a gas-fired power station is part of the overall proposal. Pelican Point was in its day and is still today a modern and efficient plant.

I suspect that with the expressions of interest that are going to come in to the state government from companies like Siemens, General Electric and others, we are going to see an incredibly contemporary gas-fired power station built in this state and one that will be government controlled so that we will never get into that load-shedding situation we just had back in February.

Ms Chapman interjecting:

The DEPUTY SPEAKER: Deputy leader!

Ms Chapman interjecting:

The DEPUTY SPEAKER: Deputy leader, not necessary. Member for Mitchell.

WOMEN'S SPORT

Mr WINGARD (Mitchell) (15:26): Thank you, Deputy Speaker. It is great to see you back in the chamber and great to have you here. I rise today to speak on women's sport of course in the wake of the Adelaide Crows' wonderful win in the AFLW over the weekend; everyone is talking about it. I would also like to congratulate Erin Phillips and of course coach, Bec Goddard—Erin for winning all her awards, including the best on ground in the grand final and the best player in the league. Coincidently, in a previous life I had a job coaching young kids' football and I coached Erin's older sister in an Auskick clinic and she was also an outstanding player.

It was a great privilege to hear Erin's story, to see the great things she has done, to have seen her sister play, as she was also a very handy footballer at the age of 12 or 13, and to know that if Erin had had the opportunity to go on and play we could sit here and think about how many great and wonderful things she would have done. Starting her AFLW career at the age of 31, she really has eclipsed all. I have written to the AFL and I hope I get support from the other side of the house in asking the AFL to consider naming the best on ground medal for the AFLW Grand Final in honour of Erin Phillips. I think naming it after her would be very fitting.

Last night, I went to the SANFL best and fairest awards and congratulations to Courtney Gum from Glenelg Football Club, who took out that award, polling three votes in every game and one vote in one game, so that was a great achievement. North Adelaide and Norwood play off this Saturday in the grand final of the SANFL women's competition. It was also interesting to see the Premier jump into the photo, photobomb if you like, or just perhaps try to get his mug on.

He looked a bit panicked when he jumped in there with the team. I am not sure how he thought he was associated with the team, but he chose to do that with his Crows scarf on, even though we know that he is a Port Adelaide supporter. As I said, he looked a bit panicked. I wonder why he is jumping on the bandwagon of the high-profile sports and not other sports I would like to speak about now, one of which is futsal.

For those who do not know much about futsal, it is a very interesting game. It is an indoor variant on soccer and played with a slightly smaller ball on a hard floor surface, with five players per team, including the goalkeeper. At the recent national championships held in Adelaide, South Australia's women's team took out both first and second place. South Australian player, Abbey Flight, was also named the tournament's most valuable player. Another South Australian player, Victoria Mansueto, was awarded the Golden Boot Trophy.

From the tournament, 18 girls were selected to complete in the Australian team at the Futsal World Cup. They were named in the squad for Barcelona. From South Australia, they are: Sarah Chappel, Matilda Comley, Victoria Mansueto, Meleri Mullan, Roxy Dodd, Abbey Flight, Alyce Macauley and Rebecca Pratt. Congratulations to all those girls who went off to play in Barcelona.

The other sport I would like to talk about is croquet. The Marion Croquet Club is in my local area. It is a sport that is doing a great job attracting more women to it. I also have the Brighton Croquet Club in my area, which is part of the Brighton Oval complex, which is incorporated with the Brighton Football Club, the rugby club and the lacrosse club. Unfortunately, the facilities at some of those clubs are very run down and in need of repair. We are doing what we can to work on that to try to improve those facilities. We call on the government to come on board to help out.

I was recently contacted by the Marion Croquet Club's secretary, Glenna Bulley. Glenna has led the way for women in sport as the first female member of the Glenelg Football Club back in the eighties. That was at about the time that I played there, and I remember Glenna from back in those days. She is a wonderful person and an integral part of the Glenelg Football Club community who is often at the Bay oval. She is also leading the charge for the Marion Croquet Club located at the Marion Sports and Community Club complex.

As far as I know, the Marion Croquet Club is the only croquet club in Adelaide that is accessible to visually impaired people and physically disabled people. With only 14 women members at the moment, Glenna is facing an uphill battle to raise funds to upgrade the lawns. Croquet is a great sport for keeping the body active, the mind working and having a great time socialising. If you get down and have a chat with Glenna, you will have a great time socialising with her.

I would also like to mention the Brighton club and its president, Barry Teague, and Anne Woodhouse and Jackie Sutherland, who do a wonderful job. Along with Glenna at the Marion Croquet Club, the club president, Pauline Evans, does a wonderful job as well. I hope that maybe the Premier might want to visit. He was very quick to jump in the photo with the AWFL Crows team after they won the grand final. Maybe we can get the Premier to come down to have a chat with the futsal girls and also come to the Marion Croquet Club to have a photo with Glenna and the team and maybe help by giving them some support. We look forward to seeing him there.

WEST TORRENS DISTRICT CRICKET CLUB

The Hon. P. CAICA (Colton) (15:31): This morning, we debated the select committee report on the SACA-forced merger proposal. It is an excellent report, and as I spoke on it this morning I will not cover those issues that I or others raised this morning. However, today want to focus on the magnificent successes of the West Torrens District Cricket Club during this current season. This success needs to be viewed in the context of where we have been over the past couple of seasons, a time when we were facing a forced merger and threatened with expulsion from the premier grade or remaining in the premier grade without the same level of support provided by SACA to other premier league clubs should a merger not occur.

In the face of this threat, and in the face of this adversity, how did the West Torrens District Cricket Club and, for that matter, the excellent Port Adelaide District Cricket Club respond? I know that you are sitting on the edge of your seat waiting for this answer, Deputy Speaker. The clubs responded magnificently. I could not be more proud of the West Torrens District Cricket Club and Port Adelaide, but my focus today of course will be on West Torrens.

West Torrens has had a season that on any other assessment is unprecedented. Before detailing these achievements, I first want to pay tribute not only to all the players who represent the club across all grades but also to the coaching and support staff, the committee, the many volunteers, our members and supporters and of course the club sponsors. To have witnessed the growth of the senior players this season has been amazing. I do know that this growth would not have been achieved without the support of those others I just mentioned. Now on to the season.

The premier grade lost only one game across all four forms of cricket this season. They were undefeated premiers in the Twenty20 competition, beating Glenelg. They were premiers in the one-day competition, again undefeated in that competition, again defeating Glenelg. I must pay tribute to Glenelg for the season they have had as well. We played a semifinal against Port Adelaide. That was a magnificent game where either team could have won. People were sitting on the edge of their seats, but we were able to defeat Port Adelaide. As I said, victory could have gone to any of those teams. We finished up being premiers in the two-day competition. We lost only one game for the season against Glenelg and defeated Kensington quite convincingly in the grand final at Woodville Oval on the weekend.

We were also grand finalists in the men's D grade competition. Our women's teams were finalists in both the A and B grade women's teams competitions. They did a magnificent job. We were grand finalists and premiers in the under 13 community cricket competition. All our other teams performed well, representing the club as well as they possibly could and doing the club proud, but they also need to be acknowledged in the context of what has happened this year. What has happened is that it is a success that can be quite rightly shared by all people associated with the club.

Let's have a look at some of the other achievements and individual achievements. In the men's team of the year, Daniel Drew and Benjamin Williams were named in the team of the year. Daniel Drew also won the Bradman Medal for this season. Coach Mark Harrity, the West Torrens coach, was the coach of the year in the premier competition. Quite interestingly, our last A grade premiership was in 2006-07, again defeating Kensington. Mark Harrity was a member of the club during that stage and was actually asked to stand down from the playing side of it (he was assistant coach as well) to allow younger players to play in the grand final. He was not happy about it, but of course took it on the chin, as decent people do, and continued his association with the club.

He made way for young bowlers at that stage, very good bowlers, Peter George and Trent Kelly. Interestingly, Trent Kelly took five wickets in the 2006-07 grand final and took four wickets in the grand final on the weekend. Angela Treloar was on the women's team of the year, but she was also the 1st Grade Wicket-keeping Trophy winner for that competition. Ellen Falconer, Lauren Ebsary and Brooke Harris were also on the team. I think I forgot to mention previously Leigh Drennan, who has been the heart and soul of the club this year. In the senior division, he won the Wicket-keeper of the Year, an outstanding effort from him.

A lot has been made about the local players, and I am proud to say that of the 20 players who represented the West Torrens District Cricket Club in Premier Division during the season, only four of them came from other areas. They were Callum Ferguson from Prospect; Kane Richardson from the Northern Territory via Woodville, East Torrens and then to West Torrens; two English chappies, Dominic Bess and Zac Bess—they are decent people; and Leigh Drennan, who I mentioned earlier, who came from Queensland and joined West Torrens as his family had played there. What I can say is that I and everyone in my electorate, and indeed the cricketing public of South Australia and cricketing supporters, are very proud of the achievements of West Torrens this season.

Parliamentary Committees

ECONOMIC AND FINANCE COMMITTEE

The Hon. S.E. CLOSE (Port Adelaide—Minister for Education and Child Development, Minister for Higher Education and Skills) (15:37): I move:

That Mr Duluk be appointed to the Economic and Finance Committee in place of Mr Speirs (resigned).

Motion carried.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE

The Hon. S.E. CLOSE (Port Adelaide—Minister for Education and Child Development, Minister for Higher Education and Skills) (15:37): I move:

That Mr Speirs be appointed to the Environment, Resources and Development Committee in place of Mr Griffiths (resigned).

Motion carried.

Bills

SUPPLY BILL 2017

Introduction and First Reading

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (15:37): Obtained leave and introduced a bill for an act for the appropriation of money from the Consolidated Account for the financial year ending on 30 June 2018. Read a first time.

Second Reading

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (15:38): I move:

That this bill be now read a second time.

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

Leave granted.

A Supply Bill is necessary until the Budget has passed through the parliamentary stages and the Appropriation Bill 2017 receives assent.

In the absence of special arrangements in the form of the Supply Acts, there would be no parliamentary authority for expenditure between the commencement of the new financial year and the date on which assent is given to the main Appropriation Bill.

The amount being sought under this Bill is $5,907 million.

Clause 1 is formal.

Clause 2 provides relevant definitions.

Clause 3 provides for the appropriation of up to $5,907 million.

Debate adjourned on motion of Mr Treloar.

NATIONAL GAS (SOUTH AUSTRALIA) (PIPELINES ACCESS-ARBITRATION) AMENDMENT BILL

Introduction and First Reading

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (15:39): Obtained leave and introduced a bill for an act to amend the National Gas (South Australia) Act 2008. Read a first time.

Second Reading

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (15:39): I move:

That this bill be now read a second time.

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

Leave granted.

The Government is amending the national energy legislation to promote an efficient gas transportation sector and address natural monopoly characteristics of gas pipelines and market power held by pipeline owners during negotiations for pipeline services.

The National Gas (South Australia) (Pipelines Access-Arbitration) Amendment Bill 2017 will amend the National Gas Law, set out in the schedule to the *National Gas (South Australia) Act 2008* to address information asymmetry between parties in negotiations for access to non-scheme pipelines and the superior negotiating position of the pipeline operator.

A comprehensive regime for access regulation to covered pipelines already exists in the National Gas Law, which provides for light regulation or full regulation. This Bill does not seek to amend the regime applicable to covered pipelines. The purpose of this Bill is to address access to transmission and distribution pipelines which are not covered pipelines under the National Gas Law.

Access to pipeline services on non-scheme pipelines, which are pipelines not covered under the National Gas Law, is currently a matter of commercial negotiation. The purpose of this Bill is not to replace this process for seeking access to non-scheme pipelines but rather to provide increased transparency to parties seeking pipeline services and a commercial arbitration framework which can be used where commercial negotiations between the parties break down.

Energy Ministers consider that increased transparency provides parties seeking pipeline services with an improved ability to undertake timely and effective negotiations. The Bill therefore provides for the National Gas Rules to include a framework for enhanced disclosure and transparency of non-scheme pipeline information on matters including in relation to pricing and contract terms and conditions.

The Bill reinforces the position that parties seeking access to pipeline services on non-scheme pipelines must negotiate commercially before resorting to commercial arbitration through a duty of negotiate in good faith. Importantly, this duty is not intended to limit normal commercial behaviour whereby parties undertake a discovery process in relation to pipeline services.

Also provided in the Bill is the ability for the National Gas Rules to include provisions with respect to seeking access to a non-scheme pipeline to provide greater transparency on this matter.

The commercial arbitration framework introduced by the Bill applies to all transmission and distribution pipelines that are not a scheme pipelines. It is recognised, however, that there may be circumstances where it is not necessary for the framework to apply to a non-scheme pipeline. The Bill deals with this matter by providing that the National Gas Rules may provide an exemption from the commercial arbitration framework.

A party to a commercial negotiation for access to a non-scheme pipeline can commence the commercial arbitration framework by serving notice that the parties are unable to agree to matters relating to access to a non-scheme pipeline and a dispute exists. As the purpose of the Bill is to provide for commercial arbitration, the Bill provides for the parties to appoint an agree arbitrator for the purpose of the process.

