

## HOUSE OF ASSEMBLY

Tuesday, 29 October 2019

The **SPEAKER (Hon. V.A. Tarzia)** took the chair at 11:01 and read prayers.

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

### *Bills*

#### **EVIDENCE (REPORTING ON SEXUAL OFFENCES) AMENDMENT BILL**

##### *Second Reading*

Adjourned debate on second reading.

(Continued from 17 October 2019.)

**Mr TEAGUE (Heysen) (11:02):** I rise to support the bill introduced in the house by the Attorney. It is a short bill. The operative provision, clause 4, relevantly amends the section of the Evidence Act that deals with restrictions on reporting in sexual cases.

For some context, this act is dealing with that part of part 8 of the act that deals with the publication of evidence generally and, specifically, in division 3, the restrictions on reporting on sexual offences. Again for some further context, this is a matter that is really about balancing the rights of victims to be able to tell their stories and to be supported through the criminal justice process, with the interests of justice in preserving anonymity at the appropriate stages. Secondly, and importantly, by way of broader context, this is about furthering the government's commitment to an open and transparent system of justice in our state.

So there are two very important limbs to this reform: one is about better understanding and then better implementing measures, practically, to support victims (I will come back to that in a moment), and the second is to advance commitments to open and transparent justice in this state. That is something that I applaud this new government for getting on with. It is yet another example of the stark contrast between the approach of this government, very early in its term, and the intransigence of the former government in the face of a report prepared on this matter, now nearly a decade ago, by the Hon. Brian Martin AO, QC.

The 2011 Martin review recommended that there be a substantial lifting of the existing restrictions against reporting on sexual offences. Among other things, the Hon. Brian Martin recommended that section 71A(2) should be repealed altogether. In conducting his work, Mr Martin was quick to acknowledge that there is no simple right answer in these circumstances. There are the interests of both the processes and the participants to be balanced and measured. It is ground that ought to be the subject of reform, and it ought to be navigated with care. The objectives of open and transparent justice and an advance in terms of the support that we are able to provide to victims are worthy ones indeed.

To reflect on the question of the work that this reform does with respect to victims, I want to focus for a moment on the journey that justice systems have been on now over a long period of time. We have seen a hurry-along in recent years in relation to the opportunity for victims to have access to justice, and in recent times we have seen examples of that in relation to the lifting of limitations of time in which to commence action.

In another space, this is about the opportunity for victims to be able to deal with issues that are the subject of matters before the courts, to be better able to articulate what they have experienced and to be able to be listened to and understood in terms of the experience they have had. The reform in this space is very focused on the experience of victims and their opportunity to deal with it and recover.

While talking about the history—it is almost a decade since Mr Martin's report—I want to acknowledge the work done in opposition by the former shadow attorney-general Stephen Wade when he was in that role. It was left to him, in his role as shadow attorney in 2012, to push along the response to the Martin report to make moves towards better rights for victims and towards transparency.

That was, unfortunately, in circumstances where the former attorney, the former Labor government, chose not to take action in line with the Martin report recommendations not just immediately after the Martin report but throughout the balance of the former government's time right up until the end in 2018. The result was that nothing was done by the former government. Section 71A of the Evidence Act remains with all the difficulties that that entails for victims in relation to reporting restrictions. It is necessary now, in the early stages of this government, to get on with doing something about it.

The operative clause of the bill, clause 4, provides that rather than impose a blanket restriction on reporting, as is presently the case, there will be the possibility to report on these matters. Importantly, the necessary oversight of the court with respect to the effect of reporting on proceedings is preserved, as is the express preservation of the victim's opportunity to consent or otherwise to the reporting of their details. There may be circumstances, for example—and this has been adverted to by the Attorney in moving the bill—where the reporting of an accused's name at an early stage or even by publication on the daily court list might have the inevitable effect of identifying a victim, and in those circumstances there is preserved the opportunity for the court to provide oversight of the timing of that publication and the nature of that publication.

It is also to be observed that by preserving the oversight of the court at an early stage there is also preserved the opportunity for applications pursuant to 69A to be made if an order for suppression is to be sought. So we see a retention of the court's oversight in relation to publication and also the opportunity for open and transparent process at an early stage that has not been there. I should observe also that, prior to charge, the process of police investigation and so on is unaltered. There is, properly, no reporting to be made in the course of police investigation.

From the point of view of a practitioner, I think it is also important to note that when we deal with these matters of law and legal process it is central to all aspects of law and legal procedure, of course, that the practical as well as the theoretical is very much to be borne in mind and in play. It is all very well to have a theory about what is ideal, let alone to balance competing interests, but we see in this space that the advent of social media, electronic communications and widespread access to instantaneous communication of material that can be spread far and wide very quickly mean that, as a practical matter, the reality is that laws that would seek to suppress identities or details can often and very easily be subverted.

That is not a reason to give up, and if there are reasons why we should pursue ensuring that there are restrictions on reporting certain matters, then we do so and we confront the modern environment. However, it is well to note that in many respects, as a practical matter, it has become much more straightforward—if you like, much more open to potential contravention—to report these details in any event. The reform will leave control in the hands of victims about the way in which they go about telling their story and it will ensure that the public can have the confidence of an open and transparent justice system.

I also want to acknowledge the work in this regard that has been done by victims' rights groups and victim support services, as well as the reporting that has been done by those in the media who practise and report in this area. I bring to the attention of members, for the purposes of this debate in particular, the work of the chief court reporter for *The Advertiser* newspaper, Sean Fewster, who for some time has given a considered account of the landscape being traversed in this area—indeed, all the way back to 2011—in the context of what happens to be particularly topical at the moment in relation to the public's right to know. This is work that Mr Fewster has been reporting on for some time and I credit his work in this regard.

I will also take this opportunity to note some of the observations of victims in relation to the reforms. I think it is fair to say that there is widespread if not universal welcome for the reforms from victims' groups. I note that the founder of Bravehearts, Hetty Johnston, has made some observations in relation to the likely wishes of victims and how victims might continue to elect to participate in

proceedings. It may be that most victims will continue, as Ms Johnston observes, to wish to remain anonymous.

That may be a matter that evolves in the context of greater openness and transparency because, of course, in shedding light on these matters we wish to serve the interests of victims rather than to unduly draw attention to an offender or alleged offender simply for the sake of doing so. If there is a purpose to be served, particularly from the victim's point of view, then that may, as Ms Johnston has observed, assist in the recovery and the process of dealing with the experience that a victim has suffered.

I also acknowledge in particular the voice and engagement of my constituent and friend, someone I have worked with over a period of years now, Sonya Ryan, the founder of the Carly Ryan Foundation. Ms Ryan has welcomed this reform. She has noted, as I have in my remarks today, that the reform is long overdue, and she has referred to the long period of advocacy that has been engaged with by she and others who have spoken out for victims over a sustained period of time.

There is, of course, the other side of the coin, the public reporting, identifying an alleged offender in the course of the process. I note that there are a number of notorious examples—if I might put it that way—of predators and notorious offenders in this space whose identities were hidden for many months, if not many years.

They include, I am advised, Mark Christopher Harvey, whose identity was kept secret for more than seven years; Mark Errin Rust, whose identity was kept secret for five years; Vivian Deboo, whose identity was kept secret for five years; Garry Francis Newman, whose identity was kept secret for more than 1,000 days; Bernard Finnigan, whose identity was kept secret for 500 days; Roman Heinze, similarly for 450 days; and Gene Bristow, whose identity was kept secret for a long period of time. The reforms will change the landscape in which these matters are progressed, and I commend the bill to the house.

**Ms STINSON (Badcoe) (11:22):** I rise today to speak to the Evidence (Reporting on Sexual Offences) Amendment Bill and to indicate that I am the lead speaker on this bill. I also rise as a person in this house with probably the most experience in reporting on court cases, especially sexual offences, and the person who in this place has probably read section 71A more times than many others.

*The Hon. V.A. Chapman interjecting:*

**Ms STINSON:** Absolutely. As a specialist court reporter, obviously I spent every day looking at this legislation, and I have risen to my feet many, many times in our Magistrates Court, District Court and Supreme Court to argue on suppression orders on a huge range of cases over my career. I have also been among those in the South Australian media who have been speaking out loudly on the changes required in this area for more than a decade, so I am very pleased to be rising to my feet today and to be speaking on this bill.

Labor will support the bill. However, we reserve our right to introduce amendments to this bill in the other place, and I will provide some further detail on that later in my contribution. The bill amends the Evidence Act 1929 and deletes section 71A(1), with which I am very familiar, which restricts the publication of the identity of a person charged with a sexual offence, unless the accused person consents to this publication—that is, the accused person who has to consent. The bill also amends section 71A(2) to retain the existing restriction on publication in respect of an accused person but only until the relevant time, which will be when the accused person's first appearance in a court in relation to the charge is concluded.

I have had the privilege of reporting in jurisdictions across Australia in my career as a journalist. Upon coming to South Australia, first working with the ABC, I immediately noticed the very different legislative settings when it came to court reporting and reporting on sex offences. For one, it is a lot more complicated than in other jurisdictions in which I have worked, which include Western Australia, the Northern Territory, New South Wales, the ACT and Victoria.

Frequently, journalists in South Australia would have to ring lawyers based in Sydney. Those lawyers would give us advice about what we could and could not report. More than a few times in South Australia we found ourselves, as journalists—sometimes as very young journalists—having to

actually tell the lawyers in the Sydney legal teams that the legislation in South Australia was quite peculiar and quite different from what they would have been advising other reporters on in other jurisdictions. It certainly made for very time-consuming work and a lot of toing and froing between journalists and legal teams in order to correctly identify what could be published and what could not.

There is really no journalist or media outlet that wants to break the law in this area—that wants to get in trouble from breaking the law, at least—and so it is important, and journalists do take it seriously that they are abiding by the rules as they are, even though they may vehemently disagree with them. It has really just added another layer of complexity when it comes to journalists being able to do their job and being able to get information to the public in the most effective, legal and informative way.

One thing I did notice interstate is that journalists were left to use their own judgement to a far greater degree and would need to, for example, consider the protection of a victim and rules around identifying victims in order to figure out whether they should disclose the identity of an offender and to the extent that they could, or what sorts of details could be disclosed. So I feel like a great deal more trust has been invested in journalists interstate.

Certainly, there is no evidence of particularly adverse outcomes in other states. Of course, there is always the odd case of the rules not being followed, but there is really no evidence that journalists are incapable of understanding the rules and applying them when it comes to protecting victims, which is really a key and paramount consideration with legislation such as this.

I hope that through these changes we will see some more responsibility given to journalists who are experts in their field, especially when they are reporting on court cases as specialist reporters, as I was, to be able to understand what the legislation is and apply that to the benefit of the community at large but also keeping in mind the interests of victims and those concerned by cases.

This has been a very long-time frustration in this state. It makes little sense that a person can be charged with murder and, upon being charged, have their identity revealed. Of course, there are consequences to that. They personally come under scrutiny, the associations they have in the community and among their families come under scrutiny, and there is a level of awareness in the community about that person and what they are accused of having done.

There is really no great basis for treating differently someone who has been charged with murder, which is the highest offence that a person can be charged with, in contrast to, for example, someone charged with rape. Why should one enjoy the protection and anonymity while another who has committed a similarly serious offence be given a cloak of secrecy? For a long time it has vexed journalists why certain protections are afforded to people who have committed certain crimes but not others.

It has also enabled complexity for reporting on people with multiple charges. It is not unusual that a person may be charged with murder, for example, or violent offences but also sexual offences, and that has created some difficulty with different journalists in different media organisations deciding to describe matters in different ways.

For example, if a person were charged with both murder and rape against the same victim the media could either identify the offender and report the murder but have to suppress the allegations of rape—those would not be disclosed to the public, the public would have no knowledge that that person was accused of sexual assault as well as a violent offence—or a journalist could not reveal the identity of an offender and report both the murder and the sexual offence.

The difficulty comes when, as the matter proceeds through court, a different focus might be put on different elements of the case against the accused. Also, different media outlets might choose to highlight different aspects of that case. You could have one channel not identifying a person but going into detail about the violent and sexual offences they are alleged to have committed, and you could flick over to another station and find out the identity of the person and the fact that they were charged with murder but not anything to do with the sexual offences.

That has been a situation the media have had to deal with for quite some time, and it becomes even more complex when there is interstate coverage. A person, especially in this internet

age, might be able to access Victorian coverage, in full, of a case that has happened in South Australia and piece it together with the information from South Australia. Essentially, that just negates the whole point of having this legislation in the first place.

Those are things journalists have had to take into account in South Australia in order not to fall foul of this law, to ensure they are reporting as fully as they possibly can to inform the public, but not getting themselves into trouble while they are doing it. Obviously, for a journalist in South Australia to tell a reporter in Victoria what to report or not report is an impossible and completely ridiculous task.

There have also been problems where a victim has wanted, and given their consent to, their being identified, but of course the consent of an accused has been required in order for the accused's identity to be revealed. I will go into a bit more detail on that later, but obviously that is not a good situation. Victims often come forward to the police and the media because they want the person who has allegedly abused them to be named and shamed, if you like, for people in the public and the wider community to understand what they, as a victim, have gone through and what their alleged offender has done. In the past, just the victim saying, 'I'm happy for my identity to be disclosed,' has not been sufficient.

There has also been an anomaly where dismissed cases could be reported and an offender's identity revealed even though for the previous months—or even years in some cases—the identity of that offender was not able to be disclosed. This has come about because of some provision that meant that the critical date was when a decision was made on the case. Essentially, you could have no coverage identifying an offender for an extended period of time, so no-one in the public knew who this person was who committed, for example, a series of sexual offences, but the moment those charges were dropped they could be identified.

This also grates with the original intention of this legislation. My understanding is that this protection came about many, many years ago because of an acknowledgement of the reputational damage that can be done to someone through false accusations of sexual misdeeds and charges relating to sexual offences. Obviously time has moved on since then, and I think the original genesis of this was men who were concerned that women may make allegations against them that were baseless and that their reputations would be damaged by that accusation.

Of course, no-one wants to see people who are innocent be accused of things they have not done, particularly things that may affect their reputation, their employment or their standing in the community. But at some point we have to find the balance between having trust in our justice system, having trust in our police to properly evaluate information and to assess whether there is a case to answer and having trust in our DPP that they will, likewise, look at matters before them and assess whether an accusation is spurious and baseless or whether it is something that rightly deserves to go before our court and be scrutinised.

It can lead to reputational damage for people, and unfortunately that is a price that we as a community agree to pay in order for our legal system to operate and for people to have their claims fully investigated. When we look at it, this historical protection of accused sexual offenders really does not make a huge amount of sense, considering a person's reputation would be seriously damaged by an accusation of murder just as much as their reputation might be damaged by an accusation of rape. It has always been a fairly unsustainable argument that has been put forward, and I am glad to see that the bill will address it.

It is important to remember that, despite the changes here, journalists will still be held to existing laws, and there are quite a few that journalists need to take into account and consider when they are doing their day-to-day reporting. There are many rules around the identification of victims. Certainly, I was concerned in relation to this piece of legislation that if, for example, we saw the same system apply as applies to all other charges—that a person can be identified upon being charged—that may pose some problems, because often the relationship between an accused and a victim is unclear. Indeed, the media often do not know who a victim is, therefore it is very difficult to judge at that early stage whether publishing the name of an offender, or indeed other details that might contribute to their identification, would actually be a problem. It is very difficult to even make that judgement.

However, I am comforted that the point at which the identification of an offender will be allowed is after a first court hearing, when issues of suppression and whether a suppression is needed can be properly ventilated. Hopefully, at that stage there will be a fair degree of detailed information that the DPP or a police prosecutor can provide to the court to ensure that victims are not adversely affected or indeed that the police investigation is not impinged by any identification of the accused person in the matter.

Suppression orders, of course, will still be able to be made. There will still be conditions within those suppression orders and we will still see suppression orders put in place where there is an argument that the offender's identity should not be revealed, for whatever reason that might be. It may be to do with the victims. It may be to do with the integrity of the police investigation and ongoing investigations, such as, for example, people needing to go through identification processes by looking at photos or police line-ups to identify an accused person. Obviously, it is very important that we protect those processes and the integrity of those processes if they are to be later relied on as evidence in court.

I imagine those suppression order conditions will still be fought out. I imagine that for people much like myself, who have spent quite a lot of time getting up and arguing the case before magistrates and judges, that process will certainly continue and that journalists will continue to fight the good fight to ensure that courts allow them to publish as much information as is reasonably available and as much information as should be disclosed to the public. The identification of children, of course, still has some very strict controls around it, and those should be maintained.

I am not sure if members are particularly aware of this, but there is also a requirement for journalists who have the great privilege of reporting on our court cases and our justice system to provide a fair, balanced and accurate report of the proceedings of a court. That is the privilege afforded to journalists—that they are allowed into courtrooms and judicial proceedings in both civil and criminal courts to provide a balanced report. That does not always mean that one side gets 50 per cent of the coverage and the other side gets 50 per cent of the coverage, but it does mean that, in order to maintain that privilege, a journalist must give a fair and accurate report.

That extends over the coverage of a matter. It is not simply one report for one day: it is the entirety of the journalist's coverage of that matter. Obviously, we see court cases where the prosecution rises and outlines their case, and that is the entirety of what happens on that day. It is pretty hard for a journalist to provide 50 per cent of the coverage to one side and 50 per cent to the other if all that happened all day is that the prosecution argued their case.

But it is expected that, when the defence rise and they spend their time presenting their defence—their opening addresses or evidence, or even closing addresses at the end of the trial—the media accurately report it and provide balanced coverage to ensure that an accused person is not simply hung out to dry by the media and that attention is also afforded to the defence put forward so that the public can have a more accurate, balanced and fair understanding of what might have happened in a court case.

There are certainly criticisms that can be made of that, and there are difficulties practically for media outlets achieving it, but it is important to know that that stipulation remains in our law and is something that journalists will still have to pay attention to. They still have to ensure that their reporting is fair and balanced when it comes to reporting on our court system. Importantly, that means covering when charges are dismissed or withdrawn and making sure that at least some prominence is given to that, particularly if great prominence has been given to the laying of a charge or a first appearance in court or a trial process. People are entitled to that, and it goes to the reputational issue I was discussing earlier.

Despite this legislation, it is worth noting, though not dwelling on too much, that an anomaly still exists in the timing of the naming of an offender for sexual offences in comparison with other crimes. As I mentioned earlier, with all other crimes, when a charge is laid, it is possible for the media to report that person's identity, to report the facts as they are known to the media and to report those issues publicly.

The difference with this is that there will be a later time before which the media cannot report the identity of an offender. We are not achieving here a situation where the reporting of sexual

offences is going to be exactly the same as for a person who is accused of any other crime; however, I think there is an important reason why the legislation has been drafted that way. It goes to my key concern around this proposal, and that is the protection of victims.

Having this process in which a person's details are still suppressed, as they are in the current act, until the point of a first court hearing and a decision by a magistrate or judge on whether that person's identity can be revealed will hopefully provide the opportunity for victims to submit their thoughts on what the revelation of an accused person's identity will mean for them. That is a really important thing for us to get across. The experience of victims, in my experience, is incredibly varied.

Some victims would come to me, as a journalist, wanting the person who was accused of abusing them to be put on the front page of the paper as the lead story of the news and have their name all over radio. They absolutely wanted that person identified. For others, particularly in cases of familial sexual abuse, they did not want that to happen. They did not want criticism of their family. They did not want the media eye or the public eye on them as victims, and they feared that may be a result of identifying an offender.

I think we have to keep those considerations in mind because there is a lesser point to revealing the identities of offenders if, in that process, we do harm to someone who has already been victimised through an offence or an alleged offence. On balance, delaying the decision until later in the process is a good idea. The other thing it achieves is an opportunity for police and the DPP to put together information and to ascertain whether there will be any adverse outcomes for their work and investigations, particularly in matters of victims identifying offenders, and whether that may be disadvantaged in some way by the revelation of a person's identity.

I hope this will mean that the DPP—and the police, for that matter—will be properly resourced and have the capacity to consult with victims ahead of that first court hearing. It is an incredibly busy time in the formulation of a case. There is a lot going on, and in high-profile cases there is also a lot of intense media attention on matters. However, it is important that the DPP, police prosecutors and those working within the victim support units within the DPP and SAPOL are given the right tools and processes to be able to communicate with victims.

It is also very important that we know who the victims are because sometimes one or a small number of victims may come forward, but the police know that there are other victims out there. That is going to be tricky to navigate because sometimes those victims are not identified until later in the process and by then an offender's name has already been made public. Some consideration will have to be given as to how that is weighed up. Thoughts will have to be turned to how a prospective victim may feel about the identification of an offender. I will come back to that a little later, because there are obviously some good reasons, in the interests of victims, for disclosing the identity, particularly in terms of identifying further abuses that may have occurred.

We will obviously be moving to the committee stage, and I might just flag that I will seek some clarity around when this new clause will come into effect. There has been a grey area for media around the period before a person is charged. For example, when a victim comes forward and reports to the media that something has happened to them and that they intend to go to the police, or that police are investigating and a case is on foot, I understand that the explanation talks about the identity of a person who has been or is about to be charged with a sexual offence, but there is no real indication of when that point sets in.

Often, journalists do not know when a person is about to be charged with an offence. As such, there might need to be some clarity around that. Indeed, it would be helpful because in the past journalists have been operating in a grey area about when laws actually take effect on reporting the identity of people in relation to sexual offences and other crimes.

The shadow attorney-general in the other place has previously indicated in-principle support for this bill, subject to seeing the legislation. Of course, now we have seen the bill and, as I indicated earlier, Labor will be providing our support for this legislation. There is a powerful argument to be made that identifying the accused may result in additional victims coming forward. Certainly, that has been my experience with reporting on crimes for both Network Ten and Seven as a court reporter. We have seen instances where we have reported on offences and other people have either called the TV station or contacted the police and self-identified as victims of that offender.

Obviously, that has been a good outcome in terms of the fact that victims often feel, about sexual offences in particular, that they are alone or that they may have been the only victim of a crime. They have been able to seek justice, and an offender has been punished, penalised and held to account to the extent that they should be for offences that they have committed not just against a single person but against several people. I think that has been a good result in those cases that I was fortunate to cover.

Certainly, there have also been cases where the police have gone to the media and provided material, whether it be CCTV or other material—background information—and encouraged the media to report on certain matters. That is an investigative tool for them. They have wanted to put either a person's identity or the circumstances of a crime out there to elicit further stories and encourage further victims to come forward and assist with the prosecution of a person, or indeed that information has been put out there to try to get the offenders themselves talking and, if you like, dumping themselves in it and feeling the pressure that can be exercised through the media.

That can only be a good thing in ensuring that sexual offenders are identified, that their victims are given the support that they need and that offenders are punished to the full extent of the law. Revealing the identity of an offender is so important for some victims as part of the process of justice. Unfortunately, not everyone who goes to the police and who has charges laid against an offender ultimately sees that person convicted, and that can be for a broad range of reasons.

For victims of offences, the mere process of that person being outed publicly serves two great purposes. One is that they feel that that person has been held to account in some way, even if a conviction has not been secured in the court. The other is that a lot of the victims I have worked with, both as a reporter and through the Victim Support Service, have wanted to feel that they can do something. They want to feel that they are active and not victims so much as survivors and that they are activists in trying to make sure that a person cannot commit such offences again.

For them, it is about warning the public and making sure that a person's identity is known throughout their community so that that person—who will be released from prison at some point in the future, 99 per cent of the time—is known to the community and others in the community can take action to protect themselves from an offender, and that may provide some greater degree of community safety. Lots of victims I have worked with want to see that happen. They want to feel that what has happened to them has not been in vain and that they have been able to use a terrible crime against them to get some greater outcome and protect others from the terrible circumstances that they have been subjected to. I think that is really worth keeping in mind.

Certainly, there is one case, among very many, that stays with me and that is in relation to a gentleman I will not name, because I am not sure if this is retrospective, and certainly it is not law right now. Many years ago, in a small community, one man was charged with multiple offences and the community could not be identified as it was so small and would identify this man. Of course, he could not be identified either. There were something like seven or eight victims of sexual offending and there was clearly a pattern of behaviour and operation to identify his victims and exploit them.

A mother came to me about this matter and about what had happened to her children, and she dearly wanted this person exposed. She knew that even though this person went to gaol, he would be out and she did not want her community or any other community in South Australia or Australia being victimised by this person in the future. It was a great sadness to her that he could not be identified because, even though he had gone to gaol, she felt that upon his release he still posed a threat and could do the same thing again.

She felt that the most powerful way to guard against that was not necessarily parole conditions or the types of charges laid or anything like that but that her community and the people who might be vulnerable in the future knew who he was and they could make their own decisions to ensure that they did not fall prey to this man. She was not able to out that person to make sure that others knew who he was and that remains a concern for that woman and, indeed, for the other parents involved in that case.

Concerns have been raised that publicly releasing the name of an offender might impinge on the privacy rights of victims, and we have covered that a fair bit. As I mentioned earlier, it is sometimes hard to know the relationship between a victim and offender and it is not always obvious



to an external party, certainly not to a journalist but sometimes not even to investigators, as to whether a victim might be identified by the public identification of an offender. That is something that is ameliorated somewhat by the delay in this change to the point of a first court hearing but, I think, is still a live issue that will have to be considered as matters proceed through the court.

It is also worth considering the effect of publication on a victim. Sometimes media attention has different effects on different people, and sometimes a person can go into a situation not realising that they could come under scrutiny and what the publication of an offender's details and the circumstances of a crime will actually mean for them in terms of possible revictimisation, having to relive the trauma of a crime, having to explain it to others in the community and having to deal with all that while a court case is proceeding, as well as the intense mental impact that sexual offences have on a victim. It is worth keeping those considerations in mind, and I am sure those who work in the victim units of both the police and the DPP, as well as organisations such as the Victim Support Service and the Commissioner for Victims' Rights, are well attuned to those issues.

In light of these matters I raise, the Labor opposition is therefore considering introducing amendments to the bill in the other place to require that the victim or their representative be consulted and that their views are taken into account regarding the release of an offender's name prior to the offender's first court appearance. The advice that we have received is that while the DPP has ongoing contact with victims throughout the course of a prosecution, and particularly once the accused either pleads guilty or is committed for trial, there do not appear to be established processes or requirements that a victim must be told if the identity of an accused is to be released.

We think that a victim should be told so that they can consider whether they need to make an application to the court. Maybe they need to raise some detail with the prosecutor that the prosecution may not be aware of so that the name of the offender is not released, or so that they can take some other form of action so that they and their loved ones are prepared for the release of an offender's name and the public scrutiny that bears down when that happens.

That approach is consistent with Labor's reforms in the area of improving victims' rights in the justice system. It feels like a little while ago now, but the former attorney-general Michael Atkinson should be commended for the quite thorough work he did in terms of setting up processes that enable victims' voices to be heard through our justice system and that have given victims greater rights, largely through the Commissioner for Victims' Rights, to be heard in court and outside court as matters proceed. The amendment we are looking at in the upper house and the broader bill itself are consistent with those Labor reforms which sought to provide a greater voice for victims and a greater role for victims in a justice process that, unfortunately, sometimes alienates and retraumatizes the people to whom it is meant to deliver justice.

I would like to commend my colleagues in the media. Having been part of the fourth estate for almost two decades, I know that it is an incredibly valuable job. It is incredibly valuable in holding those in power to account, and it is something that is, unfortunately, under threat in our current climate. We should be fighting as much as possible for journalists to be able to report on public affairs wherever we possibly can, and to that extent I am pleased that this bill is before the house.

For many years as chief court reporter at three different media outlets, I was part of that push to make sure that journalists can get the information they need. There is a lot more work still to be done. The public would be surprised at how much information courts hold that is not available to journalists, that journalists are not able to get hold of, but is in no way problematic for the justice system. Many decisions are made by individual judges or even court registrars about what journalists can have access to and what they can report, and what they even know exists on a court file, and that is not a good thing.

I personally think that we should be making sure that the integrity of our justice process is rock solid. The amount of information that is concealed from the public at the moment is far greater than many people would understand, and this tackles just one quite high-profile element of the controls that are on reporters, particularly when it comes to our justice system. There is a huge amount of work to be done.

I commend my colleagues in the media who have fought long and hard to raise these issues, these impediments to their fair and accurate and balanced reporting, and to ensure that this house

is now looking at this issue—this particular facet—of the problem of court reporters in particular being restricted from fully and frankly describing what happens in our justice system and the crimes that are perpetrated in our state.

I hope they continue their fight and make sure that in this current climate, where we are seeing the under-resourcing of media and greater and greater pressure bearing down on individual journalists and newsrooms, they continue their fight, despite that, to ensure that all of us are richer for having fair and accurate information presented to us as citizens and that those in power are scrutinised in the way that they should be by journalists. I commend those who get up every day and argue against suppression orders and put their case forward in our courts, just as much as those who argue through their reporting and the commentary in the media, and I hope they continue to do that.