To provide some oversight of this process, the Bill appoints the Australian Energy Regulator as the scheme administrator. The role of the Australian Energy Regulator as scheme administrator includes to receive the notification of an access dispute, to refer the matter to commercial arbitration, to join another person to the commercial arbitration process if appropriate and appoint an arbitrator if the parties are unable to agree upon one. This role is in additional to the Australian Energy Regulator's established functions and powers in section 27 of the National Gas Law related to compliance and enforcement.

The arbitrator also has a role to ensure that the commercial arbitration framework is used appropriately. To enforce this role the Bill provides the arbitrator with powers to terminate the arbitration in certain circumstances.

It is also worth noting that the parties may continue to commercially negotiate after commercial arbitration has commenced or the access seeker may decide they do not wish to proceed with access. The Bill accounts for these matters by providing the ability for the access seeker to terminate the arbitration.

The Bill includes hearing procedure provisions to support the arbitrations consideration of a matter before them including providing for hearings in private; right to representation; processes and powers in relation to information disclosure; confidentiality; procedures and powers for the arbitrator; and penalties where a party does not engage appropriate in certain circumstances.

If the arbitration is not terminated, the Bill provides that the arbitrator must make a determination in relation to the commercial arbitration matter. The National Gas Rules can provide prescription related to the matters that an arbitrator's determination may deal with, as well as determination process and timelines. In making its decision the arbitrator will be required to take into account any principles established in the National Gas Rules.

Importantly, the arbitrator must also not make a determination that would impact existing contractual rights in relation to a non-scheme pipeline.

A decision of the arbitrator is enforceable as if it were a contract between the parties where the access seeker proceeds with access to the pipeline service. The access seeker is not required, however, to proceed with access to the pipeline service.

An important consideration in forming the commercial arbitration framework was ensuring that cost is not a barrier to use of the framework. The Bill therefore provides for parties to bear their own costs and to share the costs of the arbitration process, such as the cost of the arbitrator. The National Gas Rules may provide for a different approach to cost in certain circumstances.

The Bill provides for prescription related to the both the enhanced transparency and disclosure and the commercial arbitration framework to be contained in the National Gas Rules. It is preferential that the provisions of the Bill are commenced at the same time as new National Gas Rules related to these matters. The Bill therefore provides that the South Australian Minister may make initial Rules in relation to the information and transparency requirements as well as the commercial arbitration framework.

The Bill will provide that once initial Rules have been made by the South Australian Minister on the subjects provided for in the Bill, the Minister will have no power to make any further Rules under this power.

I commend this Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause provides for the short title of the Act.

2—Commencement

The measure will be brought into operation by proclamation.

3—Amendment provisions

This clause is formal. The provisions in Part 2 of the measure will amend the *National Gas Law* set out in the schedule to the *National Gas (South Australia) Act 2008*.

Part 2—Amendment of *National Gas (South Australia) Act 2008*

4—Insertion of section 83A

This clause will insert a new section 83A into the Act:

83A—Special information and transparency requirements relating to non-scheme pipelines

An additional rule-making provision is to be inserted in the *National Gas Law* so as to allow the rules to make provision in relation to pipelines that are not scheme pipelines. This provision will support the operation of new Chapter 6A, which is to be inserted into the *National Gas Law* by this measure and which will provide for processes associated with gaining access to 'non-scheme' pipelines and the arbitration of access disputes.

5—Substitution of heading to Chapter 6

This is a consequential amendment.

Chapter 6—Access disputes—Scheme pipelines

6—Insertion of Chapter 6A

This clause will insert a new Chapter into the Act relating to access disputes arising in relation to a transmission pipeline or a distribution pipeline that is not a scheme pipeline under the *National Gas Law*. An explanation of the new Chapter is as follows.

Chapter 6A—Access disputes—Non-scheme pipelines

Part 1—Interpretation and application

216A—Definitions

This section sets out the terms that are defined for the purposes of the Chapter. A non-scheme pipeline is the term used to describe the pipelines in relation to which the Chapter will apply. An access dispute is a dispute between a user or prospective user and a service provider about one or more aspects of access to a pipeline service provided by means of a non-scheme pipeline (subject to the operation of section 216C(2)). The scheme administrator under this Chapter will be the AER.

216B—Meaning of prospective user

A prospective user is a person who seeks or wishes to be provided with a pipeline service by means of a non-scheme pipeline. A user is also a prospective user if the user seeks or wishes to be provided with a pipeline service by means of a non-scheme pipeline other than a pipeline service already provided to them under a contract or an access determination.

216C—Application of Chapter

The Chapter will apply to and in relation to a transmission pipeline that is not a scheme pipeline or a distribution pipeline that is not a scheme pipeline. However, the Chapter will not apply to or in relation to a pipeline or a part of a pipeline excluded from the operation of the Chapter by the rules, in relation to a pipeline within a class or group of pipelines excluded from the operation of the Chapter by the rules, or to or in relation to a pipeline service excluded from the operation of the Chapter by the rules.

216D—Application of this Chapter to disputes arising under Rules

It will also be possible to apply the provisions of this Chapter to any dispute arising under the rules if the rules so provide (subject to any modification as may be prescribed by the rules). (This section is comparable to existing section 178A of the *National Gas Law*).

216E—Chapter does not limit how disputes about access may be raised or dealt with

The Chapter is not to be taken as limiting any other way that an access dispute may be raised or dealt with. (This section is comparable to existing section 179 of the *National Gas Law*).

Part 2—Negotiation of access

216F—Access proposals

The rules will be able to set out provisions for or with respect to seeking access to a pipeline service provided or to be provided by means of a non-scheme pipeline or by an extension of a non-scheme pipeline. (This is a general rule making power in connection with the operation of this Chapter and may be read in

conjunction with section 74 of the *National Gas Law* and proposed new section 83A, together with Schedule 1 of the *National Gas Law* and other relevant provisions).

216G—Duty to negotiate in good faith

The parties under this Chapter must negotiate in good faith with each other about whether access can be granted to a non-scheme pipeline (or an extension of a non-scheme pipeline) and, if so, the terms and conditions for the provision of access.

216H—Notification of access dispute

If agreement cannot be reached about access, the prospective user or user, or the service provider, may notify the scheme administrator that an access dispute exists. (However, a notification cannot be made if the access dispute relates to a matter excluded from arbitration under this Chapter by the rules). (This section is comparable to existing section 181 of the *National Gas Law*).

216I—Parties to an access dispute

The parties to an access dispute will be the parties to the negotiations that gave rise to the dispute and, if the scheme administrator is of the opinion that the resolution of the dispute may require another person to do something and it is appropriate that the other person be joined as a party, that other person.

Part 3—Reference of dispute to arbitration

216J—Reference of dispute

If a notification is received by the scheme administrator, the scheme administrator must refer the relevant dispute to arbitration.

216K—Selection of arbitrator

The parties to an access dispute may agree to appoint an arbitrator for the purposes of an access dispute that has been referred under this scheme. If an agreement cannot be obtained within a period specified by the rules, the scheme administrator may select an arbitrator after consultation with the parties to the access dispute. An arbitrator must be independent of the parties to the dispute, be properly qualified, and not have a direct or indirect interest in the outcome of the dispute.

216L—Determination of access dispute

An arbitrator will make a determination about access. A determination must not be inconsistent with the rules (or go beyond the matters specified by the rules). The rules may contain provisions for or with respect to such things as the form of any determination, the content of any determination (including as to the giving of reasons), the time within which a determination must be made, the process for making a determination, the timing for the commencement of a determination, and the giving of notice of the making of a determination.

216M—Principles to be taken into account

An arbitrator will be required to take into account any pricing or other principle specified by the rules.

216N—Restrictions on access determinations

An arbitrator must not make an access determination that would prevent another party obtaining a sufficient amount of a pipeline service in specified circumstances or to a specified extent. (This section is comparable to existing section 188 of the *National Gas Law*).

216O—Arbitrator's power to terminate arbitration

An arbitrator will be able to terminate an arbitration in specified circumstances. The rules will also be able to specify circumstances which will entitle an arbitrator to terminate an arbitration.

216P—Access seeker's right to terminate arbitration

The prospective user or user will be able to terminate an arbitration before an access determination is made by the arbitrator.

Part 4—Compliance with access determinations

216Q—Compliance with access determinations

Subject to the rules, an access determination will be enforceable as if it were a contract to the parties to the access determination. However, a prospective user or user of a pipeline service will not be required to seek access under an access determination (but if access is sought then the prospective user or user (as the case requires) will be bound by any provision of the access determination).

Part 5—Variation of access determinations

216R—Variation of access determinations

An access determination will be able to be varied by agreement between all parties to the access determination, or under a scheme to be prescribed by the rules.

Part 6—Hearing procedures

216S—Hearing procedures

Certain provisions of Chapter 6 Part 6 of the *National Gas Law* are to apply in relation to the proceedings for an arbitration.

Part 7—Miscellaneous matters

216T—Correction of access determinations for clerical mistakes etc

The rules will be able to make provision with respect to correcting some clerical or technical matters with respect to an access dispute. (This section is comparable to existing section 213 of the *National Gas Law*).

216U—Reservation of capacity during an access dispute

A service provider who is in an access dispute must not, without the consent of the relevant user, alter the rights that the user has to use the capacity of the non-scheme pipeline during the period of the dispute. (This section is comparable to existing section 214 of the *National Gas Law*).

216V—Costs of arbitration

The general rule is that the costs of an arbitration under the Chapter (including costs associated with the arbitration process and the cost of the arbitrator) will be shared equally between the parties to the arbitration. However, the rules will be able to make provision with respect to the costs of an arbitration, including so as to provide for a different approach to the general rule in specified circumstances. Costs payable to an arbitrator will be a debt due to the arbitrator. It is also made clear that the parties to an arbitration will be responsible for their own costs.

7—Amendment of section 271—Enforcement of access determinations

This amendment provides for the enforcement of an access determination under Chapter 8 Part 6 of the *National Gas Law*.

8—Insertion of section 294F

This clause will insert a new section 294F into the Act:

294F—South Australian Minister to make initial Rules relating to access to non-scheme pipelines

The South Australian Minister will be able to make the initial rules relating to this new scheme. The initial rules will only be able to be made on the recommendation of the MCE

9—Amendment of Schedule 1—Subject matter for the National Gas Rules

These are consequential amendments to Schedule 1 of the *National Gas Law* relating to subject matter of the rules under that law.

Debate adjourned on motion of Mr Treloar.

EMERGENCY MANAGEMENT (ELECTRICITY SUPPLY EMERGENCIES) AMENDMENT BILL

Second Reading

Adjourned debate on second reading (resumed on motion).

Mr WINGARD (Mitchell) (15:40): I continue my remarks. A $24 million solution was offered by Alinta, and instead the Premier and Treasurer chose to spend $550 million of South Australian taxpayers' money. They are the cold hard facts: $24 million to keep prices down, supply on and no blackouts in South Australia, but the Premier and Treasurer chose the opposite. They chose statewide blackouts, higher electricity prices and a $550 million tax bill for South Australians. Enough is enough.

I am speaking to businesses all the time, and just recently I did a 50-business and 50-day tour, and with everyone I spoke to electricity prices were a key to keeping businesses going in South Australia. A number of businesses spoke to me; in fact, a bakery recently spoke to me about their electricity bill going up from around $5,500 to, I think, $7,000. That is a massive jump, and they are

saying they are worried about how they are going to keep all their staff. I am not sure what the Premier and Treasurer say to the staff of that business, who will have their hours reduced and even potentially be laid off because of the exorbitant electricity prices that have been inflicted by this state Labor government. It really is a concern.

We know the track record of those on the other side of the chamber on electricity commitments and promises. Back in 2002, before my time in this place, the Labor government promised to build an interconnector to New South Wales. That was their push and they failed to deliver on that, the interconnector that would have supplied more reliable and efficient energy to South Australia. That was a commitment they made in 2002. How did we go? Did we get there? No, they failed to deliver, and it just gets glossed over and not spoken about now by this Labor government. That is a failure. Now they have this big $550 million commitment. Given their history and their track record, they have failed to deliver for South Australians.

What they also do not want to talk about on the other side of the chamber is the blackout day, the day that the blackout Treasurer and the blackout Premier really came into prominence, 28 September 2016. In fact, during this debate I heard it being called 'an unfortunate situation' by the other side of the chamber. There was a storm, no denying that, and powerlines did go down, but we blacked out the entire state. That is what the Premier and the Treasurer of this state did, that is what we had to suffer because the Premier and the Treasurer blacked out South Australia.

In the last day or so we have seen tornadoes in Queensland. That state did not black out. This was not 'an unfortunate situation' in South Australia: this was mismanagement of the highest order by this Labor government. When you go interstate now and speak to people and say you are from South Australia or from Adelaide, they scoff and laugh and ask, 'Are you keeping the lights on?' That is the situation we have got thanks to this government on the opposite side.

They want to blow some smoke and mirrors around the place and say they have a piece of paper that says they can resolve this problem. Well, their track record is appalling and they cannot. They must take responsibility. They will sit there and blame everyone else, as well. It is really quite amazing to see that they blame so many other people, but this government must take responsibility for the position that South Australia is in. They have been in charge for 15 years now and South Australia has been going backward at every turn. This is just a classic example.

Again, I hark back to the fact that the government's answer is a $550 million spend. There was an option: there was a $24 million option to keep the Northern Power Station open and keep reliable power coming into South Australia so that businesses could maintain their operations so that there would be reliability and that prices would not go through the roof, as we have seen. The government is out now with its propaganda and its smooth talking by the truckload. You will see the Premier out there talking nice and slowly and nice and calmly as if he knows what is going on, but look at his latest TV commercial where he is trying to convince the public of South Australia about what is going on, that things are okay. You look deep into it and you know that they are not.