In closing, I mention that, unfortunately, there has been a circumstance where I as lead speaker on this bill in this house was not able to obtain a briefing on this matter prior to it coming on today. That is regrettable, and I have raised it with the Attorney's office, so I hope that has been passed on to her. I understood that there was to be a briefing yesterday, and an email was sent out about that, but when I turned up it was not on. There has obviously been some confusion about that, but I hope that circumstance does not happen again because those of us on this side of the house need to be informed and to have the avenue to ask the questions that we want to ensure the swift passage of legislation through this house.

I will take advantage of the opportunity in committee to ask some questions and indeed some further questions as this matter proceeds between the houses. I thank staff for their work on this bill and I look forward to communicating with them through the Attorney to make sure that this is as robust as possible and that our amendments that are put forward in the other place are achieving their aim. In closing, I once again indicate Labor's support of the bill and I look forward to it swiftly passing this house.

**Ms LUETHEN (King) (12:05):** I rise to support this evidence amendment bill, which makes changes to the reporting on sexual offences. This bill has been introduced by the Attorney-General, and I commend her for this bill.

Our government believes that in the vast majority of cases the public has the right to know the identity of someone who has been charged with an offence of a sexual nature. No other offence allows for an automatic suppression order, and our reforms seek to address this imbalance. Where the court deems it necessary, a suppression order can still be imposed, but this will be a consistent process for all offences, recognising there may be valid reasons for a suppression order, such as if there is an active investigation or if evidence is still being gathered.

The Attorney-General has said that the proposed reforms would bring South Australia in line with other states and territories. Currently, only South Australia, Queensland and the Northern Territory prohibit identifying an accused charged with serious sexual offences until they are committed for trial to a superior court. The former government declined to implement this recommendation, and I am pleased to hear today there are indications that the opposition is indicating support.

These reforms are in line with the recommendations made by retired Supreme Court judge the Hon. Brian Martin AO, QC in his 2011 review of the subject. Shortly after the 2018 state election, *The Advertiser*, in conjunction with victims' advocacy groups, commenced the 'Your right to know' campaign, arguing for lifting of these reporting restrictions.

There is a very serious question here: do paedophiles and people who commit sexual offences against others deserve privacy just because of the nature of their crime? I say not, and I believe that my constituents in King agree with me, which is why I am taking the time to speak on this today. As many of you know, I have spoken in this place previously about the unforgivable and atrocious nature of child sexual assault. Time does not erode the gravity of these offences, and I believe that adequate safeguards and penalties must be applied in all circumstances.

One might argue that the naming of an alleged sex offender who is found not guilty may result in their life being destroyed. However, that argument could be made for people facing other serious charges like murder, drug trafficking, fraud, stealing, etc. It is very important in this debate to

make clear that, in terms of these restrictions in South Australia of reporting the sex offender's name, these limitations do not apply to other types of offences.

The bill supports a progression of key initiatives from the Marshall Liberal government's Attorney-General to support victims through empowering them to report claims of sexual abuse to authorities and providing an open and transparent system for our community—two tenets of our government's justice agenda.

The former government declined to accept the recommendations by the reviewer in full, instead leaving open the option for the community to be left in the dark about serious sexual offences. It is not surprising that the former Labor government ignored this recommendation as they consistently are in opposition to transparency. Thankfully, we now see a government whose amendments before the house achieve the recommendations of the review and provide comfort to the community in allowing publication of identification of sexual offenders and their crimes.

At the moment, section 71A of the Evidence Act 1929 prohibits the publication of information about alleged sexual offences unless and until there has been a finding of guilt in the Magistrates Court or the charges have been committed for trial to a superior court. The effect of this restriction is twofold. First, it prohibits reports regarding such proceedings—for example, the publishing of details of evidence given in the proceedings or any statement that might reveal the identity of a person who has been or is about to be charged for a sexual offence. It is this aspect of the prohibition that is significantly changed under the bill.

Secondly, section 71A also currently prohibits the publication of any statement or representation by which the identity of a victim of a sexual offence is revealed or might reasonably be inferred. In the case of a person who is yet to be charged, the Evidence Act preserves the integrity of an ongoing police investigation and potential criminal proceedings that might follow that investigation. For instance, publicity about possible charges before proceedings have commenced might compromise the veracity of witness accounts where there are multiple alleged victims who may contact each other about the allegations before providing statements to police. This could compromise the investigation or risk an attack on the complainant's credibility.

The bill has been designed to make sure that this important protection still exists by ensuring that there can be no reports of an impending arrest before it has occurred and, indeed, until after the first court appearance. However, a number of high-profile prosecutions have demonstrated the inherent difficulties with restrictions of this type if they persist for the duration of committal proceedings.

For some time, victim advocate groups and survivors of sexual abuse have been championing for victims' rights to be heard at any stage of the proceedings should they wish to speak publicly about what they allege the defendant did. It is the choice of an individual adult victim whether they identify themselves in doing so. Clause 4(2) of the bill permits them to have that voice by lifting the prohibition on identifying a defendant charged with a sexual offence after the first court hearing in relation to that charge.

The principles of open justice require that court proceedings should be conducted publicly and in open view. This is important for public confidence in the administration of justice as it demonstrates the integrity and independence of criminal procedures by ensuring that they can be scrutinised and analysed. However, these principles must be balanced against the need to ensure that publication of the details of alleged sexual offences does not inadvertently identify an alleged victim of those offences or jeopardise ongoing investigations. That is why clause 4(2) of the bill amends the prohibition rather than remove it outright.

By prohibiting the publication of a defendant's identity until after the first court appearance, which is the relevant time according to clause 4(4) of the bill, the court can exercise any necessary oversight in relation to whether identifying the accused might also risk identifying an alleged victim. Without the protection continuing up until this time, merely publishing the court case list with the defendant's name and the charge might be enough for the identity of an alleged victim to be reasonably inferred, in breach of section 71A(4) of the act.

Once publication of that sort occurs, the information is in the public domain. Accordingly, the bill allows for any such issues to be explored at the first court hearing before publication of details of the charges can occur. Preventing publication of these details until after the first appearance in court will also enable applications to be made for a suppression order under section 69A of the act. This will ensure that parties can be heard about whether identifying the defendant may, for example, cause prejudice to the proper administration of justice by impeding an ongoing investigation into similar complaints against the defendant. The court can then exercise proper oversight in relation to the proceedings before it.

The government has carefully considered the implications for both victims and accused throughout this process. There have been several court cases over recent years that expose the public's right to know an alleged offender's identity, highlighting the necessity for our laws to be both contemporary and in line with community expectations in this important area. For those accused, as Mr Martin AO, QC states in his report, leaving cases of serious sexual offending in the dark has the tendency to promote rumour and innuendo, which in turn can create an atmosphere prejudicial to the accused person whose identity is suppressed.

Victim advocate groups and survivors of sexual abuse have been advocating for some time for the right of victims—whom we must protect at all costs—to be heard at any stage of proceedings, which is undoubtedly aided by this bill. Further, this bill enables the flow of information to them, particularly around child sexual offences, with that early publication of identity promoting the possibility of more witnesses coming forward. This point, I feel, is very important. Too often we hear of sex offenders never being charged or being charged for isolated offences with many of their previous victims never coming forward or having the opportunity to say, 'Me too.'

Whether it be a sex offender in a school or family sporting club, what we do know is that it is highly likely that there were other victims. There are many reasons these victims may never come forward. They may be children who do not understand what has happened to them. They may have blocked it out. They may not have the knowledge and ability to speak up. They may have been threatened or they may be carrying the shame around with them for the rest of their lives.

In workplaces, in families, in government, sex offenders may get away with their crimes because people are too afraid to speak up, too afraid they will not be believed, too afraid they will be further victimised by the processes of reporting misconduct in workplaces, in government, in families today. These processes must be addressed to make it easier for people to speak up. Some victims may simply not want to risk their careers. They need the opportunity to see offenders when they are named and the opportunity to speak up and say, 'Me too.'

Put simply, openness and transparency should be the default position of our justice system in South Australia. I am pleased to support this bill, which advances the recommendations of the report, which were left incomplete by the former government. I commend the bill to members and I thank the Attorney-General (member for Bragg), the member for Heysen and the member for Badcoe who have indicated their support today.

**Mr BELL (Mount Gambier) (12:18):** I rise to make a brief contribution to the Evidence (Reporting on Sexual Offences) Amendment Bill 2019 and indicate to the house that I will be opposing this bill. Right from the start, I want to make sure that it is very clear on the record that I have no interest whatsoever in protecting the identity of anybody found guilty of a sexual offence. In fact, I will go further and say that I think the penalties should be strengthened for anybody found guilty of a sexual offence against children or minors. However, that is a distinction that needs to be made that, once you are found guilty, there is a lifting of the current suppression orders and your name will be disclosed in the public realm.

There is a feeling that pervades this argument that without these amendments justice will not be done. The member for Badcoe gave the example of a small town not being able to know the identity of somebody who has been convicted of an offence and incarcerated for a period of time, and that certainly needs to be looked at; in fact, I would support any amendments in that space. Once somebody has been convicted, we should be looking at the reporting of those offences so that people are aware of what has occurred.

Comments were made—and I do not think they were made flippantly—that we do not want to see anybody falsely accused but that there is a price we agree to pay. I am here to say that I do not agree to pay that price because under the current system your right to know is there: it is once somebody has been found guilty of an offence. My concern with this bill is for anybody who is innocently charged with one of these crimes.

In my time as an MP I have seen four cases where people charged with a sexual offence have come to me, and in each of those four cases it did not proceed to trial or the person was found not guilty at trial. Let me tell you that in a small community like Mount Gambier, where there is a loathing—a feeling of complete disgust—of anybody who is charged with a sexual offence, all four of those people would have had their name and faces plastered all across not only local but national newspapers, later to be found not guilty or the charges were withdrawn. Not only would their lives be destroyed, and they are already significantly impacted at the moment, but my greatest fear is that on at least two occasions they would have taken their own life before it even went to trial or the charges were dismissed.

What I fear with this bill is that we are going to have trial by media. Already, we have heard lots about the media's right to report. The member for Badcoe commented that if a charge is dismissed or withdrawn then the media has an obligation to report, with the same prominence, the original accusation. Well, let me tell you, I have seen these cases before the newspapers and if you got a by-line on page 18 you would be lucky, yet you go back to the original accusation and the original story and not only is it plastered over the front page but it is page 3 and then page 5 for a period of weeks at the start.

I take the point that they should be exonerated and be on the front page and page 3 for the proceeding three weeks once they are found not guilty, but the reality is that that does not occur. The damage is already done and these people who are found innocent or the charges are withdrawn not only have their lives destroyed, and their families' lives destroyed, but they face serious obstacles going forward. They are the ones I am talking about. I think we should throw the book at anybody who is found guilty of an offence, and the media have every avenue at the moment to be able to do this. In this debate, people are very careful in identifying alleged offenders.

The problem that we have in this very difficult space of sexual offences is that it is not like murder or trafficking drugs. That accusation has been made here today—that we can present people's names and report on murder or on trafficking drugs. The big distinction I want to talk about to this house is that in cases of murder and trafficking drugs it is somewhat easier—I will not say 'easier' but 'somewhat easier'—to identify that a crime did actually occur.

In most cases of murder, not all but most, there is a body, so you can establish very quickly that a crime has occurred. It is the same with trafficking drugs: you capture somebody either in possession of drugs or in connection with the trafficking of drugs, which are seized, tested and determined to be a narcotic of a class, and you can then establish that, yes, a crime has occurred. I do not want to trivialise this because, as I have said, I have no interest in protecting anybody associated with sexual offences once they are found guilty.

However, if somebody is trafficking in white paper bags containing talcum powder, whilst these may appear to be drugs, once that substance is tested and it is found that it is not a commercial drug, a crime has not occurred. That is a very important distinction. Two of the cases people have come to see me about were historical sexual charges: in one case the alleged offending was 35 years ago and in the other case it was 20 years ago. One person was found not guilty and the other person's charge was withdrawn.

In this, there is a difficulty in establishing that the crime actually did occur. I am not here saying that it did or it did not—I have absolutely no idea. What I am saying is that on four occasions people have been charged with a sex-related offence and that charge has been dismissed or they have been found not guilty. Thank God that there was a level of protection in a smaller community because their names did not appear in court transcripts or in the paper or on the front page.

That is really important and why I am opposing this—because I just cannot get my head around 'your right to know'. I totally agree that you have a right to know: once somebody is charged and found guilty, you have every right to know. I support that 100 per cent. If legislation ever comes

before this parliament to strengthen penalties for those who commit offences against children, trust me, I will be the first one standing up and saying, 'This is what we need to do.' That type of offence is disgusting and abhorrent to me.

My concern, of course, is for those who are charged but who are later deemed to be innocent. I will not pass or be part of any legislation that I believe will lead to the death of an innocent person. That is how seriously I take this. That is the consequence that I see of this legislation. It is not just me indicating this type of thought process. The Law Society of South Australia has provided a response to the Attorney-General. I read the response, and I really could not have written it any better myself—and I would be plagiarising if I tried—so I thought the most prudent thing to do was read out the response from the South Australian Law Society:

11. The Society does not support the Bill and outlines its key concerns with the proposed amendment of section 71A below...

12. The Bill will effectively remove all protections with respect to publication that apply for an accused before guilt is actually determined. A defendant's name could be published and offences reported on at any time (including before charge determination), as such, reports will be permitted before any adjudication takes place.

13. Furthermore, as a result of the Major Indictable Reform, there are lengthy adjournments for police to gather evidence and plenty of cases fall over after arrest but before committal. Police are essentially charging first and compiling evidence later, given that such lengthy adjournments are being provided to compile the preliminary brief. In the meantime, a person's life and reputation can be totally destroyed by the publication of the allegations.

14. Even where an accused is ultimately found not-guilty, there remains a serious risk that while that person may be innocent in the eyes of the law, they will forever be considered guilty (or there will be doubt as to their innocence) by the community. The proposed amendment will allow a person to be publicly named as a sex offender, before there is sufficient evidence to justify the charge.

That is certainly one of the cases that I know of as a local MP. The response continues:

15. The Society takes the view that the ability to publish such information before a case to answer is established by the Director of Public Prosecutions (DPP) places a defendant (and his/her family) at risk in the community. Suppression in this context does not just protect the accused, but their families as well, who may be the target of vigilantism and discrimination.