The Premier talks in his TV commercial, and he spends hundreds of thousands of taxpayer dollars on his campaign. That is right: South Australian taxpayers' dollars are being spent for the Premier to be spruiking his claims. When you look at the TV commercial and you see him shaking his head, he shakes his head from side to side. He does not actually believe what he is saying. He is saying subliminally, 'No, this is not right. No, I have no idea. No, I have lost control.' That is what is really going on, and you can see it. Look closely at the television commercial and you will know that is what is going on.

The big problem here, and I have mentioned this but I will make the point again, is that the transition from coal to renewables has not been done responsibly, efficiently or effectively. For some reason the Premier is hell bent on fast-tracking us to a 50 per cent renewable energy target. Our plan and our policy is to say no to that. The federal target is 23 per cent. Why not go with the federal target? Stick to the federal target. Why do we need to be miles ahead of other states? We are up around 40 per cent now and that is what is costing us. We are paying more for our electricity, it is more unreliable and it is costing families and businesses, which in turn is costing jobs in South Australia.

This blind push towards renewables has left our state vulnerable. We look at the plan again, the pie in the sky plan. As I said, there was a plan in 2002 to build an interconnector to New South Wales. The Premier failed to deliver. Then a desalination plant and, of course, we know how that ended up. This plan now, when you see the Premier walking around with a brochure, stinks of what we saw with the desalination plant. The desalination plant doubled in size to what it needed to be because of ideologies that were just mismatched and did not deliver for South Australia.

South Australian taxpayers have paid the bill there. South Australian taxpayers are going to pay the bill here because this state Labor government has really let South Australians down. Let's break this bill down. Let's work out what it is going to cost every household. What you need do is go to every household in South Australia—everyone from uni students, pensioners, families and retirees—thanks to Jay's mismanagement. Thanks to the South Australian government's mismanagement of our electricity system, you will need to go to every household, as I said—uni students, pensioners, families and retirees.

Everyone will pay $775. Just go and get it out of the bank right now—$775—and hand it to the Premier and the Treasurer because that is what they are coming to get from you. That is what they are going to get from you to pay this back. They are going to take dollars out of your communities, dollars out of your schools, sporting clubs and hospitals. That is where the $550 million is coming from. It is coming out of your pockets, every South Australian's pocket, to pay for this mismanaged plan.

Right across the board, we know in South Australia that things are not going well. We have the highest unemployment rate in the nation, and I talked about businesses before that I have been speaking to. I am speaking to them and they say the cost of electricity here is hurting them. The bakery—

The Hon. T.R. Kenyon interjecting:

Mr WINGARD: And the member for Newland is scoffing over there, but I can tell him that the cost of their electricity at the bakery—

Members interjecting:

The DEPUTY SPEAKER: Order!

Mr WINGARD: —has gone up $1,500 and they are feeling the pinch.

The Hon. T.R. Kenyon interjecting:

The DEPUTY SPEAKER: The member for Newland is not in his place and he is on two warnings.

Mr WINGARD: They are saying quite outwardly that they will be laying people off because of the cost of electricity in South Australia. They will be cutting back the hours of people working in South Australia. Go to the ABS stats, and I can show them to the member for Newland and all those on the other side. For 27 months, on trend, we have had the highest unemployment rate in the nation.

When we want to talk about how well things are going, the other side want to keep comparing it with how we went last week or how we went last month. If you put it into a football analogy, and I like to do this to make it nice and simple by using a football table analogy. If you ended up at the bottom of the table and the next year you came 15th and you were 16th the year before, you would think, 'We have improved. We have gone up one. That's fantastic!'

The Hon. S.C. Mullighan interjecting:

Mr WINGARD: You would sound like the Minister for Transport who is making his comments here. He thinks that is great, to improve from 16th to 15th. He thinks that is fantastic. That is the mentality those on the other side have about how South Australia should go. They do not want to take South Australia from the bottom of the table and maybe move us into the finals or even push towards the top of the table. No, they do not want to do that. Let's just keep South Australia down, that is their intention. I must say that for 15 years it has been incredibly successful.

The transport minister swanned in here and joined his colleagues on the front bench, having worked in government for a long time and helped the demise of South Australia. Now he is on the front bench and he is doing his part to keep driving South Australia further down. He is going to come along with the rest of his colleagues and take that $775 from every household to make up for the appalling job that they have done over 15 years. I think enough is enough.

I think South Australians have had enough and they are starting to see the light. They are not listening to the slow talking, smooth operating ways of the Premier and his other offsiders. I think they have had enough. I stand here and I do not come from that background of having been around politics all my life. I come from a different field, and proudly so. I do not come with the polish of some on the other side, some who have been groomed for these jobs, and I do not apologise for that either.

We need more passion in this place. We need people who are here to get the job done, to improve South Australia, not to look after themselves, not to be career politicians and come here and work their way through union ranks, work for ministers, work through the whole operation and then get a safe seat, perhaps given to them by a union.

I do not think that is the way this place should operate, so I might not be as smooth as the Premier and I might not be as smooth as some of those on the other side, but I come with a great deal of passion to turn this state around. That is what we need in South Australia—no more smooth talking, we just need to get results and get South Australia off the bottom of the ladder.

I talked about unemployment and we know how South Australia is going there, and in terms of interstate migration we know that last financial year alone, 6,500 people moved out of South Australia. This is a great concern. We have brain drain, as it is called, and people are leaving South Australia right across the board. Younger people, middle-aged people and older people are leaving South Australia because they cannot find jobs. That is a fact. You can get out and speak to people on the streets and you hear it all the time.

When I get out in my community, it is often put to me that people are struggling to find work, that people are concerned for young adults moving into the workforce, that all the opportunities are on the eastern seaboard and there are no opportunities here. The cost of doing business and the high electricity prices that we talk about do have a real impact on what is going on out there in the community. That is something we need to be aware of. People are leaving our state and we need to do more to keep them here and to grow industry and grow business in South Australia.

I talked about the blackout on 28 September 2016, and that was a really significant moment for South Australia. You have seen the memes and so forth on social media where there is a map of Australia and South Australia is all in black. It hurts me to see that. People have taken the state logo and taken the doors off and made the South Australian part of that logo black, and that hinges around that 28 September incident.

It intrigues me that the Premier really refuses to speak about that day and refuses to acknowledge what happened within the system. Mind you, the Treasurer keeps talking about the National Electricity Market being broken and the NEM not working, yet he is a part of the National Electricity Market. He has a say at COAG and a say in the way these things are run, and he himself says that he is the lead legislator on that operation.

He has spruiked before how well it is working and then all of a sudden things go wrong. Does he accept responsibility for his part in this or does he say, 'No, we'll blame everyone else and it is actually everyone else's fault'? In fact, this is how confused the Treasurer is. He says it is broken, yet he is quoted as saying that the National Electricity Market has done a great job and has created a great system. It is amazing how he will flip-flop to suit himself. One minute he says it is great and the next minute it does not work and he says it is not going well enough.

I reiterate the point that I made at the start of my speech. It has been divulged in the paper today that the offer that was on the table was $24 million to keep Alinta, the Northern power station, up and running. The operators of that power station, the Alinta company, said, 'You're going to have problems if you lose this base load supply. You're going to be too reliant on renewable energies. We know it's intermittent. The wind doesn't always blow, and the sun doesn't always shine. We can keep operating for that $24-odd million figure. That's what we can do and it will give that base load power supply you need and allow that smoother transition because wind and solar energy isn't working on

its own. It doesn't give you the base load you need when the wind doesn't blow or the sun does not shine.' The Treasurer just turned his nose up at them and so did the Premier. Instead they have gone for a $550-odd million solution. Anyone can stack up $24 million against $550 million and see how is it going to work.

Mr Hughes: Talk about apples and oranges!

Mr WINGARD: No, it is just dollars. The member for Giles wants to call it apples and oranges and, realistically, it is just dollars—$24 million compared with $550 million. I hope he does not become Treasurer of South Australia because if he cannot add up we will have a major problem.

We can talk quickly about the other part of the solution, which is the diesel generation. We need to make people aware of this because, although the plant the government is talking about was going to get built and is now not going to get built, they do have the backup of diesel generators. They are going to put these all around the city and all around the country as well, I presume, so you could well have a diesel generator coming to a street corner near you. That is what we are looking at, and we are interested to see how that is going to play out.

We asked more about costings as well. We had the battery at around $150 million. How is that going to work? What is going to happen? How is it going to be disposed of after five or so years of life? How much life will it have? The Treasurer, again, when asked questions on that today really did not have any answers.

I talk about the solution and, quite simply, one of the first steps has to be to abandon the renewable energy target (RET) that this state Labor government has at 50 per cent. They have set it at 50 per cent, which really is far above where the federal government has set the target, which is at 23 per cent. We cannot see why you need to be above the federal target, so we are saying let's go to the federal target. That is the first step, and that will give some surety to these base load suppliers that they can stay in the market here in South Australia.

That is a first step that should and could happen in a heartbeat. With the stroke of a pen, we could move that forward but, again, the Labor government is so hell-bent, to the destruction of businesses, companies and families in South Australia, on pushing the renewable direction harder and faster than they need to without any control. It is like going downhill on a bike and the handlebars start to get wobbly. The Premier is at the wheel and the Treasurer is sitting on the front handlebars. The handlebars are as wobbly as anything, and they are about to crash our state once more.

I think South Australians have had enough. South Australians are seeing what is going on. They are over the smooth talking. They want to see some reality come into this conversation. They want to see people who are out there genuinely fighting for South Australia, wanting to get the best results for South Australia, not a government that keeps spending millions and millions of taxpayers' dollars on spin, promotions, pamphlets and TV commercials. They are spending taxpayers' dollars on trying to spin the wheel. As we have said in this place before, if we could harness some of the spin that goes on on the other side of the chamber and draw energy from it, we could probably power the state for many more years to come.

The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for the Status of Women, Minister for Ageing, Minister for Multicultural Affairs, Minister for Youth, Minister for Volunteers) (15:57): I rise today to support the Emergency Management (Electricity Supply Emergencies) Amendment Bill 2017. This bill is part of the key package of reforms we have in our energy policy. To remind people of where this fits, this is about local powers over our national market. This is supported by our energy plan, with battery storage and a renewable technology fund, new generation and more competition, a state-owned gas power plant, South Australian gas incentives and of course our energy security target.

As the minister responsible for communities and social inclusion, I have taken particular interest in the success of this bill. As members know, this government has taken a lead in fighting the rising cost of living, and that is why we introduced the new Cost of Living Concession, which will enable people to live their lives with less financial stress.

We know that the commonwealth government ripped up the national partnership on certain concessions without any discussion, but we were not prepared to let South Australians suffer, so we introduced the Cost of Living Concession. We not only introduced this concession, but we expanded it to cover tenants as well, so owner-occupiers can receive $200 as a Cost of Living Concession, and tenants $100.

Not only have we introduced this new concession for people, but we are also changing the way concessions are indexed, giving more people more money in their pocket. After 2014, we increased the energy concession to $215 per household. As a government, we have supported our sick and vulnerable through the medical heating and cooling rebate, reducing the financial stress on people who rely on running heating and air conditioning for their health and wellbeing. We have also been modernising some of our public housing stock by replacing old LPG gas and electric hot-water systems with solar hot water to reduce the pressure on energy prices put on some of our most vulnerable tenants.

This program alone has reduced the cost of running hot water by 30 per cent for 1,000 households. We have focused throughout South Australia on those households with larger families and those who are higher users of electricity. In addition, we have begun to install 400 solar panels in Housing Trust homes across 40 different suburbs. This is something the Minister for Housing and Urban Development spoke to us about in the house yesterday. Already, more than 300 households under Housing SA have put their own solar panels on their roof, and we have done that through a deed of agreement.

It is very important that we support people when they need help the most, and another area in which we help people is through the Emergency Electricity Payment Scheme, and they must speak with a financial counsellor to talk through the issues they have. It is available for $400 every three years and is part of our affordable living program. We also provide energy efficiency audits, which are available for free to people on low incomes through their energy retailer. The Retailer Energy Efficiency Scheme is an initiative of our government. It helps households and businesses save on energy use and costs and lower their emissions. In fact, retailers are required by law to help customers experiencing payment difficulties to better manage their energy bills.

This energy plan—Our Energy Plan—shows leadership. When I have been speaking to South Australians out in my electorate of Salisbury, this is what they have said to me matters most: 'We don't want this blame, he said, she said. What we want is leadership, and we've seen that from the Premier.' They say that to me when I am out doing my street-corner meetings, when I am doorknocking, or when I am having a conversation on the phone. It is about leadership. This leadership will lead to creating more competition in our local energy market to put downward pressure on electricity bills.

Tendering for 75 per cent of our electricity needs over the next 10 years will encourage new providers to enter the market. We anticipate that this will result in a new privately owned generator being built in South Australia. By encouraging energy providers to compete for customers, and providing South Australians with more choice, we will lower prices for everyone. Not only are we putting downward pressure on the cost of energy but we are also delivering jobs and energy reliability for everyone. We are building a new generator owned by the people of South Australia. That is what I am hearing more from everyone: it is about South Australian power for South Australians.

The one thing I hear when I am out there talking to the voters, talking to the constituents, talking to South Australians, is that we were insulted by the actions of the Prime Minister. It is just unbelievable for a man who has spent his life talking about reducing carbon, talking about the importance of renewables, to then accuse South Australia in the way he did. He just dumped on us for his political convenience and said that we were letting everyone down, that we were doing too much. I would say the opposite: we were doing the heavy lifting for him. He was the one who signed the international Paris Agreement. We were not there twisting his arm. Yet time and time again, South Australia is put up for ridicule because of this. I do not know how he lies in bed at night. This is a person who has spent 20 years of his life talking about this issue, and when it came to the crunch it was all about coal.

Another thing we are doing is establishing the renewable technology fund. We will be able to provide $75 million in grants and $75 million in loans to private innovative entrepreneurs who will

develop the technology that will power tomorrow. These new measures will create 530 new full-time.jobs, and we will create an additional 100 jobs through increased gas exploration. Why have we had to do this? Why have we had to take this leadership and this action? It is because of the failure of the national energy policy that has resulted in the national energy market being unable to adapt to a changing mix of energy generation across the nation.

It is clear to me that a national energy market cannot take care of the needs of my constituents and that it cannot take care of the needs of South Australians. We must put South Australians first. This is what the Premier has done, and this is what the Minister for Energy has done—put South Australia first.

We need to ensure that South Australia will have the best possible guarantee of energy supply. We know, very proudly, that because of the actions of this government in South Australia we not only lead the nation in renewable energy development but we are also recognised as a global giant in pushing the adoption of renewable technology. While we will fund the development of new renewables technology, we will also lead Australia by building the nation's largest battery grid to store and supply clean renewable energy to South Australians.

This will begin the evolution of South Australia's energy grid from one that relies on a decaying, dirty energy mix to one that embraces the future of a growing diversity of clean renewable energy sources. The most important thing here, though, is that this plan is to ensure that we have local control of how the national energy market affects South Australians. Remember 8 February? Why did we suffer a blackout? Because people were not putting South Australia first, and that is why it is important to support this bill.

By granting the Minister for Energy new powers to direct the energy market in time of electrical shortfall, these new powers will ensure that we will no longer be held to ransom by unpredictable and unwarranted market behaviour. The minister will be able to direct generators to bring extra supply on and to make the National Energy Market Operator control flow on the interconnector. We will be remedying an issue.

With this bill, we are putting forth the ability for the Minister for Energy to have direct action on the market. These powers will ensure that every available measure is taken to ensure the supply of power to South Australians in emergencies. This energy plan means that South Australians will be able to rely on clean, renewable South Australian energy and not have to utilise energy sources from failing technologies and from interstate. While this plan is incredibly important, let's look at what we have also done so far.

We are helping large employers to manage their power costs. The state government is providing $31 million over two years to help large South Australian businesses to manage their electricity costs. Businesses that use more than 160 megawatt hours of electricity are eligible for this funding to undertake energy audits to find ways to reduce their power bills. These audits will be completed as of June this year. The grants are available to support projects to promote efficiencies such as the installation of solar systems with battery storage units. The funds support up to 500 South Australian businesses to undertake these energy audits and at least 110 businesses to implement the audit recommendations with at least six major energy-saving opportunities.

One of the other things that is particularly important to me as someone with 14 schools in her electorate is that we are making our schools more energy efficient. Schools with high energy use will become more energy efficient, shaving an estimated $2 million from their power bills each year. This is through a $15 million state government investment. Can I congratulate both the Minister for Energy and the Minister for Education on this bold, supportive and innovative move. The program will provide grants to support 40 schools to install solar panels and LED lighting and 200 schools to replace inefficient lighting and install sensors and timers. With this action, with this bold decision, 38 full-time jobs will be created and installation will start in 2017.

These things are happening because we have been active in this space. We have put our plan to South Australia, a plan that puts South Australians first and that puts South Australian power for South Australians at the very top of our agenda. This bill establishes an efficient process for the declaration of an electricity supply emergency. It gives responsibility to the minister responsible for

energy and it allows the government to rapidly respond to scenarios as they emerge. This is what South Australians want. They want action and leadership.

Whilst the federal Coalition government is busy parading coal around federal parliament, the state Labor government has been busy developing an energy policy that not only delivers South Australians a reduced cost of living, a reliable supply and increased jobs, but it has also set the national agenda on energy policy. Once again, South Australia is leading the nation. I welcome and commend this bill to the house.

Mr PENGILLY (Finniss) (16:10): It is flabbergasting, the arrogance of this government coming into the house supplying the members and ministers with prepared speeches. The arrogance of this is unbelievable. They dropped this bill on the house yesterday morning with no notice. They dropped it on the house and they wanted to debate it straightaway. They did not give this side of the house any opportunity whatsoever to get briefings on it or prepare speeches prior to discussing it in the house. It is shameless arrogance from a decaying, out of touch government that is dying internally very rapidly. It is a disgrace.

Here we have this Labor government yet again doing far too little far too late, running around in a panic and introducing a bill and wanting to debate it on the very same day. They are trying to lay claim to fixing up something that they have had 15 years to do and they have done absolutely zilch. It is a bit rich for members opposite to get up and rattle out prepared speeches castigating us and everybody else, laying claim to being able to fix up the power market and energy supply in South Australia.

I will tell you what people want, Madam Deputy Speaker. They want to be able to switch on their lights, they want to be able to switch on their electric stove to cook and they want to be able to have a hot shower. That is what they want to do. They do not want to listen to hundreds of thousands of dollars worth of spin coming out of this pathetic, decaying mob opposite. I reckon that it is a bit rich because we have wind power, renewables, solar power—all good, not a problem in the world. It is fantastic and I love it. I have solar power myself. However, it is a bit rich to come in here and say that they are saving the state's power with their energy plan. They are a joke, an absolute joke.

What happened the other week between federal minister Frydenberg and the Premier was nothing more than an absolute stunt which, fortunately for us, backfired badly on the Premier. I heard the Minister for Tourism saying that he doorknocked people who told him what a fantastic job the Premier had done on Frydenberg. What a lot of tommyrot. The people the tourism minister spoke to spoke to me, and I will not say what they thought of the Minister for Tourism in here because I will get kicked out of the house if I do.

Today, we had the debacle of the Victorian Premier clandestinely going down to Hazelwood as they switched it off for the last time. When the lights go out fairly soon in South Australia yet again, for the umpteenth time, they are not going to blame us on this side of the house: they are going to blame this decaying government on the other side.

The other interesting thing about the scripted speeches that came out is the repetition—the repetition. The verbal diarrhoea that emanated from some members was unbelievable. They must have had a team of advisers spending days and days and days writing all these speeches so that members opposite could get up and read them out. I seriously wonder just what some of them thought when they were reading them out. The minister a few minutes ago was trying to put a bit of energy and passion into her prepared speech. Well, in my view, she fell way short.

While the government are clambering to run around to try to make out they are doing something, out in the real world people want power. They are paying ESL levies that are through the roof and going up. They are paying water bills that are through the roof and going up. They are paying power bills that are going through the roof all the time. They are fed up with it. They have had a gutful of you lot over there, an absolute gutful, I can tell you.

They just want to get back so they have some honesty and transparency in government, which they will not get. We have the Premier and the Treasurer standing up, puffing and blowing day after day, saying what a wonderful job they are doing. They despise one another, absolutely despise one another. It is disgraceful, it is obscene and it is incestuous government coming from a

government that is seriously out of touch, has been there far too long and is arrogant beyond any realm of comprehension. It is time they went.

Mr HUGHES (Giles) (16:15): I thought that was going to go on for a lot longer. How many times can you call us arrogant? You could have repeated; the loop could have kept going. It might upset you to know that most of us wrote our own speeches so, if they are bad speeches, we are entirely accountable for their badness or their goodness.

I rise today to support the bill to amend the Emergency Management Act 2004. When the market fails to ensure the delivery of an essential service, we need a tool to enable the state to intervene in a timely fashion to secure electricity for households and businesses. We need look no further than what happened on Wednesday 5 February to see why the amendment is needed. On that day, the temperature in Adelaide hit 42°. I mention Adelaide because the load shedding essentially happened in Adelaide this time.

The temperature hit 42°, resulting in the highest peak demand in three years. There was capacity to meet that demand, but it was not made available. Instead of making that gas generating capacity available, load shedding was ordered. Due to the South Australian Power Networks error, 90,000 consumers were denied electricity instead of 30,000. Even the 30,000 was not necessary. What we saw was the clash between an essential service and the market, and the market prevailed at the expense of customers. It should not have happened.

Exerting local power over the operation of the national market will provide additional protection for South Australian electricity users, and it will ensure that an essential service is not treated as a corporate, profit-seeking plaything. I support markets, but I do not support market failure. The operation of the National Electricity Market and the regulations that govern that market are failing. The reasons for that are varied, and we could spend a whole day or two talking about the National Electricity Market, the regulatory framework—

An honourable member: We have.

Mr HUGHES: That is entirely true; we have. But the primary reason for the failure is the absence of leadership at a national level. I know that those opposite are sick of hearing this, but it is actually true. Peak business bodies have had enough. A whole range of organisations, a whole range of companies, have come out to call for an emissions intensity scheme, to call for a reform of this system that we currently have, but we have this absence of leadership at a national level.

The member for Stuart kept referring to the need for a sensible, well planned transition towards what I assume is a clean energy future and an electricity market that is essentially decarbonised by 2050, if not sooner. On that score, we are in agreement. Where we differ is that he sheets home all the responsibility for that sort of transition to the state government, but South Australia is not an energy island. For good or ill, we are part of the National Electricity Market which to date has seriously diluted our capacity to act alone. I have to add that privatisation has also seriously diluted our capacity to act on what is an essential service.

I think the member for Flinders might well wish that we were back in the days of a publicly-owned electricity system when it was an electricity system, because I can tell you that there would be far greater security for those people, especially the fringe communities on our network, on the Eyre Peninsula and in my electorate and communities like Hawker. However, that is ancient history. It has been privatised and we have to act with what we have at the moment, which is the national market and the privatised assets in our state.

We are part of a system that includes four other states, a territory and the national government. Just as the Liberals outsourced the control of our electricity system when last in government, they have now outsourced the decision-making on challenges that we face in South Australia to the federal government, a government that has shown itself to be totally incapable of providing the national leadership that is so necessary, the national leadership that many are calling out for.

What we have at the national level is a coal-fired merry-go-round. Round and round in circles it goes, when what we need is a clear path forward with a clear, clean energy goal and a thought-through transition to that goal, a transition that needs an emissions intensity scheme or some other

form of fair pricing of carbon. There is virtually a consensus about this now, surprisingly. Those people who formerly were not fans or who were neutral have come on board because of the investment uncertainty that the lack of a price has created.

Too many people in the federal Liberal government—and the National Party, of course—are being captured by the merchants of doubt, and the coal lobby has funded the merchants of doubt. I feel sorry for our Prime Minister, held captive by the coal lobby and the far right, a pale shadow of his former self, but I feel even more sorry for our country and the rudderless approach to addressing what are profound issues when it comes to energy security and emissions reduction.

We all know the result of the abolition of the carbon price. We are told now by the Liberals in Canberra, by their senior advisers, that it was never a tax, that it was just incredibly grubby retail politics that we were engaging in. I feel sorry for our country, we need to reduce emissions and emissions are actually going up. As a state we now have a six-point plan designed to ensure greater grid stability and put downward pressure on electricity prices. It is interesting to reflect upon what the response to that plan has been.

There are a couple of big companies in my electorate. I have the largest user of electricity in South Australia in my electorate up at Olympic Dam and I also have Arrium, now in administration, that has some challenges with electricity and access to reasonably priced electricity. I wish the SACOME proposal on the group buy every success, and I hope they are able to shake out of the market some worthwhile contracts for that aggregated demand that involves 15 or 16 companies now. I wish them every success.

In relation to the six-point plan that we have announced, this is what the administrators of the steelworks at Whyalla and the mines at Whyalla have had to say:

> Arrium administrators KordaMentha have praised energy initiatives announced by…state…governments.

I am cutting off a bit of the quote here because I am going to get back to the bit of the quote about the federal government in a minute or two.

> Speaking at a meeting, KordaMentha partner Sebastian Hams—

a really good bloke—

> said the administrators 'applaud' the initiatives. 'We welcome many measures that provide stability to the network—if you talk about that in relation to the sale process it is a positive because it shows the state government is dealing with the issue of stability in the network,' he said.

He also went on to praise the federal government, but he went to praise the federal government in a very particular way. He highlighted one of the agencies set up by the last federal Labor government. He mentioned the Clean Energy Finance Corporation's potential grants and potential loans. Meanwhile, Mr Hams also praised the federal Clean Energy Finance Corporation.

All the bidders have told us that it is likely they will look to use those grants to make the steelworks and mining self-sufficient. This is one of the great hopes of the sale process, that we will end up with a steelworks and a mining operation that are self-sufficient when it comes to electricity use. There are a number of approaches that can be taken to improve the energy assets at the steelworks, and it can be done in a way that uses the gases and the heat that are already produced at the steelworks.

The interesting thing about the Clean Energy Finance Corporation, and we can put ARENA into that as well, is that this federal government spent three years trying to abolish the corporation and trying to abolish ARENA. I know the value of both of those organisations. The administrators are supportive of the package because they think it goes some considerable way to addressing some of the issues that we face as a state.