16. As such, the courts may continue to make orders for suppression in these circumstances and the Bill may not achieve its desired effect in practice, due to its detriment to an accused. Matters are rarely resolved in a swift or expeditious manner. It could potentially take years for guilt to be determined. There is serious likelihood, as noted above, that a person's life and reputation will be completely destroyed in this time. Hence, justifying the need for suppression.

17. The Society questions the justification for the Bill, noting that under section 71A(3) the court may, on application make a publication order that restriction on publication be varied or removed if it may assist in the investigation of an offence; or is otherwise in the public interest. Therefore, there is already sufficient public interest exemption built into the current legislation.

18. The Society further notes under the Bill, all alleged sex offenders will not be treated equally. For example, defendants who are related to the victims will still have anonymity, to protect the victims. As proposed, only the names of those who have been alleged to have committed sexual offences will be published where the victim can't be identified, or the victim's identity inferred.

The right to know

19. The principle of open justice is an important feature of the common law. However, the principle of open justice is not absolute, and limits have long been recognised by the common law, particularly where it is 'necessary to secure the proper administration of justice' or where otherwise it is in the public interest.

20. Such limits are also acknowledged in international law. The International Covenant on Civil and Political Rights provides in Article 14 (1)...

21. The default position is always that of an open justice system, but it is recognised in both Australia and in international law, that there are circumstances where suppression is necessary and appropriate. The 'right to know' is one of many rites that need to be considered to ensure the proper administration of justice.

This is what I think is the most important point:

22. The presumption of innocence underpins the criminal justice system in Australia. It applies to suspects, persons arrested and charged with criminal offences, as well as those who stand trial. However, in the court of public opinion, the presumption is becoming increasingly fragile, as many people assume that being charged or prosecuted indicates guilt.

23. The Society considers, that while any limitations on open justice should not be administered lightly, there are circumstances where the public's right to know must be balanced against the serious prejudice and detriment to an individual. As noted above, due to the nature of sexual offences there is an overwhelming negative stigma that attaches to sex offenders, particularly child sex offenders. This stigma remains even when someone is incorrectly suspected of having committed a sexual offence. Furthermore, reports in relation to a suspected offender (even when found not-guilty) are likely to be permanently available on the public record/media.

24. One must be very careful in placing too much weight behind contemporary community attitudes, to the extent that they support the 'right to know' view. Often, it is not until someone has been in the position of an innocent sex accused, or close to him/her, that they are aware of the devastating effects publication can have.

25. While the public may be interested in a matter, this is quite distinct from the matter being in the public interest.

26. The Bill presents the very real possibility of permanently destroying the person's life with the stigma of allegations, only to see charges withdrawn or them to be found not guilty. The Society considers such consequences are not in the public interest.

Lastly:

27. The reasons that moved Parliament to pass such laws in the past have not changed. The stigma and serious potential for detriment for a wrongly accused and his/her family still exists. The Society submits that the restrictions on reporting on sexual offences under section 71A of the Act should remain.

That is my position. We have to draw a distinction here. Once somebody is found guilty, then the right to publish in the media is there already. Justice is not denied by simply protecting the innocent and the presumption of innocence until a guilty verdict is determined or the person pleads guilty.

In terms of the length of time that somebody's identity is suppressed, to me that reflects more on the court process and the time to get an outcome than on the suppression order itself. If we could do anything in this place it would be to assist the courts to speed up the determination, I suppose, from accused through to innocent or guilty.

It is with those words that I will be opposing this amendment. I think it is dangerous. I think it will lead to innocent people taking their own lives, and I will not be part of any bill that passes this house that has such a serious outcome for innocent people in my community.

**The Hon. V.A. CHAPMAN (Bragg—Deputy Premier, Attorney-General) (12:38):** I will start by addressing matters that have been raised by the member for Mount Gambier, who has indicated that he will not be supporting the bill. I fully respect the matters that have been outlined by him and the decision that he has come to in relation to his proposed opposition to the bill. He has outlined a number of aspects of the Law Society submission—received in July this year, predating of course the major indictable reform report that was been prepared but, nevertheless, taking into account a submission that was made back in 2011 when the Brian Martin review was published—and the view then of the Law Society president Ralph Bonig.

What is omitted, and I ask that the member at least to reflect on this to some degree, is the whole legal process after a person has been charged. I leave aside the investigation stage by police or other integrity bodies in relation to the development of a case to identify if there is a prima facie case for someone to be charged, because that is a whole other area.

In relation to that assessment, a person has been charged with an offence, any offence, and it then becomes a matter for consideration by the court process, the courts of course being independent of the executive of government, independent of the parliament, and their role kicks in, so to speak. What is important, and underpins the transparency of the court process, is that it also needs to have the sun shine on it to ensure and reassure, from the public's perspective, that there is a system that operates to interrogate that independent process.

There are some exceptions to that, where the court wraps around itself some secrecy—for example, when a child is going to be giving evidence. I should indicate that the Family Court makes the decision under its law that its cases are kept private and secret, they are not available for anyone in the public to just turn up, and there are reasons for that. But, as a general rule, the whole court process is on show and accessible to the public, just like we are here in the parliament: we are on show and we are available for scrutiny by the public, who can then examine what we say and what

we do (or fail to do) and consider their own verdict. That is an important piece of the jigsaw in making sure that we have a transparent system.

The question of the damage to someone who is falsely accused of a child sexual offence (and I think this is where the key element is here—not any sexual offence, but a key sexual offence against children) is one that has obviously been in focus in the last 15 years or so. In fact, in the time I have been here in the parliament there have been two royal commissions and multiple inquiries in relation to various aspects of this behaviour. It is a compelling argument for consideration.

There was a time when a sexual offence against a young woman, in which she would be defiled by virtue of any allegation of sexual impropriety for the purposes of affecting her prospects for marriage, for example, was an era in which, if someone had had intercourse before marriage, that might not be a useful entry into opportunities for marriage. Generations ago that was a stamp against them, which would mean that it was important that we reflected that in the laws that prevailed at the time. We had breach of promise laws, we had circumstances that surrounded that relationship and the potential that it would damage someone's reputation so badly that it could not be made public.

Today, I think it is fair to say that young women (I generalise here) are not offended by the prospect that their virginity, or the lack thereof, might be in some way exposed publicly, and their prospects of marriage would not be a major factor. I suspect they would be hot to tell if there had been a circumstance, and the 'Me Too' campaign around the world is probably indicative of that. Women of today, especially when someone else has come forward, are much more likely to come forward, as are young men who might have in some way had sexual advances made to them or, worse still, other acts of indecency against them, so it is important that we recognise someone who might be falsely accused.

I also ask that the member appreciate two things. Firstly, people can be very badly affected by a false allegation, no matter what it is. If you are an accountant, for example, and you are falsely accused of having stolen money from your boss, you can imagine how that would impact on you and the fragility of the circumstances that that would impose on your mental wellbeing and how the option for suicide may be insurmountable. Whilst I appreciate that child sexual abuse is a heinous crime, we have many other heinous crimes. Whilst I appreciate that to be falsely accused of a crime that is heinous may cause irreparable damage to the mental wellbeing of the accused, we also have to remember that others may be in that category.

Secondly, I ask members to remember that just a few weeks ago we were debating an amendment to a bill that related to the disclosure of information under a working with children check. This is a process that we have in our law nowadays that enables certain persons at certain times to have access to the entire record of somebody rather than just their convictions. It is very selectively available for very discrete purposes. In this case, if you want to take up employment or voluntary work in a circumstance where you are going to be working with children, then a very high bar is set for the threshold of matters to be taken into account before employment or voluntary work is allowed. It is a very good reason.

Those allegations, which do become available in those discrete circumstances and deprive somebody of an opportunity of employment, have very big consequences. People lose their jobs, they lose their livelihood, they lose their capacity to be able to provide for their family or even themselves. It can have a devastating effect on them. Just to be in a circumstance where you are excluded from a workplace and you are not able to be part of the community in your workplace world can have horrific consequences, so we need to be mindful of that as legislators at any time.

In relation to these matters, the Law Society's view on this does not surprise me. Last year, the previous president had been asked to comment about the proposed law that was considered at that stage. He made the point, 'Look, we would like to keep it to avoid the reputational damage of people in these circumstances in these particular offences, but we accept that we are out of sync with the rest of Australia.' So there is, I suggest, a qualification with that, but for the moment that is their position. We have certainly taken it into account and appreciate it.

The members for Badcoe, Heysen and King have also made a contribution. I thank them all for that. The member for Badcoe raised a few things, and I would like to report on them. Firstly, in



relation to her not having had a briefing, I have been advised that that is the case. I would like to place on the record that, whilst I see that as regrettable and note that she might wish to ask further questions during the period the legislation is between the houses, and we will endeavour to make answers available to her, the shadow attorney-general had been provided with a briefing. The shadow attorney-general had issued a notice of that to all members of the opposition. At the briefing the shadow attorney attended, a number of other members of the opposition in this house also attended.

Whilst I appreciate that the member for Badcoe has been identified by the opposition as the lead speaker on this matter, I am advised that there had been a briefing proposed. There was no indication back of whether or not that time was convenient. There was obviously some misunderstanding, from the opposition's point of view, as to whether or not that was the case, but on this side of the house we have tried, in government, to do much more than the previous government did.

In these cases, with the previous government I would get a notice of when the Attorney-General's people were available to meet and I would let my own people know, those I thought would have some interest in the matter. We have a practice of advising all members of when the briefing is, and if they are available or have an interest in a matter they are welcome to attend. We could go to the narrow version of the previous government but I do not want to do that because I think it is important for members to get information about a matter, particularly members who are Independents or in a minority party who may not have the benefit of a representative from their team being able to get that information. We are happy to try to answer any questions.

On the matter specifically raised by the member flagging that there would be consideration of an amendment requiring them, as an obligation on the investigating party—which, of course, would usually be the police—to consult with the victim, the new law would mean this would have had to occur before the first hearing date. Under that proposal, there would have been an obligation to undertake that consultation. We have spoken to the police about this matter and they are not supportive of that approach as a mandatory obligation. They raise a number of issues, but I think it is important that I flag this so that the member for Badcoe can make the inquiry herself regarding whether she thinks this is a practical proposal.

As to who has been doing the investigation, the availability or details of all the victims, the notification of them, I am advised that the current process—certainly from the DPP's point of view—is that where a victim is identified obviously they are part of the process for the case. If they are a child, their parents are consulted in relation to medical assessments and so on and all statements being taken, and if they are an adult they are also part of that process for the gathering of evidence, witness statements and the like.

In fact, we are so keen on this in our DPP that we have employed a new and most valued employee, and that is Zero, our witness assistance dog, who comes to work every day—and who, I hope, will be featured in my Christmas card. In any event, he does much more important work every day in providing an environment, in his presence, to ensure that witnesses, particularly children, are able to be in a calm state for the purpose of giving evidence and/or their statement for committals and the like.

In our department, we are very keen to make sure we do everything we can to support witnesses, and I am advised that obviously they are a key part of that, in particular in circumstances where there is intrafamilial abuse. This is probably the most destructive area from the point of view of a victim, where the offender against them is not someone who is their institutional provider—that is, a teacher or a church representative, which we know a lot about from royal commissions—but is, in fact, a member of their own family.

This can sometimes be the most distressing thing for the victim. I think that that is something we have to consider for the purposes of the release of information and in cases where there has been abuse such as this. This is a very key part of the basis upon which an ongoing suppression order is made. It does lead to the question, for example, of the local community matter that has been raised, where people have even been convicted and still the local community are not made aware of that information because the community is so narrow in number.

This happens perhaps more than people appreciate in the interests of protecting the victims, who may be, say, children of the offender or in a very small country community. This is a really difficult situation. To reassure the house, I say that we and the DPP's office take very carefully our responsibility to ensure that victims are supported during this process and consulted in relation to that. I urge the member to look at that matter more carefully and to certainly consult with the police because we are moving the threshold gate to the first hearing date.

In the last few days, I was also minded to think of the disturbing situation where the child of mass murderer Ivan Milat has come out publicly to tell of her grief and her circumstances. I reflect on it because she is now a woman, apparently in her mid-50s, who has had to live with the odour of her father being a convicted multiple murderer. As we know, he recently died. I think there are probably very few people who would be unhappy about that, but the reality is that the children of offenders, even if they are not a brother or sister of a sexual offender, are indeed also victims in these processes. I think that should not be ignored because they have to live with the circumstances also.

One of the arguments that is frequently raised by counsel representing the accused is that the innocent children of the family, or a spouse, might be unfairly dragged through the media coverage as a result of their father or mother being exposed in a publication as a result of a matter being in court. But these are all things that have to be balanced in a transparent environment in a court, which is what the bill will retain: the special arrangements to be continued on that. I seek leave to make further remarks.

Leave granted; debate adjourned.

### **LANDSCAPE SOUTH AUSTRALIA BILL**

#### *Conference*

The Legislative Council agreed to the time and place appointed by the House of Assembly for holding the conference.

*Sitting suspended from 12:58 to 14:01.*

**The Hon. J.A.W. GARDNER (Morialta—Minister for Education) (14:01):** I move:

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

Motion carried.

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

#### *Assent*

His Excellency the Governor assented to the bill.

### **LIQUOR LICENSING (MISCELLANEOUS) AMENDMENT BILL**

#### *Assent*

His Excellency the Governor assented to the bill.

### **STATUTES AMENDMENT (MINERAL RESOURCES) BILL**

#### *Assent*

His Excellency the Governor assented to the bill.