The biggest energy user in my electorate is the BHP Billiton operation at Olympic Dam, and it is worthwhile repeating that. BHP Billiton has come out in fulsome support of an emissions intensity scheme, as have a number of other major companies. BHP Billiton, when the six-point plan was announced, said, 'We welcome today's announcement from the South Australian government. South Australian power for South Australians. BHP Billiton has been working closely with the South Australian government throughout the recent period of instability in the electricity market. It was

pleasing to see the plan address the critical issues of energy security through a number of infrastructure and policy initiatives.'

The plan has actually been welcomed by some of the biggest industrial operators in our state. I have already had this complaint from some of the people in my electorate when they received the leaflet in the letterbox—and leaflets by their very nature are quick glance summaries, it is just the nature of that particular form of media. But the interesting thing about the plan is the detail that stands behind the plan, and there are a number of proposals in this plan that I warmly welcome. I think the $150 million renewable technology fund is a very useful addition to our energy road map in South Australia. I would have thought that the member for Stuart would be a warm supporter of that initiative.

I have heard a number of comments from those opposite about the costs associated with batteries, yet the rough rule of thumb when it comes to utility-scale batteries is that it is usually $1 million a megawatt. For those opposite who were asking the question—and I thought they would have known because I assumed they were informed people—the life of the battery is somewhere between 11 and 13 years. I am told by some of the big battery manufacturers that they look at a life of about 13 years but they put guarantees in for 12.

I think the 100 megawatt battery is going to be a useful addition, and that could be configured in a number of different ways. It does not necessarily have to all be at the one site. It is when we talk about batteries and innovation that we start to see why the regulatory framework around the National Electricity Market is so lacking and so behind what is happening in other jurisdictions overseas.

The Australian, as a newspaper, is not a great supporter of renewable energy. In fact, it is the opposite, but I still feel obliged to buy this paper every morning and read it before breakfast because it always has nuggets of really worthwhile information. I hate to have to make the admission that I actually purchase this paper. Alan Kohler wrote an article some few weeks ago about the mess we are in as a nation when it comes to the National Electricity Market and the role of the federal government and the role of the incredibly powerful incumbents in the electricity market. I do not like to quote at length but I will today because some people opposite did so yesterday. He says:

> The most important thing with energy policy in Australia is which team thought of it.

If one team does this, the other team does that. If our team thinks this, the other team thinks that. He says that that is not getting us anywhere, and I tend to agree with that. What he points out is that the cost of solar and batteries is coming down, and they are taking off commercially. To complete the shift at the grid level, he said, two regulatory changes are needed. The first of those is that something like the US's Federal Energy Regulatory Commission Rule 755 should be introduced. He says:

> This rule was introduced in 2011 to pay large-scale battery operators a premium because they can respond more quickly than coal generators to spikes in demand—

and also more quickly than some of the more traditional gas-fired power stations. If I have time, I might talk about some of the very contemporary gas-fired generators that Siemens, General Electric and others are working on. He goes on:

> Rule 755 involves the electricity market operator paying for grid stability.
>
> The Australian National Electricity Market is balanced in real time by matching supply to demand every five minutes. The system runs at a unlocked frequency of 50 hertz. If the generation demand balance starts to deviate too much, say down to 49 Hz, it can put the entire system stability at risk.

He rightly points out:

> Thermal generators (coal and gas) provide mechanical inertia which can be called upon to move the frequency back into the safe zone…Market operator AEMO pays the generators to provide this service. The inertia acts as a brake to prevent the system from becoming unstable when an unplanned event occurs, like a big storm.
>
> Large-scale grid batteries can mimic the mechanical inertia provided by traditional fossil fuel generators, except a lot faster. It means a well-placed grid battery can 'catch' any early deviation of frequency very quickly, which is worth paying extra money for.
>
> The US regulators designed the FERC755 to provide a differentiated payment system for fast-acting batteries.

He explains that, as a result, batteries now make up 38 per cent of frequency regulation in one of the largest grids in the United States. It is in the north-east of the United States and includes Pennsylvania, New Jersey and Maryland. It is the largest competitive electricity market in America. He continues:

> The [operator] buys more expensive premium response from batteries, but less overall frequency regulation services, leading to big savings for electricity customers. And, remember, this rule was introduced in the US six years ago—

and AEMO and the market regulators are still fluffing around here in Australia. There are actually a real brake on innovation and they are a real brake on innovation because of the power of the incumbents. Mr Kohler said:

> The second rule change that would make a big difference would be to get rid of the half-hour settlement period.

I fully agree with him on that point. Generators bid into the system every five minutes, but settlement is averaged over half-hour periods, so it gives companies the opportunity to really game the system, especially when you have concentrated market ownership like we have in Australia and South Australia. He is saying that this system favours the thermal generators over solar and batteries because they (the thermal generators) cannot respond as quickly.

If the price spikes to the maximum allowable, which we all know is $14,000 a megawatt hour, and coal or gas generators fire up to take advantage of that, then they have to go for at least a couple of hours, but they still get paid the average over half an hour, which they know will be several thousand dollars, even if the price spike lasts only five minutes.

Time expired.

Mr GOLDSWORTHY (Kavel) (16:35): We do not need this legislation that is before the house because what we have seen today is that the truth has finally come out. The truth has finally been revealed about what offer was made by Alinta.

An honourable member interjecting:

Mr GOLDSWORTHY: The government know this. They are making comments and interjecting. They know that the truth has been revealed over the last 24 hours. As a consequence of that, we do not need this legislation. The member for Ramsay, in her concluding remarks, said that South Australia is leading the country. I will tell you what it is leading the country in. It is leading the country in unemployment, high taxes, high electricity bills, high water bills and right across many areas of government of responsibility—that is what it is leading the country in.

These last 24 hours have been a revelation with the information the opposition has received that there was a deal. There was an offer from Alinta in relation to continuing the operation of the Northern power station. The Premier's refusal to provide just $24 million to keep that power station operating is an economically damaging decision by the government. The decision to force the Northern power station to close will cost South Australian households well over $1 billion in increased electricity bills and higher taxes.

We have seen the Premier and government ministers move around in their statements in relation to Alinta. Initially, they said there was no offer. We questioned the government here in question time over many days and their position was 'no offer'—then they moved. They jumped around and said that the offer did not meet their needs. It is pretty clear that, if the offer had been taken up, we would not be faced with a bill of $550 million on a patch-up job.

I think that the government—the Premier and the relevant ministers—knew that the truth was going to come out eventually, so we saw a diversion strategy put in place, and that was the Premier going to a press conference that federal minister Frydenberg was holding and hijacking that press conference. I think they knew that the truth was going to come out eventually, so that was a diversionary tactic that they put in place to take attention away from the fact that the truth would eventually be revealed.

We know the Labor Party are good at this. It is a strategy that they implement often. I have been around the place long enough now to know how they operate, and this has all the hallmarks of

that. If the Premier had just put the $24 million on the table, South Australian households' annual electricity bills would be hundreds of dollars cheaper and there would be no need for this $550 million patch-up job. We received a letter from Alinta to the Weatherill government that reveals an offer to keep the Northern power station operating for three years with the support of $24 million from the government. Their obsession with wind power drove cheap base load power out of the state, forcing up electricity, destabilising the grid and plunging South Australia into our blackout situation.

I listened to the Treasurer, who is the Minister for Energy, talking today about the Pelican Point power station. I have made comments about this previously in the house. I have been around long enough to remember the strident, vehement opposition that the then Labor opposition had against the construction of the Pelican Point power station. There were protests on the front steps of Parliament House. They were saying that the hot water discharged into the North Arm and the Port River was going to kill the dolphins. It was the biggest load of rubbish you could think of, but that was their position back in those days.

Now they are singing the praises of the Pelican Point power station. They did everything they could to stop the construction of that very important piece of infrastructure, but now, 15 years later or so, they are singing its praises. They cannot have it both ways. They have to be consistent in their approach on that matter, but their consistency in their approach in relation to promoting renewable energy has been one of the reasons why we are in the crisis we face today.

Their obsession with wind power and renewable energy has been confirmed by AEMO's report that the loss of power from wind farms was instrumental in the statewide blackout on 28 September. AEMO's report makes it clear that, had nine wind farms not tripped unnecessarily, there would not have been a statewide blackout. The Premier's claim that the wind farms were in no way responsible for the statewide blackout has been totally discredited. There is a lot of evidence before the South Australian community that shows that the government has been responsible for a failure in their energy policy. It has resulted in high electricity prices and unreliable supply.

As I said, what has been revealed in the last 24 hours is the hypocrisy of the government saying that there was no deal when we know there was a deal. We do not need this legislation. As other members have said, it has been brought on in a hasty fashion. We wanted to debate the very important legislation before the house in relation to child protection; however, the government has brought this into parliament without any notice at all. It is not normal practice and the government does not pay due respect to the parliamentary process.

The Hon. M.L.J. HAMILTON-SMITH (Waite—Minister for Investment and Trade, Minister for Small Business, Minister for Defence Industries, Minister for Veterans' Affairs) (16:43): This is a national problem that needs a national solution supported by solutions in each of the states. If you really go back to its beginning, it has to do with the nation's decision to form a national electricity market in the days of the Keating government when we realised that part of the economic reforms of the time required the electricity industry to become a proper market, rather than a government-run monopoly. That was something that we all went into as a nation together. Various states privatised, including Victoria and, of course, South Australia.

My personal view is that that was the right thing to do at the time, but it all hinged upon a set of regulatory arrangements and rules that enabled the electricity market to work effectively and efficiently in the best interests of all Australians. The idea was that whether states decided to retain their electricity assets or sell them, a set of market rules and a market design would be established that ensured that the investors or the states that retained ownership had a reasonable return on their investment, and that prices were kept down and the electricity market operated fairly. Now that system has failed; that system is broken.

That system was designed 20 years ago, and the rules that set out how that market would operate are now 20 years old. They are not working for a couple of reasons, and one of those reasons is that the world and the nation, and each of the states, have recognised the need to take action on climate change. There are people in the community and members in the house who would be denying climate change and would probably be happy to go back to a world of coal-burning power stations everywhere and to do away with renewables completely. I am afraid I am not one of them, and I think

90 to 95 per cent of Australians would share my view. Like me, they recognise that we cannot keep polluting the planet and that we as a nation have to play our part in reducing those emissions.

Of course, we have had a national debate about a coal price, about a carbon price, about an EIS scheme. We have had a vibrant national debate about that. It cost the current Prime Minister his job when he was opposition leader as the Liberal Coalition tore itself apart over the issue. There have no doubt been vigorous debates about it within national and state Labor politics, so this is not something that is unique to any particular political party.

But where we have landed as a nation is in a place where we all recognise that there is no going back to brown coal or black coal and that we need to move on to a new energy mix that involves renewables and gas as a much cleaner and preferred backup for base load generation and probably with battery storage and renewable energy and a range of other prospects included in the mix.

We have just had a royal commission that recommended that nuclear power for South Australia is probably unviable. Although I am not opposed in principle to nuclear energy, I think the royal commissioner's views are to be respected and I think, too, that the market is simply not big enough to sustain the sort of nuclear energy that you see on a scale in France where 80 to 85 per cent of their energy is nuclear. So it gets back to a combination of renewables and gas. That is the future and that is where we are going.

Sadly, as a nation, we have been unable to agree in a mature way about how we will manage this transition. We have not been able to agree on a price for carbon and we have not been able to agree, therefore, on an EIS scheme. We have developed what I might describe as a half-cocked arrangement, where the federal government and successive federal governments, of both political persuasions, have developed a renewable energy target (RET) and funded the establishment of renewable energy infrastructure, wind farms, solar, etc., with an incentive scheme while not putting a price on the polluters—the coal-fired power stations and the big energy polluters—because we have not been able to agree on that.

Sadly, that has delivered us principally to the point where we are at today. That point is one where we have an energy market that is broken, we have had rolling blackouts in a number of states (not just South Australia) and we have had increases in prices. All these things are symptomatic of our inability to agree on a carbon emissions scheme or a price on carbon on the one hand and, secondly, our inability to change the rules that set the paradigm for the national energy market in a way that ensures it is fair and robust.

Let me deal with the issue of the national energy market and how it is working or not working. I would have thought that with infrastructure assets like power stations, poles and wires, transmission lines and distribution networks, these would be regulated assets. They are the sorts of assets you would expect superannuation funds to buy and to return in the order of 5 to 7 per cent on a nice steady basis for their shareholders and, on that basis, to be a reliable and safe investment, but that is not what has happened.

It is not superannuation funds that have bought these assets; it is overseas interests that are interested in making super profits, and I am advised from industry sources that some of those investments are delivering yields of over 20 per cent. There is no doubt that there are some extraordinary profits being made, and we need to have more transparency of that so that people know where the money is moving and where the money is shifting.

We have had all sorts of accusations during this debate about price gouging, about generators closing down, generators for maintenance so that other generators they own can make a super profit at certain times and about people gaming the system. I do not know the extent to which those accusations are true, but I think our regulators need to provide us with the sort of transparency to ensure that, if those sorts of rorts are occurring, they are exposed for public scrutiny because we need openness and accountability on how this system works.

Because the rules that run the market are not working, they need to be changed, and they need to be changed to reflect the second part of this debate, that is, that we need to reduce our carbon emissions. When the rules were designed 20 or more years ago, we essentially had a base load renewable structure within our national energy market. Most of our energy was coming from

coal and gas and turbines. That is all outlined in the government's excellent report, titled 'It's time to take charge of our energy future'.

Since then, our goal of reducing carbon emissions has led to a lot more renewable investment, and that has been encouraged by successive federal governments of both political persuasions who have incentivised solar and wind. So, we now have solar and wind as a major player in our energy transmission and distribution. In this state, it is around 46 per cent; at a national level (and we are the major contributor), it is still extraordinarily low and we look like falling short of our targets.

This is a national market not just a South Australian market so, although we might have a high ratio of renewables, you have to consider that we are pulling more than our weight and contributing to the national targets in this regard. But the rules need to recognise that wind energy is non-synchronous and subject to certain influences that coal and gas are not and that solar similarly generates during the day but not at night and has other synchronous issues linked to it.

The rules have changed to recognise that the distribution structure has changed, and that is causing situations where, as we saw, a gas turbine down at Pelican Point can be turned off on a day when there is turbulent weather and we have load shedding instead of synchronous and continuous supply. It is evident from some of the contributions that some members, in my view, do not quite understand how the market is working or not working, and I think we all have an obligation to inform ourselves a little bit better in that regard.

Because of all this uncertainty about the rules, about the way the market is working, but principally about the fact that the world and the nation are clearly heading towards a more renewable future, coal plants are closing all over the nation. Forget about Playford B, Northern, Morwell, Anglesea, Hazelwood, Wallerawang, Munmorah, Redbank, Swanbank, Collinsville in Queensland, New South Wales, Victoria. Coal-fired plants are closing all around the nation because there is a clear message that disincentivises investment in coal because the world and the nation are heading to a more renewable future.

The investment is going to be in gas and renewables, and clearly that is an irreversible trend. Even during debate, those opposite have acknowledged this by claiming to be strongly and earnestly in favour of renewable energy. I listened with great interest to the shadow minister's contribution in this regard, when he went over chapter and verse how committed those opposite are to renewable energy. The only trouble is that, if you are going to be committed to renewable energy, you have to be committed to a price on carbon because it is very hard to have a renewable energy plan without a price on carbon.

In listening to the arguments from members opposite about what we need to do, it is compellingly clear that those opposite, the alternative government, if you like, do not have the narrative or a plan to fix either our short-term problems or, may I say, our long-term problems. If I heard the shadow minister correctly, the opposition supports storage. Well, that is in the government's plan. If I heard correctly, they support renewable energy, and that is in the government's plan.

If I heard the shadow minister correctly, he agrees that we need to go into wind and into solar, but there is talk of it taking time, that we should not advance too quickly and that we should leave it for three, four or five years and make a slow transition from base load into renewables. All of that is fine. The only problem is that we have a problem now, we have a problem today. We have a problem that needs a fix in the coming months, not a problem that needs fixing in the coming years. We need to fix the short-term, the medium-term and the long-term problem.

Of course, the government is doing that with this plan, which involves battery storage and renewable technologies, new generation and more competition, a state-owned gas power plant, South Australian gas incentives, local power over the national market and an energy security target. I have not heard from members opposite an alternative plan or an alternative vision. You need to be able to answer the question: what would you do?

Of course, having been asked that question many times by Leon Byner and others—Leon is probably the best at it—I try not to go into a debate without having an answer to it. I am yet to hear

from the opposition what they would do. It is fine to critique the government and it is fine to say, 'Oh, well, you should have left the Northern power station open,' even though, as acknowledged, it would have only been for two or three years as a pre-stopgap measure, it would have cost an extraordinary amount of money and would not have stopped there and it would not have been a solution for our needs, as has been explained by the Minister for Energy.

It is fine to criticise the government for what it is doing. It is fine to criticise the government and say what you think should have been done in years past, but at some point as an alternative government you have to be prepared to say what you think your solution is. Can I say that it would not have been that hard for the opposition to do just that. They could have come out with their own plan three or four weeks ago and had everybody talking about their solution instead of waiting for the government to take the initiative. They did not do that.

I just say to the opposition: it is a chess game. If you are constantly responding to the moves of your opponent, as you seem to be doing, you will constantly be on the back foot. You have to be courageous, you have to be bold and you have to be prepared to engage in the battle of ideas. I have seen none of that in this debate, just feigned outrage and criticism of the government without constructive solutions having been applied as an alternative narrative. I would simply say that, if we going to have an intelligent and informed debate about this, there needs to be a narrative from those opposite about what they would do.

Can I go on to explain the importance of this to be solved at the national level. If you are going to have an energy grid, where energy is shifted across borders seamlessly to meet localised demands, then there must be a national set of rules and it must be considered to be a national energy system. You cannot say that South Australia must take complete 100 per cent responsibility for everything that happens in the national grid when we do not have complete unrestricted control of that national grid. When you are part of a national system, you are part of a national system over which you do not have complete control.

What I think we need to do, and this is where members opposite can make themselves useful, is convey a message to Canberra, to all who will listen, that we need to revise the market rules, that we need to redesign this system to take account of renewables, that we need to set a price on carbon—whatever form we can agree upon to do so—and that we need to go forward into a future that sees a significant role for renewable energy transmission and a significant backup role for base load, principally gas, to provide the support that renewables will always need.

There is the associated issue of gas. It does surprise me that, in a nation so abundantly blessed with gas, we are sitting here discussing gas shortages. How we as a nation allowed that situation to develop is something we might wish to reflect upon. The government, in recognising that shortfall, has now taken steps to encourage further exploration, to get more gas out there on the market and to provide it to state governments and to gas-based energy generators for the purpose of providing more supply to our markets.

Can I use the final few minutes to clarify some quite shady suggestions that came from the federal defence industry minister, Mr Pyne, the member for Sturt, suggesting that the Future Submarine project might be threatened by what he called 'Third World power supplies'. Mr Pyne told the federal parliament that the Department of Defence had advised him that separate power generation and fuel storage would need to be built at Adelaide's Osborne yard.

I have checked out a lot of this with my agency and we have done some research into it. It turns out that there is good reason to question whether that claim is accurate and genuine. I sought advice from the managers of the Common User Facility at Techport, who in summary said that the reliability of the power supply is not and has not been an issue at Techport. The advice showed that the precinct has had on average two or three blackouts per year. The facility manager advised my office:

> Practically all of these have been for no longer than 30 minutes with the exception of three: one outage approximately two years ago which was a network fault and had a three-hour duration; a second outage happened around 12 months ago and went for one hour…caused by ASC tripping the main substation for the precinct; finally, there was a major statewide blackout in September last year.

Let's look at that from the perspective of a major shipbuilding program. Based on an average of two blackouts per year of 30 minutes' duration, the lost time is one hour per year. I hardly think that is going to stop shipbuilding operations down at Osborne. The air warfare destroyer and Collins sustainment programs would be the main programs affected.

In the 12 years since ASC was selected as the shipbuilder for the AWD project, we would have lost just over two days' work in 12 years. It is hardly Third World conditions. These were mistruths about the reality of South Australia's situation and very disappointing when you see the reports of the Australian Energy Market Operator in recent days, including today, pointing out what is really wrong with our system.

I say to the house that we need a measured and considered debate. The government has come up with a plan of action that will deal with this issue in the short term, in the medium term and in the long term. We have a plan. It has been carefully thought through, and it would be assisted by an intelligent critique and some alternative ideas from members opposite because in government you have to get out there and do things. You have to solve problems, not just talk about them. With that, I commend the matter to the house.

The Hon. S.E. CLOSE (Port Adelaide—Minister for Education and Child Development, Minister for Higher Education and Skills) (17:03): I am proud to be part of a government that has a bold plan to ensure stability in our energy supply. We are a government that is getting on with delivering our plan with this bill that is before the parliament. I am also proud to see productive discussion about energy in South Australia and throughout the country. This is a discussion that was initiated by the actions of our state government and our Premier. Finally, energy is in the headlines for more than just stunts, such as senior federal government ministers bringing coal into parliament for show-and-tell. What a disgraceful act, when the Great Barrier Reef is under assault from climate change, to parade a piece of coal around as if it were harmless and, worse, as if it were a joke.

For years, South Australian school students have been having much more mature discussions about coal, energy, renewables and climate change than we have heard recently from our federal government. It is for the students that we are now taking action to shore up our electricity supply, to ensure affordable power for South Australians and to increase the use of renewable and low-carbon energy. We need to stand up now for our state, for our community and for businesses that must have a reliable, affordable electricity supply, and we must also stand up for future generations.

Any reasonably minded person can see that under this current arrangement, this electricity market with assets in private hands, we are not getting the reliability we need now, we are not getting investment and we are not making the technological progress needed to ensure it in the future. There is more at stake in the provision of electricity than the bottom line of companies that bought our electricity assets when Mr Rob Lucas, in another place, sold South Australia out. It should be obvious to everyone, but unfortunately it is not. The opposition turned our state's need for electricity into a money-making opportunity for private companies.

In 1946, the state's power system was nationalised and the Electricity Trust of South Australia created. The then premier, Sir Thomas Playford, took the steps he needed to ensure reliable power for the people of South Australia. After 54 years of the state government controlling electricity in this state, the opposition began selling off our assets and abdicating its responsibility in 1999. It sold the infrastructure this state needs to make and distribute power, the responsibility of supplying this power to customers. It turned it into a retail opportunity for the highest bidder. It placed the generation, supply and maintenance of this essential service in the hands of private interests and, of course, we ended up where we are today.

It is not surprising that organisations headquartered internationally are not focused on ensuring that we in South Australia have enough power to get through a hot summer's night, or that their corporate planning is not centred around ensuring that our people in South Australia, our businesses and services, will have enough reliable power in the future. This is where government needs to step in, and this is what we are doing.

It is similarly the case when it comes to climate change. It is real, and not only do the people of South Australia know this but our businesses do too. They realise that the current electricity market

is not sustainable and they realise that there are serious costs to burning coal. They are trying to factor it in, trying to predict when the federal government will take action to price carbon, but they are struggling—and who can blame them? That is why we are seeing businesses advocating for an emissions intensity scheme, that is why we are seeing our coal generators closing, that is why we are seeing gas providers struggling to compete.

I know that climate change is in the minds of our children, too, our students. In class they discuss and learn how to live sustainably and how to reduce their impact on the environment. Of course, the schools they attend rely heavily on power. This state government has been working to keep these costs low, to use power responsibly and to source renewable energy. We are working to reduce the cost that our schools are paying for electricity so that we can use more of it to support education.

This will be further helped by the Sustainable Schools Program launched earlier this year. A total of 240 schools across South Australia, the schools with the highest energy use, have been selected for the program in which 40 schools will receive $250,000 for solar panels and LED lighting upgrades and 200 schools will receive $25,000 for LED lighting upgrading. This is also expected to produce 38 full-time equivalent jobs and, in accordance with this state's Industry Participation Policy, local businesses, contractors and suppliers will be targeted to ensure that local industry benefits from the program.

In addition to creating jobs and bringing the cost of power down for our school system, this infrastructure gives students an appreciation of the importance of electricity for their schools and helps with their learning. These installations are great examples for our students about conserving power and using renewables to generate it. It gives them an appreciation that it is a resource that is to be used sparingly and gives them an appreciation of how its reliability is important for their classrooms and everyone else in the state. It is this understanding that we have lost in Australia. We have a free market that is focused on the bottom line for generators and not on the importance of the resource for the people.

I am proud to be part of a government that is governing in the interests of our people. I am proud that we are showing our children how seriously we are taking their future, that we are not ignoring major issues until they become someone else's problem, until they become their problem. Every day we encourage our students to be innovative, to tackle problems with creative solutions, to think outside the square. We must be prepared to do that as well, to demonstrate that we are willing to use modern thinking and new technology to make progress in this state.

The people in my electorate of Port Adelaide have given me great feedback about this plan, too. They want the improved reliability, lower power prices and extra jobs that the government's energy plan will bring. They were hit hard when the power went out unnecessarily in February. When temperatures soared, the national operator was caught totally unprepared. Without the correct weather data from the Bureau of Meteorology, they did not predict the rise of demand in time. They did not act early enough to bring on more capacity in South Australia and as a result many more homes lost power than should have.

The free market system failed us and the national operator failed us. My constituents were left unnecessarily without power. This has a direct impact on their businesses that rely heavily on their reputations. This bill gives the South Australian government the powers that we need to avoid situations like this in future. My constituents tell me that this is not good enough. They implore us to act, to govern. They want us to take action to prevent this from happening in the future to ensure this state has reliable and affordable power. That is what they have elected me to do and that is what they have elected all of us to do.

I am proud that I can now tell them the steps that this state government is proposing to give energy security for the future. I can articulate precisely what our plan is and how it will improve the situation. I am proud that we are looking at all of the available technology to tackle this, that we are intervening in a market that is not designed with them in mind. I am proud that we are now working to set an example in this country, and in fact globally. We are tackling the issue of energy head on and showing that solutions are possible. This government is taking back control of South Australia's power, and this government is looking after South Australians.

The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister for Housing and Urban Development) (17:11): I rise to speak on the Emergency Management (Electricity Supply Emergencies) Amendment Bill 2017. I speak at the end of a large number of contributors in this chamber.

The DEPUTY SPEAKER: Can we just clarify that you are closing the debate?