#### *Parliamentary Procedure*

### **ANSWERS TABLED**

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

### **PAPERS**

The following papers were laid on the table:

By the Speaker—

Auditor-General—Information and communications technology reviews Report 9 of 2019  
[Ordered to be published]  
Local Government Annual Reports—  
Elliston, District Council of Annual Report 2018-19  
Robe, District Council of Annual Report 2018-19

By the Premier (Hon. S.S. Marshall)—

Adelaide Venue Management Corporation—Annual Report 2018-19  
Electricity Industry Superannuation Scheme—Annual Report 2018-19  
Funds SA—Annual Report 2018-19  
Government Financing Authority, South Australian—Annual Report 2018-19  
Mining and Quarrying Occupational Health and Safety Committee—Annual Report 2018-19  
Parliamentary Superannuation Board, South Australian—Annual Report 2018-19  
Police Superannuation Board—Annual Report 2018-19  
ReturnToWork SA—Annual Report 2018-19  
Southern Select Super Corporation—Annual Report 2018-19  
StudyAdelaide—Annual Report 2018-19  
Superannuation Board, South Australian—Annual Report 2018-19  
Tourism Commission, South Australian—Annual Report 2018-19

By the Attorney-General (Hon. V.A. Chapman)—

Assumed Identities and Witness Identity Protection—Annual Report 2018-19  
Authorisations issued to enter premises pursuant to the Summary Offences Act 1953—  
Annual Report 2018-19  
Club One (SA) Ltd—Annual Report 2018-19  
Electoral Commission of South Australia—Annual Report 2018-19  
Professionals Standards Councils—Annual Report 2018-19  
Return of Authorisations pursuant to the Controlled Substances Act 1984—  
Annual Report 2018-19  
Small Business Commissioner—Annual Report 2018-19  
Summary Offences Act 1953—  
Dangerous Area Declarations Report for Period 1 July 2019—30 September 2019  
Road Block Authorisations Report for Period 1 July 2019—30 September 2019  
Regulations made under the following Acts—  
Associations Incorporation—Forms No. 2  
Criminal Law Consolidation—Child Exploitation Material  
Youth Justice Administration – Training centres, facilities, and programs  
Rules made under the following Act—  
Supreme Court—Supplementary—Amendment No. 13

By the Minister for Primary Industries and Regional Development (Hon. T.J. Whetstone)—

ForestrySA—Annual Report 2018-19

By the Minister for Transport, Infrastructure and Local Government (Hon. S.K. Knoll)—

Regulations made under the following Act—  
Road Traffic—Traffic Speed Analysers

By the Minister for Planning (Hon. S.K. Knoll)—

Architectural Practice Board of South Australia—Annual Report 2018-19  
HomeStart Finance—Annual Report 2018-19  
State Planning Commission—Annual Report 2018-19  
Surveyors Board SA—Annual Report 2018-19  
West Beach Trust—Annual Report 2018-19

*Parliamentary Committees***ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE**

**Mr PEDERICK (Hammond) (14:09):** I bring up the third report of the committee, entitled Report of the Fifty-Fourth Parliament, 3 May 2018 to 30 June 2019.

Report received and ordered to be published.

*Question Time***LAND TAX**

**Mr MALINAUSKAS (Croydon—Leader of the Opposition) (14:09):** My question is to the Premier. Does the Premier have any credibility when it comes to land tax, considering he has had five positions in less than 12 months?

**The Hon. J.A.W. GARDNER:** Point of order, sir: that question didn't conform to any part of 97 and also refers to a bill that is on the *Notice Paper*.

**The Hon. A. KOUTSANTONIS:** A further point of order, sir.

**The SPEAKER:** A point of order on the point of order.

**The Hon. V.A. Chapman:** Are you challenging the leader?

**The Hon. A. KOUTSANTONIS:** No. Sir, you have ruled, as has former Speaker Atkinson, that matters of public interest that don't canvass the merit of individual clauses in the bill are within the realm for this house to consider to ministers. I would ask that you uphold your previous rulings.

**The SPEAKER:** What I will say is that where a question, the way I took it, almost contained something almost like an accusation or an inference, I have allowed it in an instance where, if I have allowed the question, I have allowed the answer. But, I'll tell you what: I am not going to be taking any points of order on debate, so I am going to take the question and I am going to allow the Premier an opportunity to respond, to be consistent with my former rulings.

We are only going to be allowing these sorts of questions to a limit, so I am going to allow the Leader of the Opposition to ask his question, and then I am going to give the Premier great scope to answer it. Leader, repeat it, please.

**Mr MALINAUSKAS:** Thank you, Mr Speaker. My question is to the Premier. Does the Premier have any credibility when it comes to land tax, considering he continues to chop and change his position, including having five different positions in the last 12 months?

**The Hon. S.S. MARSHALL (Dunstan—Premier) (14:11):** When I look across this chamber at the moment, I see the weakest opposition leader in the history of this state. Somebody—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —who has not a single fibre of a backbone. Somebody who wouldn't know reform if he fell over it. And who's standing alongside—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** Who's standing alongside this weak, gutless Leader of the Opposition? His friend the member for West Torrens, in the shadows, holding his hand, putting him up for it. The reality is that this opposition has no credibility whatsoever when it comes to reform, and that is desperately what the people of South Australia need at the moment: a reformist government. They weren't content with holding South Australia back for 16 years when they were in government. For 16 years, that lot held back our state, and now not content—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —with putting the handbrake on South Australia for 16 long years, they want to put the handbrake on South Australia from opposition. They want to basically vacillate between being 'new Labor' and trying to somehow defend the indefensible: their hopeless maladministration for 16 years—

*Members interjecting:*

**The SPEAKER:** Order! You asked the question.

**The Hon. S.S. MARSHALL:** —when they sat on their hands and presided over the highest taxed jurisdiction in the country—3.7 per cent—driving money out of South Australia, repelling money out of our state. By contrast, what we've done on this side of the house is put the people of South Australia first—put the people of South Australia first—rather than continuing to play grubby politics. But that is all they know. That is all they know. When they lost the election—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —when they were thrown out of government by the people of South Australia, they said, 'We are going to go and listen. We're going to listen to the people of South Australia.' They haven't listened at all. They have never put the people of South Australia first. When presented with a choice—

*Members interjecting:*

**The SPEAKER:** Order, leader!

**The Hon. S.S. MARSHALL:** —between the people of South Australia and grubby politics, it's like a piece of grubby old metal drawn to the magnet of grubby politics, which will never advantage our state. By contrast—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** By contrast, we now have a government in place in South Australia who is putting the people of South Australia first. We have never said on this side of the chamber that reform is easy but, let me tell you, it's necessary.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** If those opposite genuinely believed, as they did—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. S.S. MARSHALL:** —for 16 years, that we should have the top marginal rate in South Australia at 3.7 per cent—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader of the Opposition!

**The Hon. S.S. MARSHALL:** —if they genuinely believed that, then they're even more disingenuous than I thought. The reality is that it's time for reform in South Australia. It's time to actually put the people of South Australia first and that's exactly and precisely what we will do on this side of the chamber.

**The SPEAKER:** I trust that was therapeutic for members. I now ask for the temperature to reduce. I remind members that the standing orders do exist to keep members on the straight and narrow. Before I call the Leader of the Opposition, I call the following members to order: the leader,

the member for Badcoe, the member for Cheltenham, the member for Playford, the member for West Torrens, the member for Lee and the member for Waite.

#### LAND TAX

**Mr MALINAUSKAS (Croydon—Leader of the Opposition) (14:15):** My question is to the Premier. Will the Premier commit to there being no further changes to his land tax policy and, if so, this time does he really, really mean it?

**The Hon. J.A.W. GARDNER:** Point of order: that is explicitly about the merits and details of a bill before the house and on the *Notice Paper*.

**The SPEAKER:** I have the point of order. With respect to the Minister for Education, the question did canvass potential changes to a policy. I do accept that there is a bill before the house and I am aware of that standing order and convention. We are starting to get a little bit frivolous almost if we start to descend down this path. Would the Premier like an opportunity to answer the question?

**The Hon. S.S. MARSHALL (Dunstan—Premier) (14:16):** We have made it very clear—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —that we will always put the people of South Australia first, unlike same old Labor—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —sitting on the opposition benches. The reality is we will respond to what is required. We made it very clear that we would be out and we would be listening to people. We have listened to people, we have made changes and we're putting the people of South Australia first.

#### LAND TAX

**Mr MALINAUSKAS (Croydon—Leader of the Opposition) (14:16):** My question is to the Premier. Does the Premier take responsibility for the extraordinary uncertainty in the economy and the property market caused by his chopping and changing on land tax policy?

**The Hon. S.S. MARSHALL (Dunstan—Premier) (14:17):** Can I say that South Australia is travelling in the right direction. We have been—

*Members interjecting:*

**The Hon. S.S. MARSHALL:** They hate good news.

*Mr Brown interjecting:*

**The SPEAKER:** The member for Playford is warned.

**The Hon. S.S. MARSHALL:** They hate good news. They hate the fact that we have another 15,000 people employed in South Australia since we came to government—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —almost 1,000 people per month. Those opposite—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Order, Leader of the Opposition!

**The Hon. S.S. MARSHALL:** —like to shout out it's a massive drop from the six weeks before the last election. They fail to want to reflect ever on the 16 years that they were in government when South Australia was nearly always at the bottom of the table.

*The Hon. A. Koutsantonis interjecting:*

**The SPEAKER:** Member for West Torrens!

**The Hon. S.S. MARSHALL:** When I look at key indicators like the ANZ Stateometer, which for the last two quarters has shown that South Australia is the only state in that top right-hand quadrant, the only state that has above-trend growth acceleration—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. S.S. MARSHALL:** —that is something to be quite excited about. There's plenty more work to be done. Nobody on this side of the chamber is saying that the job is done. There is a huge amount of work to be done to provide hope to the next generation. That's precisely what we're doing. We're working very hard to create more jobs in South Australia. One of the fundamental parts of that, of course, is the work that the Minister for Innovation and Skills is doing to create 20,800 new apprenticeships and traineeships in South Australia.

We rejected the position that we inherited from the previous government, when there was basically a freefall in apprenticeship commencements in South Australia and completions in South Australia. It was a disaster. We all know who presided over that: promotion to people who basically delivered poor results on that side of the chamber. By contrast, we put \$200 million into our first budget to create new apprenticeships and traineeships. We are well on the way to fixing the complete debacle that we inherited in regard to TAFE in South Australia. We are very pleased that the work is being done to build certainty around the quality of this training institution going into the future. We have been working very hard to reduce taxes in South Australia. Let's be very clear—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. S.S. MARSHALL:** —on 1 January this year, we removed payroll tax—

*The Hon. S.C. Mullighan interjecting:*

**The SPEAKER:** The member for Lee is called to order.

**The Hon. S.S. MARSHALL:** —for all small business in South Australia. These are the things that you do when you put the people of your state first. It is very easy to play politics and basically cherry-pick the statistics that suit your cause—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. S.S. MARSHALL:** —but overall this state is moving in the right direction—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** There is plenty more work to be done. I have just returned from China and Korea and I think there are enormous opportunities. I don't know why the previous government didn't look at the opportunities that were in these massive markets.

*Members interjecting:*

**The SPEAKER:** Order, member for Ramsay!

**The Hon. S.S. MARSHALL:** Since coming to government, we have opened an office in Shanghai, we have opened an office in Guangzhou, we have opened an office in Tokyo and we've got representation in Korea. We are doing everything we can to grow the size of our economy and there are some very good green shoots—

*The Hon. T.J. Whetstone interjecting:*

**The SPEAKER:** Minister for Primary Industries!

**The Hon. S.S. MARSHALL:** —for our economy. One of the green shoots that those opposite always hate to reflect on was the turning around of the net interstate migration in South Australia. Under the previous government, each year there was a net migration out of this state: 5,000, 6,000, 7,000, getting towards 8,000 people per year net—net. When we look at the most recent statistics, it is down at 4,000, and our goal is to get it back to zero. Then it is our goal to actually bring people in a net position back to South Australia, and that only happens if you have a government committed to reform, a government that is committed to the people of South Australia.

**Mr Brown:** Land tax will help.

**The SPEAKER:** The member for Playford has been a consistent interjector for the last 10 minutes. He is on two warnings. If this continues, he will be leaving.

**Mr Brown:** Thank you.

**The SPEAKER:** You're welcome.

### GLENTHORNE NATIONAL PARK

**Mr TEAGUE (Heysen) (14:21):** My question is to the Minister for Environment and Water. Can the minister update the house—

*Members interjecting:*

**The SPEAKER:** Order! Come on.

*Members interjecting:*

**The SPEAKER:** Members on my left, I have given you a bit of a go, but if this continues members will be departing.

**Mr TEAGUE:** —on the delivery of the Glenthorne National Park master plan?

**The Hon. D.J. SPEIRS (Black—Minister for Environment and Water) (14:21):** I thank the member for Heysen for that question and for giving us the opportunity to discuss—

*Members interjecting:*

**The SPEAKER:** Order! Settle down.

**The Hon. D.J. SPEIRS:** —a really exciting environmental project for this state, particularly for the City of Adelaide, creating some 1,500 hectares of open space and a linked corridor from the foothills around Happy Valley through to the beach at Hallett Cove and Marino. It is a really solid project and one that will create a biodiversity corridor that will enable birdlife and animal life to thrive and survive in the metropolitan context, grabbing hold of that concept of a national park city and weaving the national park into neighbourhoods, into communities, into council-owned assets—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. D.J. SPEIRS:** —and working with the community so that they then support that national park by planting—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. D.J. SPEIRS:** —plants in their backyards, their front yards and their streetscapes which enhance that overall nature corridor that we're seeking to develop. On the weekend, we had a couple of open days again for Glenthorne National Park, held on the Glenthorne Farm site at O'Halloran Hill. We had 2,800 people come and visit the site, particularly to look at the master plan for the site, which was unveiled at the beginning of the open days on Saturday.

That master plan has been developed through very close engagement with the immediate community, particularly the Glenthorne Partnership, the community governance body made up of representatives from local environment groups, people from an education background, people from the local council and people from the business community who have come together to help shape



the vision for that national park from the community up, as opposed to that vision being pushed down on the community from government.

That is one of the keys to the success of this project: the very deep engagement of the community so that we are responding to what the community would like to see develop at that park and so that a response to the particular needs of that community from the traditional owners, the Kurna nation, who are very much a part of the Glenthorne Partnership, through to those environmental groups and through to looking for business opportunities for the local business community, can be woven into that park as well. It is an exciting project, one that will be transformative from an environmental point of view and one that has a long way to go. Really, it is a generational project, one that is rapidly gathering momentum.

One of the key outcomes from the weekend, of course, which many members would be aware of, was the formal transfer of that land from the University of Adelaide through to the state government. That land will now be held in perpetuity by the state government for the community. It will be wound into our reserve system and will become part of the land managed by the Department for Environment and Water.

We also have a ranger station located there, so now we don't have rangers needing to travel down from Black Hill in the north-east of the city; rather, they are located to serve the southern suburbs on the Glenthorne site. We have the ranger station open, and the community can immediately engage with the rangers there. We will continue to work forward with this project—a great project for our environment and a real flagship project for this government.

#### LAND TAX

**Mr MALINAUSKAS (Croydon—Leader of the Opposition) (14:25):** My question is to the Premier. If the Premier's previous position on his version of land tax had the unanimous support of the party room, why the change?

**The Hon. J.A.W. GARDNER:** Point of order, sir: that question contained argument. It still relates directly to a bill and amendments that are proposed to be tabled in the house. There is no formation of that question that complies with the standing orders.

*Members interjecting:*

**The SPEAKER:** Order! Given what has transpired today, I see fit to give a member of the government an opportunity to respond. I appreciate that this is a contentious issue, but I am willing to allow the government to answer. Would someone like to answer the question?

**The Hon. S.S. MARSHALL (Dunstan—Premier) (14:26):** Thank you very much, sir; I am happy to answer the question. The reality is that we are not going to reflect on individual deliberations within our joint party room, just as we wouldn't—

*Members interjecting:*

**The SPEAKER:** The Leader of the Opposition is warned, as is the member for Badcoe. You have asked your question. I have been most lenient to the opposition. I could very easily rule these types of questions out of order by a very strict application of standing orders. You have asked your question; allow an answer. If not, members will be leaving.

**The Hon. S.S. MARSHALL:** We considered some amendments that were put forward by the Treasurer, and that's the position that we now take to the parliament. Now it's over to the parliament to make up their mind about where they stand on this important reform for South Australia: do they stand on the side of the very large majority of people who will be the beneficiaries of this, or will they decide to continue to play politics? The Labor Party have been very clear on this. They finally got down off that very uncomfortable fence that they have been on for a very long period of time, and they have decided—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —to play politics. They have decided to play politics. They have decided to make sure that they would not be putting the interests of South Australians first. That's fine. That's what people—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —have come to expect from the Australian Labor Party. That's why, in March last year, the people of South Australia booted you out of office. But what they expect from us is a government that is going to put forward a reform agenda. This is a reform agenda that is going to create jobs in South Australia—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** It's going to lower taxation in South Australia—

*The Hon. Z.L. Bettison interjecting:*

**The SPEAKER:** The member for Ramsay is warned.

**The Hon. S.S. MARSHALL:** —it's going to take people who have currently been liable to pay land tax completely out of the responsibility going forward. There are very significant reforms, which we are putting to the people of South Australia. We are very proud of the fact that we have the backbone to actually stand up for reform in South Australia, unlike the Leader of the of the Opposition, the jellyfish Leader of the Opposition, who has no backbone—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —and no position on reform whatsoever. He's finally got a position in place—and he's so proud of it.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** He's so proud that he's finally made a decision.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** He's finally arrived at a position. It's the wrong position, but at least he's got a position now.

*Members interjecting:*

**The SPEAKER:** Order, members on my left! The member for Playford can leave for the remainder of question time for consistent interjections and, when he does, the leader will have another question. I remind members that there is a bill on land tax before the house. Leader.

*The honourable member for Playford having withdrawn from the chamber:*

#### LAND TAX

**Mr MALINAUSKAS (Croydon—Leader of the Opposition) (14:28):** My question is to the Premier. Why won't the Premier take his land tax aggregation policy to an election?

**The Hon. S.S. MARSHALL (Dunstan—Premier) (14:28):** Well, because we have it before the parliament at the moment. This is an opportunity for people to make a decision—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —upon what is in their best interests. I make the point that the modelling that has been completed shows that 92 per cent of individual investors—

*Members interjecting:*

**The SPEAKER:** Order, leader! The member for Kurna is warned.

**The Hon. S.S. MARSHALL:** The question that those opposite need to really concern themselves with is: what are they going to say to those 92 per cent of individual investors who are going to be worse off—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Order! The Leader of the Opposition will cease interjecting. It pains me to remove him. I don't like doing that to the Leader of the Opposition, but if I have to, I must. Premier.

**The Hon. S.S. MARSHALL:** The question for the opposition is: what is their statement to those people who will be directly affected, adversely affected, by the Leader of the Opposition and the Labor Party's position to block this very significant reform? We have been able to very clearly show that there are many, many tens of thousands of beneficiaries of the reform—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —that we are putting in place. We have been very clear that it won't advantage every single South Australian. And reform is difficult. That's why at times like this—this is a test, this is an absolute test, of the backbone of reform.

**Ms Stinson:** Sure is, and you've failed it five times.

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

**The Hon. S.S. MARSHALL:** And I make the point that the opposition were not capable of significant reform while they were in government. They held back our state for a long period of time. They whinged, they whined, they complained on the—

*An honourable member interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —national stage for a long period of time, and South Australia was basically at the bottom of every single league table for 16 years, virtually. That's unacceptable, and that's why the people of South Australia voted to change the government. We are not going to apologise for putting the interests of South Australians first. We are not going to apologise for making tough decisions which we think will advantage our state overall. If those opposite want to continue to play politics and put grubby politics before the interests of South Australians, well, that is their decision, but all of the people on that side of the chamber—

*The Hon. A. Piccolo interjecting:*

**The SPEAKER:** The member for Light is called to order.

**The Hon. S.S. MARSHALL:** —need to reflect on their motivation, their true motivation. They need to really think about this decision because there will be tens of thousands of people who will be disadvantaged from the position, and not one of those opposite yet, not one of them—

*The Hon. S.C. Mullighan interjecting:*

**The SPEAKER:** Member for Lee!

**The Hon. S.S. MARSHALL:** —has been able to advance any cogent argument why two people with the same property value can be paying two completely separate rates of tax. So this is a reform. It's a reform which is going to put fairness back into our land tax system in South Australia and lower—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —land tax receipts for the government. It's a significant reform. It's a significant reform.

*Mr Picton interjecting:*

**The SPEAKER:** The member for Kurna is warned.

**The Hon. S.S. MARSHALL:** It's a significant reform and we on this side of the chamber are up for reform, putting the people of South Australia first.

### REGIONAL GROWTH FUND

**Mr McBRIDE (MacKillop) (14:31):** My question is to the Minister for Primary Industries and Regional Development. Can the minister update the house on—

*Mr Odenwalder interjecting:*

**The SPEAKER:** The member for Elizabeth can leave for the remainder of question time for interjecting during that question, which I have asked members respectfully not to do—please. Sorry, member for MacKillop, can you please repeat the question so that I can hear it?

*The honourable member for Elizabeth having withdrawn from the chamber:*

**Mr McBRIDE:** Can the minister update the house on how the state government is delivering regional infrastructure in the South-East?

**The Hon. T.J. WHETSTONE (Chaffey—Minister for Primary Industries and Regional Development) (14:32):** Yes, I can, and I thank the member for MacKillop for his very important economic question. On one of my most recent trips down to the South-East I was able to go and have a look at the great work that the Regional Growth Fund has done to stimulate a growing economy down in the South-East. Of course, the first project I looked at was where the Coorong District Council have received funding towards water harvesting projects down there, and it was the installation of four line catchments at Salt Creek and Woods Well.

We all know that here in South Australia, nationally even, we are going through a very, very severe drought, and we are also dealing with the questionable water security on our primary producers. These four line catchments down in that area are assisted with a weather station. What it does is it gives diversity with water catchment and it also gives diversity on farm, allowing that water to be caught and to support a livestock practice that is critically important to an area down there that is very affluent and has large amounts of livestock, but it has quite a significant water shortage in those areas.

It's also great to see that those landowners got together with the council and they have built this project under a successful pilot, which was brought together locally with the technical advice and expertise to make these four catchments successful. After we had visited there, I drove down to Bordertown and I had a look at the intermodal facility down there, the disused rail yards. It was just an economic invitation for a number of businesses.

What we see down there, to the tune of half a million dollars, is this project breathing life back into the defunct railway station at Bordertown. The intermodal now gives opportunities, diversity, in moving some of the primary industries' produce on the main line from Melbourne to Adelaide. It's giving options to fibre, it's giving options to red meat and it's giving options to grain to be taken down to Adelaide via rail. This is about building efficiencies into the transport and logistics links between Bordertown and Adelaide.

Also, down at Kingston, I know that the member for MacKillop was absolutely delighted to see that this money, over \$340,000, is going into a rebuild of the main street in Kingston, bringing the three main streets together as one vibrant precinct. Not only is it about attracting people into that area but it's about upgrading the precinct so that tourists are attracted there. It is one of the great playgrounds along the south-east coast.

Not only did the South Australian government through the Regional Growth Fund see this project as an opportunity but so did the commonwealth government. It just shows that the state

government and the commonwealth government can work with the local government precincts, giving them growth, giving them vibrancy and also making sure that they grow their economic capabilities.

The Regional Growth Fund has two rounds. The competitive round has been run. The expenditure of the competitive and the strategic pool has been expended—\$15 million into our regional economy. That also adds a multiplication with those regional economies, giving them the opportunity to build and grow but also to stimulate a fast-tracking of some of those projects that have long been awaited.

I must say that the difference between this government and the previous government is that we are not picking winners. We are giving the three Cs: the clustering, the collaboration and the building communities.

*Mr Hughes interjecting:*

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

**The Hon. T.J. WHETSTONE:** We might get those on the other side—

*The Hon. L.W.K. Bignell interjecting:*

**The SPEAKER:** The member for Mawson is called to order.

**The Hon. T.J. WHETSTONE:** That's right. But what I would say is that this government is building an economy for all regional communities, not just individuals.

#### LAND TAX

**Mr MALINAUSKAS (Croydon—Leader of the Opposition) (14:36):** My question is to the Premier. Why have the Master Builders Association, the Motor Trade Association, the Urban Development Institute of Australia and Business SA not been consulted regarding this latest land tax change and not announced support for land tax 5.0?

**The Hon. S.S. MARSHALL (Dunstan—Premier) (14:37):** We are out, talking to industry all the time. Most of those organisations that you talked to I have spoken to in the last 24 hours, so I don't know—

*Mr Szakacs interjecting:*

**The SPEAKER:** Order! The member for Cheltenham is called to order.

**The Hon. S.S. MARSHALL:** The Leader of the Opposition doesn't like an answer so he asks another question.

*The Hon. V.A. Chapman interjecting:*

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

**The Hon. S.S. MARSHALL:** Why don't you sit there and listen to the answer? This is the problem with this Leader of the Opposition. He is like this blob, this jellyfish, with no spine whatsoever. He has no spine, no backbone, gutless, not up for reform in government, doesn't want to take responsibility for the policy failure in his areas over a long period of time.

*Members interjecting:*

**The SPEAKER:** Could the Premier please be seated for one moment. There is a point of order from the member for Lee.

**The Hon. S.C. MULLIGHAN:** It is long-established principle that it is unparliamentary to refer to other members as animals.

**The Hon. S.S. MARSHALL:** I'm happy to withdraw that the Leader of the Opposition is a jellyfish.

**The SPEAKER:** Thank you. The Premier has withdrawn.

**The Hon. S.S. MARSHALL:** But he does have some characteristics common to a jellyfish, but I agree we should not refer to the Leader of the Opposition as a jellyfish.

**The SPEAKER:** No, we should not—or any other insect or animal or otherwise.

**The Hon. S.S. MARSHALL:** The point I am trying to make is that there is no backbone to this opposition leader. He is the weakest opposition leader we have seen.

*Members interjecting:*

**The SPEAKER:** Order, leader!

**The Hon. S.S. MARSHALL:** He couldn't make a decision for months and months and months and then he consulted with people. He didn't like what he heard, so he consulted with other people.

*Members interjecting:*

**The SPEAKER:** Premier, be seated for one moment. Members on my left—

*Mr Boyer interjecting:*

**The SPEAKER:** Member for Wright, you can pay for the sins of your colleagues for that outburst of interjection. You can leave for the remainder of question time.

*The honourable member for Wright having withdrawn from the chamber:*

**The SPEAKER:** There was a tidal wave of interjections during the Premier's answer. I appreciate that the Premier did not do his best to curtail the interjections; however, interjections are disorderly. I ask them to cease. I have pulled up the Premier for that reflection. He withdrew the statement. I would like to listen to the Premier's answer. The Premier has the call.

**The Hon. S.S. MARSHALL:** As I was saying, we have been consulting for a very long period of time, since the day that the budget was brought down. We said that we would listen to the people of South Australia, and we have responded to the consultation that we had with people. I think what we have before the house at the moment is a balanced position of reform, which will be a fairer land tax system and lower land tax.

*Mr Malinauskas interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** What are those opposite doing?

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. S.S. MARSHALL:** What are those opposite doing? They are denying \$90 million worth of tax cuts to the people of South Australia. They said, 'No, no, no. You are not going to have the tax cuts,' because those opposite—

*Mr Picton interjecting:*

**The SPEAKER:** The member for Kaurana is warned for the second time.

**The Hon. S.S. MARSHALL:** —are in love with taxes. They love taxes. When they were in government, at every single opportunity the member for West Torrens, and before him the former member for Playford, would sit there at night—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —doodling and they would think, 'How can I create a new tax?' They dreamed up some beauties: the car park tax and the bank tax. They removed—

*Mr Malinauskas interjecting:*

**The Hon. S.S. MARSHALL:** That's a tax cut. That's a tax cut that you are blocking. This is the problem. There is a basic lack of understanding. There is a basic lack of understanding because what we are putting forward are \$90 million worth of tax cuts over a three-year period, starting on 1 July next year. That is what we are putting forward. Those opposite, when they were in government, proposed all sorts of things: a car park tax and bank taxes. At one stage they flirted with the idea of—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —putting a tax on the family home. The former premier of South Australia said that he wanted to have a 50 per cent increase in the GST rate in South Australia. At every single opportunity, they were grabbing money out of the pockets of hardworking South Australians. By contrast, we have done everything we can—every single thing we can—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —to reduce that burden on South Australians and this is the next tranche. The only thing—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. S.S. MARSHALL:** —that is stopping \$90 million worth of land tax cuts flowing through to our economy, creating jobs in South Australia, is the Australian Labor Party—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —because they like taxes. They want to increase taxes—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. S.S. MARSHALL:** —at every single opportunity. Heaven help our state if they ever get back on the treasury bench because it will be an absolute disaster. The member for West Torrens has all this idle time sitting over there, dreaming up new ways to pinch the people of South Australia. We are very happy with what we have put forward. It has been widely consulted. It's before the parliament and the only thing that is standing in the way now of a massive tax reduction come 1 July next year is the Australian Labor Party.

*Members interjecting:*

**The SPEAKER:** The member for Kaurana is warned for a second and final time. The member for Florey is patiently waiting, then the member for Lee and then the member for Kavel. The member for Florey.

#### FUEL PRICE MONITORING

**Ms BEDFORD (Florey) (14:42):** My question is to the Attorney-General. What would be the cost of establishing a real-time fuel price application?