The Hon. S.C. MULLIGHAN: I believe so.

The DEPUTY SPEAKER: You are closing the debate, so everyone is aware of that?

Mr Duluk: No.

The DEPUTY SPEAKER: Everyone is aware of that?

An honourable member interjecting:

The Hon. S.C. MULLIGHAN: There are two more?

The DEPUTY SPEAKER: But if you are speaking—you are not in charge of the bill.

The Hon. S.C. MULLIGHAN: No.

The DEPUTY SPEAKER: The Treasurer is.

The Hon. S.C. MULLIGHAN: Yes, that's right.

The DEPUTY SPEAKER: I just needed to clarify that for everybody. Sorry to interrupt.

The Hon. S.C. MULLIGHAN: You threw us all, but that's okay. You gave me a heart attack! Thank you, Deputy Speaker. I speak almost at the end of a large number of contributions on this bill.

The DEPUTY SPEAKER: You scared us, you see.

The Hon. S.C. MULLIGHAN: And me as well. It is an important issue, as we all know. As members, we are continually approached by our constituents, let alone other members of the public, who are concerned about the state of South Australia's electricity network and also the market which is responsible for operating that market.

It is fair to say that particularly in the last six months South Australia has been badly let down by our electricity network and by the operations of the market which runs that network. We have had failures in supply in total. We have had load shedding blackouts, and we have had fluctuations in pricing substantially for those businesses which have stayed on those more flexible contracts. We have had households and other consumers who are being exposed to increasing prices, prices which have increased since the very early 2000s.

But it has not always been the case for South Australia. As the member for Port Adelaide was alluding to, there was a time when South Australia had a very proud history when it came to our electricity network, particularly since the interventions by the Liberal and Country League and their premier, Sir Thomas Playford, in 1946. Indeed, the chamber is graced with a picture of him overlooking all our deliberations.

He realised that, with the old Adelaide electricity supply company headquartered out of London and operated solely for the benefit of its shareholders, South Australia's electricity supply in those days was not only unreliable but unaffordable. It was a major barrier to postwar industrial development in South Australia, so he took the extraordinary move, for somebody who represents the conservative side of politics, of reaching out to a Labor federal prime minister and striking a deal to nationalise the electricity system in South Australia.

He took some other quite revolutionary steps as well. He created a major industrial opportunity for car manufacturing in South Australia. He approached General Motors in America. He also master planned and developed and delivered an entire new suburb to support those manufacturing operations, and he greatly expanded the Housing Trust which, I believe, was started by Sir Richard Butler, the grandfather of the current federal member for Port Adelaide.

In the years that followed that intervention and the nationalisation of the electricity market, South Australia became known, at least in the electricity context, as the place where you had cheap

reliable power. Skip forward, as the member for Port Adelaide did, to the experience of the 1990s. Certainly, when there was a change of government in late 1993, there was a considerable amount of debate about how the state would meet its financial obligations at that time.

Not only were there some swingeing cuts made by the then Liberal Party but there arose concern about whether the Liberal Party had secret plans to privatise the Electricity Trust of South Australia. Of course, we all remember that, in the election campaign in the second half of 1997, the then premier, John Olsen, was forced to rule it out. He used the words 'never ever'. Never ever would ETSA be sold. That is what he said in the lead-up to the 1997 election.

Remember, of course, that the 1997 election came halfway through the life of that government. They had four years on the treasury bench to deal with what they saw as (and indeed what were for the community) substantial financial burdens, which needed to be reduced. Despite being halfway through their term, they said that they would never ever do that, but of course they did. They chose to privatise our electricity network.

They chose to take a short-term opportunistic view about the value of our electricity supplies and they offshored it, not quite back to London to where the Adelaide electric supply company was headquartered but indeed to a former UK interest in Hong Kong. We have now seen the demand for energy companies like AGL and others to invest in renewable energy because they understand that with renewable energy, yes, there is an up-front capital cost but then there is the promise of cheaper, affordable electricity after that investment has been made.

As we have seen the growth of renewable energy, as we have seen the billions of dollars invested in this state, as we have seen the hundreds of jobs that have been attracted to constructing let alone maintaining these sites, with this electricity network solely in the purview of private interests and run without concern, let alone recourse, for government at state level or at any other level, they have chosen to prioritise profit oversupply. That has certainly impacted the security of our electricity supplies.

I do not think we have seen a situation like we have experienced in the first part of this year, when electricity companies were making decisions to deliberately constrain supply to an electricity network in an effort to maintain higher pricing across the market and generate higher profits, since the very early 2000s in California when Enron, the company responsible for managing that state's electricity supply, was found subsequently to have been taking decisions deliberately to close off parts of its electricity generation network, spike demand significantly higher than what it was and reap much higher pricing. That is the sort of cold corporate greed that, thanks to those decisions taken 20 years ago to privatise ETSA, South Australians are now exposed to.

Unless we have a bill like this, unless we have this type of law which enables South Australia, through its parliament and through its ministers, to take back some control over how our electricity network is run on behalf of South Australians, that is the sort of treatment we can expect from these companies. They are not here for goodwill, they are not here for our benefit: they are here for their benefit. They are here to maximise their returns to their shareholders, so that is why this part of the government's energy plan is absolutely crucial, as are those other elements that we have announced in the preceding couple of weeks.

Making sure that there is an increased supply to meet those peak levels of demand is absolutely critical. Making sure that we have new gas-fired generation is crucial to ensuring that we have enough base load power not only to provide much-needed competition within the market but to ensure that we can supply during those periods when there is peak electricity consumption in South Australia. Supporting a new gas power plant is critical to that, as are the government's procurement decisions to use our government power purchasing agreement to bring on another gas-fired generator.

We have also said that we would introduce an energy security target requiring retailers selling electricity in South Australia to source a minimum amount of power from South Australian generation, again to keep base load electricity generation on an ongoing basis, to provide competition in the market, to bring down prices and to provide security for electricity consumers be they residential, commercial or industrial. To deal with the issue that the member for Waite raised in terms of having sufficient gas supply, those South Australian gas incentives are absolutely crucial not just for the

exploration but also for sharing the benefits of gas production with landowners. Then, of course, on top of those two gas generators I mentioned, there is the battery storage as well.

You can see from the government's plan that not only do we have these powers to, for the first time, insert some control back over South Australians' electricity network, but we also have a broad-ranging solution to provide competition, to put downward pressure on prices and to ensure base load generation on an ongoing basis. That, of course, is what has angered and frustrated the opposition so much, particularly during the last week.

They are outraged that we would not be prioritising coal interests. A couple of weeks ago, they were promoting Eastern States' coal interests. Now they are promoting coal interests that apparently would only run for some further 12 months from where we are now. Short-term coal interests are what they want to have. It is not South Australian gas, which is sustainable into the future for many, many years: it is those short-term coal interests.

That coal lobby, of course, has a proud history of supporting the electoral prospects of the Liberal Party across this country, and that has been the rub for the state opposition as well as the federal Liberal Party. They are absolutely addicted to fighting against what should be a secure, green, low-cost energy future for this country let alone this state—nothing irks them more.

In the face of all the evidence that is provided, both at a state but particularly at a national level, about those actions that need to be taken to ensure that we have ongoing investment in our energy industry and to ensure that we have all those new investments, in gas-fired base load electricity generation and also in renewable energy and renewable storage technologies, they continue to make the decision to shove their head deeper and deeper into the sand and say that coal is the answer.

It is not the answer, and any conversation you have with any South Australian who is not a blind supporter of that side of politics—and of course, as we know, for the last 15 years that is a narrower and narrower band of South Australians—about the future of energy in South Australia will tell you that renewable energy is at the heart of our energy future. They realise the benefits, just as we did when we introduced a program to support the installation of rooftop solar in households.

So successful has that program been, and so ubiquitous are those rooftop solar systems, that well over 130,000 homes now have them installed, which I think is approximately one in seven households across South Australia, not just in the metro area but across the whole state and across all demographics. They are installed everywhere, including on farm sheds and sporting clubs. That is why in South Australia we know that a clean energy future, which is based on renewables and which has a gas base load at its heart, is the future for South Australia, and that is what this plan does. But it does not fit with their ideology and they have been left absolutely stranded when it has come to adequately responding to this energy issue in South Australia.

I spoke a couple of weeks ago, when we were last here, about the deliberate misrepresentation that the Leader of the Opposition and those opposite immediately rushed to to try to place blame for the troubles we have had in South Australia with our electricity network at the feet of the government and ensure that they would crowd out that base reason as to why we were having these issues—that is, a privately controlled, privately run electricity system, run for the interests of corporate profit with the interests of consumers and the interests of security of supply and reliability running distant last. Their effort to crowd out that argument is obvious.

There is one part of the parliamentary year that I enjoy—or at least enjoy more now—and that is budget day.

The Hon. T.R. Kenyon: It's better than it used to be.

The Hon. S.C. MULLIGHAN: It is better than it used to be, I admit. Yes, that is certainly the case. Budget day results, of course, in the publication of the state's budget papers. Budget Paper 3, referred to as the Budget Statement, goes to some pains in its appendices to tell the financial history of the South Australian government, and it casts its net back quite some way.

Looking at the most recent iteration of one of these appendices, which records in quite some detail the revenue and expenditure received by the general government sector, and those two key

metrics that are revealed every budget time—the net operating balance and the net lending balance—they tell the story of why the South Australian Liberal Party is at pains never to have the sale of ETSA discussed publicly or within this chamber or indeed anywhere else. It is because they have been engaged in a near 20-year campaign to rewrite history as to their absolute financial destruction through that process.

They claim, of course, that they were selling these assets for in excess of $3 billion to retire debt. This appendix, this data, these numbers tell the precisely opposite story. We know that the member in another place, the Hon. Mr Lucas, likes to say, 'It was my duty to do that. It was in in an effort to improve the books to make sure that we ran down debt.' Even a cursory glance at the figures in this appendix tells a different story.

What were the four budget deficits that Rob Lucas ran while he was treasurer in this place trying to prosecute the sale of ETSA, trying to make the case that he was going to retire debt? What did he do over the scope of the four budgets that he oversaw? The first was a deficit in excess of $200 million, then the next year it was in excess of $300 million, the next year it was nearly $300 million and the next year, a marginal improvement, just less than $200 million.

While he was saying that he had to do this to retire debt, he racked up net operating deficits in excess of $1 billion, but the actual figure, which goes to the level of the state's debt, is not in an operating balance: it is in the net lending balance. Those four deficits over those four years were even worse, with one year nearly approaching half a billion dollars. He was out there trying to tell South Australians that he had to go through with this sale to retire debt, but at the same time he was racking up the debt. In this case, $1.3 billion of debt is what he racked up during his time as treasurer while he was making the case to South Australians that ETSA needed to be sold.

As we know—and as a cursory reading of the *Hansard* of the Legislative Council when they were debating that will show—we were not the only people deceived by the Hon. Mr Lucas. He also deceived a former member of the other place, the Hon. Nick Xenophon. Nick Xenophon only voted for that legislation because he had a promise from Mr Lucas that there would be a state referendum on whether ETSA would be sold. He promised that.

So, not only did he wilfully mislead South Australian voters about his financial mismanagement but he also lied to those crossbench MPs to elicit some support for the sale of ETSA. That is why they will not talk about a gas future. That is why they will not talk about the importance of renewables. That is why they bemoan this bill about South Australians taking back control of our electricity network. It is to hide their bloodied hands over their mistreatment of the state's finances and the sale of electricity in South Australia.

The Hon. J.M. RANKINE (Wright) (17:32): This legislation is an important part of the initiative this government is taking to ensure that we have certainty in our power supply and that we are not held hostage by power companies whose focus is and always has been on profit and not on what is best for South Australia or for South Australians. The Premier has outlined a clear and specific plan, a clearly articulated way forward that will deliver more generation, more competition, more gas, more renewables, that is, clean energy, more storage of power and, importantly, more jobs.

The culture of this state has always been one of independence. We were settled by free settlers who had to make their own way. We do not like being reliant on others. We certainly do not like being reliant on other states for our power or held hostage by profit-driven power companies. With this legislation, we reassert our independence, and if the people of South Australia were looking for indicators of what differentiates the political parties in this state this is it. This is a defining issue. This Labor government is prepared to do whatever it takes to secure our power supplies. The Liberal opposition has no plans.

Our Premier is prepared to stand up to the federal government and fight for South Australia. The Liberal leader in this state sits on his hands and awaits instruction from his friends in Canberra about what he is allowed to do. We have seen this time and time again—the River Murray, health funding, Gonski and the list goes on. It is pathetic really, and I know that it is causing great consternation within his party. None of them seems to know what to do. They are waiting to see their leader step up to the plate but, no, he is on his back having his tummy tickled like a happy little puppy.

The Labor government is prepared to take back control of our power. Those opposite did not even want to debate this legislation. They want to wait for instruction from Canberra. I am going to read a quote from *Hansard* from 20 years ago, and it is a quote from the debate that established the Electricity Trust here in South Australia. At that time, Sir Lyell McEwin said:

> …who would suggest that the metropolitan water system should be the province of private enterprise, and that Government should participate only in the unproductive schemes? There is a distinct avenue for public utilities in the sphere of social services as distinct from the realm of trade and commerce. The metropolitan tramways were originally privately owned, but I can trace no suggestion that their operation by trust was termed 'socialistic' in the conservative past at the time of acquisition. I understand that even the harbours were not always publicly owned, and it would be just as fantastic to suggest their return to private enterprise as it would be to suggest that the construction of road and bridges should be vested in other than a public body. What standard of hospitalisation would the State enjoy today were it not for the Government hospitals, to which increased access is continually being sought at the instigation even of Parliament itself.