**The Hon. V.A. CHAPMAN (Bragg—Deputy Premier, Attorney-General) (14:42):** There are various models, as the member is well aware, and I think I outlined a number of them on the last occasion, including the Western Australian model, which we have obtained some information on. The last I can recall, we don't have a model of the amount for the trial in Queensland. It was about \$3 million, I think, when the Northern Territory proposal a year ago was put on the table. My recollection is that it's about \$12 million a year for New South Wales. I will check those and get that information to you. These are over and above the app, which is currently available, of course, but which is not as real-time as we all want it to be.

The member might be interested in having some further information about an app that is being trialled in Victoria at present, which has had some recent publicity. We are also looking at the availability of that. For the benefit of members who didn't receive our response, the Western Australian model is one that simply allows for a freeze on the amount that is charged for a 24-hour period, as distinct from a real-time app, so there are different models. They are in the category of millions of dollars a year.

From our point of view, as we indicated, our commitment was to review these. We are doing that. Unfortunately, those that we thought might be useful haven't been, for the reasons I have explained. Queensland is nearing its first year of a two-year trial and we want to make sure, most importantly, that any app, whatever the cost is to implement it, is not going to create an increase in petrol prices.

### FUEL PRICE MONITORING

**Ms BEDFORD (Florey) (14:44):** Supplementary: can the Attorney give me an explanation that I could pass on to my constituents about why petrol prices have risen by as much as 40¢ again, to see petrol at \$1.70, at only some outlets in Adelaide this week?

**The Hon. V.A. CHAPMAN (Bragg—Deputy Premier, Attorney-General) (14:44):** I haven't got the answer to why the price rise was for this week, but I think the member would be well aware that, in all the time she has been in public life, there have been variations in petrol prices. Sometimes it is argued that it is a result of the wholesale price of oil and then fuel. Of course, we don't have a fuel refinement facility in South Australia anymore, so we rely on imports, which in a way is real-time ordering in that regard. There have been explanations over the years as to why there are variations in any particular time frame, but I can make some inquiry and get back to the member on that.

### LAND TAX

**The Hon. S.C. MULLIGHAN (Lee) (14:45):** My question is to the Premier. When did the Premier first learn that members of his party room still reserve their right to oppose or abstain from supporting his latest land tax package?

**The Hon. S.S. MARSHALL (Dunstan—Premier) (14:45):** We don't reflect on those matters in question time.

*Members interjecting:*

**The SPEAKER:** Order!

*Parliamentary Procedure*

### VISITORS

**The SPEAKER:** I welcome to parliament today Ms Janet and Mr Barrie McDonald, who have recently celebrated their 60<sup>th</sup> wedding anniversary, hosted by the member for King. Welcome to Parliament House.

**Ms Bedford:** What a way to spend your day!

**The SPEAKER:** What a way to spend it—exactly right.

*Question Time*

### LAND TAX

**The Hon. S.C. MULLIGHAN (Lee) (14:45):** My question is again to the Premier. Can the Premier assure the house that every member of his party room supports his latest land tax proposals?

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.A.W. GARDNER:** Sir, the member is clearly talking about where people are going to vote on the bill, and the appropriate mechanism to express that is through a vote in the parliament.



**The SPEAKER:** What I will say is that it was a version, almost, of an earlier question. It might have been altered a little bit. Would the member for Lee like to ask another question?

*Members interjecting:*

**The SPEAKER:** Order!

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader, be quiet!

#### LAND TAX

**The Hon. S.C. MULLIGHAN (Lee) (14:46):** Can the Premier explain to the house why he is making further changes to his land tax proposals?

**The Hon. S.S. MARSHALL (Dunstan—Premier) (14:46):** We have made it very clear: we are listening to the people of South Australia. We are listening to—

*Members interjecting:*

**The SPEAKER:** Order! The leader is warned for a second time, and he will be leaving if this continues.

**The Hon. S.S. MARSHALL:** We have made it clear since the very day the budget was introduced into this house that we were open to listen to the people of South Australia. We didn't implement it on 1 July this year. That is what those opposite did, with a range of increases in fees, fines, taxes and levies over a long period of time. They implemented them often just a few days later. The reality is that we are taking this time to make sure that we have a balanced situation for the people of South Australia.

We make it clear again that this is a reform that is difficult—there are no two ways about it—but we have this desire to get our state moving in the right direction, to become more competitive on the national stage. When we look at the rate that we have, the rate that we inherited from the previous government, the top marginal rate was 3.7 per cent. This reflects very poorly in terms of an investment destination nationally, so we want to change that. For some reason, those opposite say, 'No, no.'

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** Let's leave us with the most uncompetitive land tax rate in the entire nation.' We say no. We are up for this reform. Those opposite—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —want to deny those mum-and-dad investors the \$90 million worth of tax cuts that are coming their way on 1 July next year. They say, 'No, bad luck.'

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** We want to play politics in the parliament. We want to get the boxing gloves on and take a few swings.' It has taken them a long time to work out where they will actually land. Now they are there, but it is the wrong position because it doesn't back—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Order, leader!

**The Hon. S.S. MARSHALL:** —the people the Leader of the Opposition pretends to represent. They pretend to represent the people of this state; they couldn't be further from those people. At the moment, SACOSS and the Property Council are out saying, 'It's time for reform in South Australia,' but Labor say, 'No, no. We know best. We know all about taxes. We know all about

tax reform. You've got it completely wrong.' They are saying, 'Let's leave South Australia in a mess with the highest land tax rate in the nation.'

Well, it hasn't served South Australia well in the past. It has driven investment dollars out of our state, and it has basically said to South Australian investors, 'Go and invest your money in other jurisdictions because you will get a better return.' This is unacceptable—completely and utterly unacceptable. We want a fairer system. We want a lower land tax rate in South Australia, and that is what we have in front of the parliament at the moment. It beggars belief, quite frankly, that those opposite do not want to back the tens of thousands of people in South Australia, the more than 92 per cent of individual investors in South Australia—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —and more than 75 per cent of company groups in South Australia who will be better off—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —under what we are putting forward. But we know that those opposite don't really doubt the information—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. S.S. MARSHALL:** —that has been independently verified and the modelling that has been independently verified by PwC. They don't really deny it, but what they do, their sole interest, is talk down the state—playing politics, holding our state back. Not content with shirking their responsibilities while they were in government, now they want to inflict further pain on the people of South Australia from opposition.

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader, be quiet!

**The Hon. S.S. MARSHALL:** But it will be the parliament that decides whether or not the people of South Australia will benefit, and we will be arguing that case all the way through to the conclusion of the debate.

**The SPEAKER:** I remind the opposition that certain questions may be better asked at the committee part of the debate on the bill that is on the *Notice Paper*.

*Mr Patterson interjecting:*

**The SPEAKER:** The member for Morphett is called to order for constant interjections. I call the member for Kavel. I will come back to the member for Lee.

#### SCHOOLS WITH INTERNET FIBRE TECHNOLOGY PROGRAM

**Mr CREGAN (Kavel) (14:50):** My question is to the Minister for Education. Can the minister update the house on the state government's program to roll out internet to schools across the state, including in my electorate of Kavel?

*Members interjecting:*

**The SPEAKER:** The member for Kaurana is on two warnings. The minister has the call.

**The Hon. J.A.W. GARDNER (Morialta—Minister for Education) (14:51):** I am very pleased to get this question from the member for Kavel because he, like all members on this side—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.A.W. GARDNER:** —is concerned deeply with the opportunities we have to build South Australia, to build the infrastructure in South Australia, and in our school system internet infrastructure is critically important and has been for many years. It has been an important part of the delivery of the school program and curriculum for many years. But it has been hard in South Australian schools for them to gain the full benefits, the opportunities of the technology and the opportunities for curriculum delivery in South Australia, because unfortunately for far too long our schools here in South Australia have had the slowest internet connections in mainland Australia.

Indeed, from the beginning of this term in government, when Steven Marshall was elected as Premier until June of next year, we are going to go from having the slowest internet speeds on the mainland to the fastest, and that is a very exciting proposition for schools around South Australia.

I know that the member for Kavel, whose parents were both schoolteachers, cares deeply about this because it gets outcomes for our students as we are seeking to set them up for a future where there are opportunities in defence, there are opportunities in space, there are opportunities in cyber and, indeed, in regional electorates in Agtech and a whole range of other opportunities which come through STEM education and which are going to be best delivered when the schools are set up appropriately with the right infrastructure to deliver that.

It is very exciting that this project, since we announced it in December last year, is 51 per cent complete, and we are on the way to completing that for all South Australian schools by June next year, except for those four that have their own specific solutions.

In the member's seat of Kavel, there is some very exciting news at some of his local schools: Mount Barker High School just last week had the connections laid for the internet infrastructure, and Hahndorf Primary School as recently as 24 October. Very soon—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader!

**The Hon. J.A.W. GARDNER:** —Mount Barker Primary School and Oakbank Area School—

*The Hon. A. Koutsantonis interjecting:*

**The SPEAKER:** Member for West Torrens, be quiet!

**The Hon. J.A.W. GARDNER:** —will be connected on 6 and 5 November respectively. In term 4 also, in week 8, we will see Nairne Primary School and Woodside Primary School connected. Littlehampton and Mount Barker South will also have the opportunity to have this connection before the middle of next year.

Across South Australia schools, are benefiting from this right now, and I know that other members are excited. I know that Frances Primary School, which I visited with the member for MacKillop just last week, was very appreciative of the fact that on Thursday of this week they are being connected. Clarendon Primary, Angaston Primary, Elizabeth East Primary, Mallala Primary, Wandana Primary, Pooraka Primary, Willunga High, Upper Sturt Primary and Elizabeth Park Primary School are all being connected this week, which I know the members for Elizabeth, Narungga, Torrens, Florey, Mawson, Heysen, MacKillop and Schubert are all very excited about, as they should be, because this is a great opportunity for our schools.

We have 134,000 students who are now experiencing in their schools the opportunity to benefit from rapid high-speed internet that can be turned on and off like a tap with that level of reliability—uncontested internet connection. So when one class wants to use internet in the delivery of the curriculum in that class, they can turn on all of their devices with internet connection at once, knowing that the class next door isn't going to experience a drop in the speeds of what they're using.

We have also had 15,600 educators at the schools that have already been connected, and this will roll out to everybody. The benefits for those educators extend beyond just what can be delivered in the classroom and in the curriculum. In remote and regional areas, it can sometimes save days of travel to Port Augusta or to Adelaide to experience some professional development that can be delivered one to one through Skype online. That is an enormous benefit for schools, for

teachers and for students. This is something that will benefit all students in South Australia as part of the world-class education that we want them to have.

#### LAND TAX

**The Hon. S.C. MULLIGHAN (Lee) (14:55):** My question is again to the Premier. Why does the Premier claim his latest proposals provide a land tax cut of \$90 million when his Treasurer told radio this morning that the government would be collecting more revenue under this latest package?

**Mr Malinauskas:** Because it's a tax increase!

**The SPEAKER:** Leader of the Opposition, I find that sort of outburst grossly disrespectful. I have asked you to cease doing that sort of thing today. You can leave for the remainder of question time.

*The honourable member for Croydon having withdrawn from the chamber:*

**The Hon. J.A.W. GARDNER:** Point of order: standing order 97, sir.

**The SPEAKER:** Why does the Premier claim something when the Treasurer said something else? You have had some pretty good arguments today, Minister for Education; that is probably not the best one. I am going to allow the question. Premier.

**The Hon. S.S. MARSHALL (Dunstan—Premier) (14:55):** Thank you very much, sir. I am happy to answer this question, although it seems to me quite a diversion from the practice that I have observed in this chamber since I came to parliament of not speaking regarding bills when they are before the house, but—

**The Hon. A. Koutsantonis:** Like the bank tax?

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** —this seems to be the new norm in question time and I'm happy to answer the question.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.S. MARSHALL:** The reforms that we have—

*Members interjecting:*

**The SPEAKER:** Premier, please be seated for one moment. I know that the member for West Torrens and the member for Lee may have a specific view about questions that were asked when the bank tax was on the *Notice Paper*. I have taken them into account. The Premier has the call, and I would like to hear the Premier's answer, because that would enable me to give the member for Lee another question. Premier.

**The Hon. S.S. MARSHALL:** Thank you very much, sir, and I'm happy to answer this question and clarify the situation, because those opposite—

*The Hon. S.C. Mullighan interjecting:*

**The SPEAKER:** Member for Lee, be quiet!

**The Hon. S.S. MARSHALL:** —are struggling. I'm happy to talk about the reforms that we propose that will come into effect on 1 July next year and then two years after that. I think they are important reforms, and they come in a number of packages: one is an increase in the threshold, which was announced in not last year's budget but the budget before; the second is to deal with the rates issue; and the third is to do with aggregation.

With regard to the first item, we plan to lift the threshold from \$391,000 to \$450,000 on 1 July next year. In addition to that, we propose aggregation, and we have outlined the detail of that aggregation. I think it's one of the most liberal versions of aggregations that exists, which does provide people to not have aggregation between husband and wife, to not have their principal place of residence aggregated, and to also have other investments that are not aggregated, as has been

outlined by the Treasurer previously. But there is a form of aggregation, and it's an important reform, because I think it will result in a fairer system for South Australia. The third area is the area that—

**The Hon. S.C. Mullighan:** Why are you terrified of the truth?

**The Hon. S.S. MARSHALL:** I'm sorry?

**The SPEAKER:** The member for Lee is warned for a second and final time. Member for Lee, I ask you to cease interjecting, or you will be leaving.

**The Hon. S.S. MARSHALL:** The third area, though, is absolutely critically important, and for some reason this seems to be the issue that some of our opponents are obsessively against. We want to basically move from a top rate of 3.7 per cent to something which is more closely aligned with the national average. In fact, if we look at the average of the mainland states of Australia, the average is 2.4. That is what we propose as our top marginal rate, which would initially kick in at the threshold of \$1.35 million, and then two years thereafter would be raised by another \$250,000 to \$1.6 million

This is a very important reform because it makes us more competitive. By making us more competitive, it will bring more investment dollars into South Australia. This will create jobs, create a stronger future for the people of South Australia—and that's what this is actually all about. Those three things taken together will result not in an increase in taxation to government coffers but actually a reduction of \$90 million over a three-year period.

I am not specifically aware of the reference made—they didn't introduce that into their question—but I make the point that those three reforms taken together will provide \$90 million worth of tax relief to the people of South Australia, kicking in on 1 July next year, and there is only one thing that stands between that massive tax cut, the largest land tax cut in the history of this state, and the people of South Australia. There is only one thing that stands in front—and that is Labor.