That is what Sir Lyell McEwin had to say in debate on 7 November 1945:

> Who would suggest that the metropolitan water system should be the province of private enterprise…

The Liberals did. Further, he asks:

> What standard of hospitalisation would the State enjoy today were it not for the public hospitals…

Well, we saw that when the Liberals privatised Modbury Hospital. This Labor government took it back into public hands and has invested millions in upgrading and refurbishing it—$30 million alone for the new rehabilitation centre, which we will see at the open day on 8 April.

The last Liberal government in this state went to the 1997 election promising that it would not sell off ETSA. It was the greatest political deception ever inflicted on the people of South Australia. The election was in October 1997, and by February 1998 we were being told that ETSA was now up for sale. As far back as 1996, the Liberal government was working assiduously on selling off our state's largest publicly owned asset. When challenged, the then deputy premier said on ABC News, 'There is no sale of ETSA, there's no plan for the sale of Optima Energy—full stop.' The then premier told Channel 9 News, 'We are not pursuing a privatisation course with ETSA.' Further, the then premier told *The Advertiser*, 'I have consistently said there will be no privatisation, and that position remains.'

They told South Australians that ETSA was not up for sale while at the same time they were working secretly to do just that. Mr Janes, the managing director of ETSA, told an economic and finance committee that ETSA began discussion of privatisation in February 1997. In November 1997, just weeks after the election, he said he told the then premier, and I quote:

> …work was continuing on the Schroders privatisation report. Mr Janes said the Premier told him he should tell the new Minister for Infrastructure as a matter of courtesy, what was going on. Mr Janes emphasised that all this activity was highly secret and said only the Premier, the Deputy Premier, Mr Janes himself, Mr Armour, Schroders and a single ETSA officer working from home were aware of this activity…

It was even kept secret from ETSA personnel and certainly secret from the people of South Australia. They worked to keep it all quiet. How did they justify it? They came out and said, 'Oh, we've changed our minds'. First, there was the claim that national competition required it to be sold—a clear lie. They said that they needed to sell it to reduce debt. But then again what did the Premier say to the estimates committee on 17 June 1997? The Premier said:

> No Government, current or future, would deny the revenue flow. I simply ask the question, 'Why on earth would you simply sell something when the revenue flow from that sale—that is, the debt reduction and the interest saved—did not equate to the revenue flow out of the sector on an annual basis?' That is just not logical. One has to look only at the budget sheet to see what the industry is generating for us now.

Then, as I said, during the election campaign he went on to say, 'We are not pursuing a privatisation course with ETSA.' So, it was simply a ruse. The sale was ideological, not financial. Quite frankly, the more things change the more they say the same. This Labor government wants control of our power. This Liberal opposition wants to leave power in the hands of private companies. South Australians simply cannot trust the Liberals to protect them. South Australians cannot rely on the Liberal leader to stand up for South Australia. South Australians cannot and should not have to wait for Malcolm Turnbull's lightbulb thought bubble around the Snowy hydro scheme.

I read somewhere just recently that this $2 billion expansion of the Snowy hydro scheme, for which no work has been undertaken, would only be possible, if in fact it ever comes to fruition, because the federal government was unable to push through a proposed privatisation of this iconic power source a couple of years ago. This announcement was made because the PM was caught out badly—playing politics, damning this state because of the results of a severe storm. It went badly and he had to come up with something.

The Weatherill government has not just prepared a plan and developed a clearly articulated document outlining the plan, we are taking action now to implement it. The bill in this place we are debating this week will allow immediate intervention by the minister when necessary and it is in the interests of South Australians and South Australian businesses. Expressions of interest for the provision of substantial battery storage were called for a little over a week ago, and it would appear that interest is overwhelming.

We have announced $24 million in PACE grants to accelerate gas exploration. It is estimated that the Cooper Basin has reserves that will provide gas for South Australia for the next 200 years. These grants are about unlocking these supplies. Yesterday, the Premier announced the opening of expressions of interest in relation to the construction of South Australia's state-owned gas-fired power station, a power station that will provide energy in minutes in times of shortage. South Australians know that we need to modernise our power supply. They overwhelmingly support renewable energy. The only ones who do not are sitting opposite. Let me quote the assessment undertaken by Frontier Economics. They said:

> The government's suite of policy measures provides a technically and cost effective response to the immediate and long term needs in terms of power system security and reliability…the acquisition of new plant will ensure the government receives value for money. Finally, the suite of measures will ensure greater competition and...once the competitiveness of the market improves through the effects of the policies, lower prices to consumers than otherwise and absolutely.

I have said that this is a defining issue, just as the sale of ETSA was. The assistance being provided to the less well off in our community also defines the difference between Labor and Liberal. There is the medical heating and cooling concession, introduced by this government, to give relief to those reliant on power to assist with a disability or serious health complaint. There are also the free energy audits and the Cost of Living Concession.

This is a cracker: the Liberals in Canberra cut the $30 million worth of concessions provided to pensioners to help with their council rates—just wiped them away. This government provided the Cost of Living Concession to compensate for that, and it increased it and extended it to those renting their homes. There are the recently announced grants for schools to install solar panels and LED lighting, as well as solar panels for 400 Housing Trust homes.

The Leader of the Opposition, in his contribution yesterday, asked, 'Why have we got in this situation?' The answer, Liberal leader, is that your party started the ball rolling when it sold ETSA. The Liberals in this state have no plan—in fact, they have no idea. The Liberals in South Australia do not stand up for South Australia. The Liberal leadership is non-existent and there is a complete lack of leadership in Canberra. It is clear that not only South Australia is suffering but other states are as well.

This is in the face of the closure of nine coal-fired power stations, soon to be 10, around Australia—five of them in New South Wales alone and three in Victoria. Nearly 5,000 megawatts of power are no longer in the system. Why? Because it is outdated, not sustainable and not profitable. South Australians know, and history shows, that Liberals cannot be trusted with essential services. If we want smart, modern, reliable power in this state, there is only one government that can deliver it—and that work is well underway. This bill is an important part of this package.

The Hon. T.R. KENYON (Newland) (17:46): I rise to add my support to this bill. It is somewhat ironic that its main purpose is to give powers to the state Minister for Energy to declare an energy emergency, as opposed to a state of emergency, and then allow him to intervene in some ways to direct generators, and so on and so forth. This is a power that ministers for energy have formally had in the past, over a long period of time in South Australia's history, because we owned the assets. We owned the generators, we owned the distribution network and we owned the retailer. We were able to intervene in all parts of the electricity industry because they were ours.

It just goes to show how disastrous the sale of ETSA was economically, and in terms of reliability and price in this state, because it took away the power of the state government to manage adequately and efficiently the big issues around electricity—the everyday supply of power, of course, but also some of the big issues around electricity in our state. This is obviously part of the electricity package of the government, and I have to say that it has been very well received in my electorate. We have been out there extensively, talking to people about it. They like the fact that we are building a generator; they think that is a good idea and they like the idea of the batteries. They have both gone down very well.

They understand the need for more gas supply, so they are supportive of the PACE initiatives to improve gas supply into the state. I might add that is an extension of the initial PACE program that began in 2004 under minister Holloway at the time. It was a revolutionary policy that continues to be successful and is now so flexible that it is finding use assisting us with our energy issues and helping to improve gas supply. I think it is important to remember the contribution of minister Holloway in the development of that package and that, after 12 and coming into 13 years (I think it was April 2004), it is still contributing to public policy in a really good way, and that should be commended.

All these issues are very well received in my electorate. People are happy to see that the government is taking action. Almost all of them were very pleased to see the Premier standing up for South Australia a couple of weeks ago, and I think there is a genuine degree of satisfaction now that they are seeing that action is being taken to improve our energy supply. We saw proof of that today with the announcement around the Pelican Point power station, and we are already seeing changes in the energy market, which obviously have effects and causes right across the country.

However, we are starting to see the market adapt to conditions and we are starting to see the changes in the reliance on gas that the state government has been championing for some time now and the importance of gas generation as a swing fuel or a swing form of generation over the next few years to get us through to a much more renewable future, which all members of this house seem to support.

Even those opposite seem to be agreeing with the need for more renewable energy; many of them have said so in this debate. Gas is rapidly becoming the transition fuel of choice, as evidenced by today's announcement and all the other things that have been happening. With those few words, I commend the bill to the house and look forward to its passage.

The Hon. A. PICCOLO (Light) (17:50): I would like to make a contribution to the debate on this bill. This bill is one of the key planks of the Labor government's energy plan, a plan which looks towards the future and, very importantly, a very positive view of the future.

The first element of this plan is the bill we are debating today. That involves introducing some additional powers for the minister in the case of an emergency situation arising. This is a very important part of the plan because we have seen what happens when the government is unable to intervene in the energy market. So this is a very important part of it, and worthy of our support.

It was interesting to note that a number of speakers on this issue—and there have been quite a few, particularly speakers on the other side—have used words like 'crisis', 'emergency', 'urgent', etc., throughout their speeches, yet when we introduced this bill yesterday they actually wanted to adjourn it. According to them we have—

Mr van Holst Pellekaan: We wanted five minutes to read it.

The DEPUTY SPEAKER: Order!

Mr van Holst Pellekaan: You didn't let us read it.

The DEPUTY SPEAKER: Member for Stuart!

The Hon. A. PICCOLO: They have gone on for months and months about how urgent this issue is and then we actually bring a bill to this parliament and what do they do? They seek to delay it. It was something brand new, they were not actually aware that we had announced a policy two weeks ago, and we did announce that we would be introducing legislation to give the minister these additional powers. That has been publicly flagged, and I would have thought that any competent opposition would realise that the government will introduce that bill into this—

Mr van Holst Pellekaan: It wasn't on the *Notice Paper*.

The DEPUTY SPEAKER: The member for Stuart is on two warnings and will leave the room for six minutes if he says another word. There is no need for it. You are aware of the standing orders. It is disrespectful to other members.

The Hon. A. PICCOLO: Thank you, Deputy Speaker. I have not interrupted any other speakers, so I would appreciate the courtesy—

The DEPUTY SPEAKER: Order! Back to the speech.

The Hon. A. PICCOLO: This is very important. First of all, the Liberal Party try to delay this. On one hand, they actually said that it is so urgent, in fact so critical, that we need to address this matter, but at the very first opportunity what do they do? A negative response; they tried to delay this proposal. I will come to other issues about how they have been inconsistent through this whole policy area for months since we have been discussing it.

The second important part of our policy is a state-owned gas power plant. This is an important element for a number of reasons. It is important because it ensures that we have a much more reliable system and, secondly, it introduces a new player into the marketplace. That is important from a competitive point of view; it would be an important plank to ensure that we put downward pressure on energy prices.

We talk about energy prices, and for months the Liberal Party has been criticising the government about prices. I understand today's spot price was minus 45, and the opposition got up and criticised us for that as well—again, another inconsistency in their policy. On the one hand, we are responsible for the higher prices, but we actually are not responsible for the low prices. That is very important, and I will explain why the Liberal Party has a number of inconsistent positions on this whole energy policy.

This new generation provides important backup energy. This state-owned gas provides additional play in a marketplace, and therefore provides competition, which is very important, and it also sends a very clear message to the market that the government is intervening, and we will not tolerate an unstable national market. The third part about this policy is that the government will provide incentives for increasing gas exploration, and I think that is very important. Exploration of any type is a risky business. By providing incentives, we remove an element of that risk which means the private sector will undertake additional exploration and increase its supply of gas. I seek leave to continue my remarks.

Leave granted; debate adjourned.

INDUSTRIAL HEMP BILL

Introduction and First Reading

Received from the Legislative Council and read a first time.

PUBLIC INTEREST DISCLOSURE BILL

Final Stages

Consideration in committee of the Legislative Council's message.

(Continued from 15 February 2017.)

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

That the Legislative Council's amendments be disagreed to.

In sending them back, we hope it will provide an opportunity for a forum for further discussion.

Motion carried.

At 17:58 the house adjourned until Thursday 30 March 2017 at 10:30.

Estimates Replies

INVESTMENT ATTRACTION AGENCY

In reply to **Mr WINGARD (Mitchell)** (3 August 2016). (Estimates Committee A)

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy): The Minister for Investment and Trade has advised:

In 2015-16, Investment Attraction South Australia has secured 11 investment projects with estimated capital expenditure of more than $950 million, which will create more than 3,900 jobs for South Australians. Of these 11 projects, four will receive funding from the Economic Investment Fund (EIF).

Of the four projects funded by the EIF, over 1,600 jobs were created, with a capital expenditure of over $337 million.

ECONOMIC INVESTMENT FUND

In reply to **Mr WINGARD (Mitchell)** (3 August 2016). (Estimates Committee A)

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy): The Minister for Investment and Trade has advised:

In 2015-16, Investment Attraction South Australia secured 11 investment projects, creating more than 3,900 jobs for South Australians.

Of the $5 million Economic Investment Fund in 2015-16, expenditure of $100,000 was reflected in 2015-16. This is due to the timing of establishing the fund and, payments being phased (over years) and linked to key milestones and/or key performance indicators prior to any payments being made.