#### CLIMATE CHANGE

**Dr CLOSE (Port Adelaide—Deputy Leader of the Opposition) (15:00):** My question is to the Minister for Environment and Water. Why did the minister go from calling Semaphore community members 'a noisy minority that is standing in the way of a climate resilient strategy to our state' to agreeing to their requests within 24 hours?

**The Hon. J.A.W. GARDNER:** Point of order: by characterising certain people as saying certain things without seeking leave, the member has failed in her duties under standing order 97.

**The SPEAKER:** For inserting words into the question, I do uphold that point of order. I will allow the deputy leader to rephrase; if not, we will move on to another question.

**Dr CLOSE:** Why did the minister capitulate to the Semaphore community?

**The Hon. J.A.W. GARDNER:** Point of order.

**The SPEAKER:** The point of order is for argument for that characterisation in that question.

**The Hon. J.A.W. GARDNER:** Sir, you are wise.

**The SPEAKER:** I uphold the point of order. I will move to the member for Mount Gambier.

#### PORT MACDONNELL BREAKWATER

**Mr BELL (Mount Gambier) (15:01):** My question is to the Minister for Infrastructure. Has the minister responded to the Professional Fishermen's Association's request to visit the Port MacDonnell breakwater and address the issues raised? Can the minister commit to a date?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning) (15:01):** I thank the member for Mount Gambier for his question. I am certainly very keen to come and visit any time that the member for Mount Gambier extends his hospitality. I remember the last time I was down at Mount Gambier I actually did have the opportunity to go down to Port MacDonnell and to look firsthand at the accumulation of seaweed that exists there inside the marina area.

It is a vexed issue because it is one that we need to seek a longer term solution for. Certainly, there are suggestions around dredging to be able to deal with some of the short-term issues, but the reality is that seaweed is going to continue to collect in there because of the tidal flows, and trying to find a long-term solution to that is one that we are working on. I do know that the department has been in contact both with the council and the fishermen in relation to our desire to get at the heart of what's going on down there at Port MacDonnell.

It is an issue that exists there, but it does actually exist in a number of other areas. In fact, the member for Colton took me through West Beach to look at some of the issues there around the collection of seaweed. It is one that we are having to deal with. It does manifest itself at Port MacDonnell, but I do know that the department is actively working on that.

Member for Mount Gambier, I would be more than happy to come down to your electorate and help look through some of the massive commitments that the Marshall Liberal government has put on the table for the people of Mount Gambier, not least of which is the \$10 million towards the local sport and recreation hub to help get that off the ground so that the people of the South-East can have a brand-new facility, one that the federal government came to the party on and one that we, early in our term in government, are helping to deliver on. Yes, \$10 million of state money that needs to be recognised on every single occasion.

Also, to travel some of the roads on the way to Port Mac that are actually going to see some upgrades happen in the not too distant future to help bring the speed limit back up to 110, as we are driving down we can go past the area where the three new overtaking lanes are going to be delivered, which is an upgrade; just before your electorate, but pretty close, getting pretty close to your electorate. Member for Mount Gambier, I am more than happy to come down and visit.

As to a date, I tend to look one or two days in advance, but I am more than happy to make sure that it is something that gets on the schedule—not needing to wait for me to get down there and see it, as I have seen it firsthand, but making sure that we deliver a solution, given the fact that the season is now upon us, is very important.

#### **DOMESTIC AND FAMILY VIOLENCE**

**Mrs POWER (Elder) (15:04):** My question is to the Attorney-General. Will the Attorney-General outline to the house how the standalone strangulation offences have assisted in the charging and prosecution of domestic violence offenders?

**The Hon. V.A. CHAPMAN (Bragg—Deputy Premier, Attorney-General) (15:04):** I wish to thank the member for Elder, who of course is an assistant minister to the government and indicates the priority which the Premier has given the prevention of domestic violence in our state. The question that is being sought indicates to me one of a number of areas that have been very significant in the reforms that have been advanced.

In January this year, the new laws developed created a new standalone offence of a strangulation in a domestic setting. Evidence has told us that strangulation is a precursor for domestic violence homicides and should not be tolerated in our communities. If any member has any doubt about the significance of the precursor connection, then they should read the research, which has been published over a number of years now by the Coroner, who has a full-time research assistant, in relation to the deaths primarily of women in domestic violence circumstances.

As of August this year, the figures revealed that 291 persons had been charged with 341 counts of choking, strangling or suffocating a domestic partner, child or other relative in just the months since that time until August. Whilst there are a number of matters before the court, we have also seen already the first conviction of a strangulation offence. The sheer volume of defendants charged with this offence continues to be a cause of concern and highlights the prevalence of domestic violence in our society.

I would like to take the opportunity on this occasion to thank all organisations who remain committed to this amendment, including the South Australian police who were active in their advice to us in the development of this reform, and support during the progress through this parliament, and have actively been utilising the changes when attending to incidents of domestic violence. We rely on the South Australian police, who attend the scenes on these occasions when they are called for

assistance, to protect those in these circumstances and, of course, undertake the investigation and recommendation for charges.

This government remains committed to developing policies and laws that protect those who are either at risk or who have experienced some form of domestic violence. Through the legislative reforms, such as the standalone offence of strangulation, we have also introduced tougher penalties for repeated breach of intervention orders and the policy initiatives, such as the trial of the Domestic Violence Disclosure Scheme, which I know the member for Elder has been very instrumental in not only being part of the announcement of that but has taken an active interest in the rollout of that scheme and we thank her for that. All of this goes towards better protecting South Australians who have experienced or are at the risk of experiencing domestic violence.

I, as Attorney-General, will continue to seek other measures that can be taken to support these victims of crime and work hand in hand with the Minister for Human Services and our very own assistant minister on the important initiatives. These are important to progress here in South Australia but also at the national level to work with our federal colleagues. As I have said previously, if this government's domestic violence reforms save just one life—one death at the hand of a partner—then they will have been a success.

#### MINISTER FOR ENVIRONMENT AND WATER

**Dr CLOSE (Port Adelaide—Deputy Leader of the Opposition) (15:08):** My question is to the Premier. Has the Premier received any correspondence from any member of the public complaining about the Minister for Environment and Water making threats in phone calls after people have disagreed with him on social media?

**The Hon. S.S. MARSHALL (Dunstan—Premier) (15:08):** I have not seen anything, and I must say that the only correspondence I receive about the Minister for Environment and Water is extraordinarily glowing. In fact, I can hardly go anywhere near his electorate.

*Members interjecting:*

**The SPEAKER:** Order, members on my left!

**The Hon. S.S. MARSHALL:** In fact, I feel quite inadequate because people talk about him as an extraordinary member of parliament, somebody who is very, very in tune with the electorate and all the things which are fantastic about his electorate. He is doing a very good job in his portfolio and as the cabinet secretary, so it is a big gold star for the Minister for Environment and Water as far as I'm concerned.

#### COASTLINE PROTECTION

**Dr CLOSE (Port Adelaide—Deputy Leader of the Opposition) (15:09):** My question is to the Minister for Environment and Water. What work has been done to date to identify an appropriate external source of sand for West Beach?

**The Hon. D.J. SPEIRS (Black—Minister for Environment and Water) (15:09):** This is a question that gives me the opportunity to speak about what is a great project for developing the climate resilience, as the deputy leader mentioned in her previous question, of our metropolitan coastline. We know that Adelaide's coastline is under substantial threat from rising sea levels, from increasing storm events and from human interaction, and we know that that manifests itself in particularly vulnerable spots along the coastline, none more vulnerable than the communities of West Beach and Henley Beach South.

These are really the victim of a range of processes: the natural south to north drift of sand but also man-made infrastructure that exacerbates the movement of sand and has led to very significant erosion at West Beach and Henley Beach South. That's spreading up the coastline to Henley Beach and Grange as well, and we know that that cell within our metropolitan coastline is particularly vulnerable. It has been great to have advocacy, over the last couple of years, from the member for Colton as he has sought to fight for his community and ensure that this government is focused on strengthening our metropolitan coastline, building in climate resilience and ensuring that we have a very clear plan to sustain the metro coastline—to sustain it for the environment, to sustain it to protect built infrastructure and to sustain it for lifestyle and recreation as well.

Our plan to sustain our coastline includes three elements: firstly, getting an initial injection of sand into the West Beach area. Granted, there have been some challenges in sourcing that sand in recent days, but we have had to be pragmatic about that, work alongside residents and have pretty up-front conversations at times. We have now established a way forward with that, and that will give us an initial load of sand to take into West Beach. Then we will be examining, as the deputy leader asks, an external source of sand to ensure we have a mass replenishment available for West Beach and Henley Beach South.

We are undertaking studies at the moment as to where that sand can be located from, particularly in terms of the quality of the sand, whether it is the appropriate grain of sand and, of course, considering things like external contaminants and the like. There are a number of possibilities in terms of places that sand could be sourced from, including the offshore site around Port Stanvac. They also include onshore sites.

I know that in the past, when the last mass replenishment occurred, sand was located from the Mount Compass area, from the sand quarries there. I think the preference for this project would be an offshore deposit of sand that has been pushed out into the area around O'Sullivan's Beach and Port Stanvac. We are investigating that at the moment. It will take some time in terms of understanding the quantities that are available, the appropriateness of that sand and the strategy for getting it out.

The last component of the replenishment program is to build the sand reticulation pipeline from the Semaphore area through to West Beach to ensure that the south-north sand drift, the natural drift, can be recycled round and round the system, reversing the natural drift and securing West Beach and Henley Beach South once and for all, which I know is what those communities represented by the member for Colton are so keen to see.

#### *Parliamentary Procedure*

#### **PAPERS**

**The Hon. V.A. CHAPMAN:** As the Attorney-General, according to statute I lay on the table the Review of the Operations of the Judicial Conduct Commissioner 2018-19 and the Review of the Operations of the Independent Commissioner Against Corruption and the Office for Public Integrity 2018-19, both authored by the Hon. J.R. Sulan QC.

#### *Grievance Debate*

#### **ENVIRONMENTAL CONSERVATION**

**Dr CLOSE (Port Adelaide—Deputy Leader of the Opposition) (15:14):** I rise to talk about how important it is that we take our natural environment seriously, and therefore how important it is that we have a decent environment minister in this state. Let us briefly run through the challenges that we face as a planet.

Here is the quick primer for you if you are ever asked, 'What's wrong? Why are we worried about the environment?' Number one, if you are under 40 you have never experienced a year that is cooler than the average year temperature of the 20<sup>th</sup> century. If you are under 34, you have never experienced a month that was cooler than the average of the 20<sup>th</sup> century temperature. If you are under 18, nearly every year that you have lived has been in the hottest 18 years ever recorded.

What about the natural environment? Not only is it under pressure from climate change but we are also independently seeing the impact of land degradation, land use and pollution. We have one million species that are on the list of heading towards extinction across the planet; that came out in an IPCC report earlier this year. Yesterday—only yesterday—240 Australian environmental scientists wrote to the Prime Minister, Scott Morrison, pleading with him to take the environment seriously because of the collapse of biodiversity in our country.

What kind of environment minister do we have in the face of those very, very serious issues? What kind of environment minister do we have in South Australia? We have a capitulator. We have a person who does not know when to stand and when not to.

**The Hon. J.A.W. GARDNER:** Point of order: the member is making personal reflections on members.



**The SPEAKER:** Yes, when we start calling people capitulators. Despite the fact that it is getting a bit tiring and old, I am willing to accept some sort of political argy-bargy and characterisation to a point, but I just want to caution the deputy leader. The deputy leader has the call.

**Dr CLOSE:** What happened on the River Murray, the most important river system in south-eastern Australia? What happened to the 450 gigalitres that we were promised under the Murray-Darling Basin Plan and promised through water efficiency measures? Under the Murray-Darling Basin Plan, the only socio-economic criterion that needed to be fulfilled was that there was a willing seller, an irrigator who was prepared to say, 'I will put a water efficiency project here, and then you can take the excess water and give it to South Australia for the health of the River Murray.' But, no, the Eastern States did not want that. They wanted to complicate that. They wanted pages and pages of criteria that needed to be agreed to. This minister agreed. This minister was found by a royal commission to have acted against the state's interests.

What about the natural environment in South Australia? Let's take the case study of Flinders Chase. We hear a lot of nonsense about the Flinders Chase development being approved under the Labor government. That is not the case. There was an agreement that we would have a private operator come in and have overnight accommodation in Flinders Chase close to the track. There was an amendment to that management plan that enabled that to happen close to the track. This government has approved over three kilometres of native vegetation in one of the 15 biodiversity hotspots in Australia being cleared so that people who are going to pay nearly \$1,000 a night can go into Flinders Chase and be on a clifftop that is completely undisturbed. That is what this government has agreed to.

As a result, the very good people of Kangaroo Island—farmers, businesspeople, environmentalists, artists—have risen up and said, 'This is not good enough. This is not how you treat the valuable asset we have here. Why will people want to come and visit? Why will people want to treasure this if it is being trashed by having native vegetation cleared for the sake of a few people being able to stay in a very special part of the state?' That is why the friends, those beautiful friends of Flinders Chase—they weed, they plant, they collect seeds and they grow them—are on strike. They are not doing that anymore. That breaks their hearts. They want to be in Flinders Chase helping, but they are heartbroken by this minister.

I think we can take what happened with Semaphore as read. The right decision was made in the end—more or less. We still need to ask questions about the impact on Semaphore South. But, if the minister had not written me a letter and said, 'I will not send a departmental person to your public forum'—200 people came—'because it's a waste of valuable departmental time', if this minister did not have that attitude to my community, maybe he would have worked out earlier that we were right and he was wrong. Instead, it took effort from the community. They put it in and I congratulate them.

The last point I want to raise as a question mark is financial responsibility. The minister makes much of, 'We're going to have 20 more rangers—fantastic! We're better than Labor—20 more rangers,' and he has recruited 18 rangers at the same time as allowing eight to take a package. Eight rangers were given money to stop being rangers—nearly \$500,000—while 18 were recruited. There was not a single extra dollar in the budget for any of those rangers. Shame! We need better.

#### **FINNISS ELECTORATE**

**Mr BASHAM (Finniss) (15:19):** I rise to talk about some exciting announcements and openings that have occurred in the seat of Finniss over the last couple of weeks. The first was the opening of the Mount Compass playground on Sunday 13 October, after a great announcement was made during the election campaign of 2018 that the Marshall Liberal government were going to put \$300,000 towards a playground in Mount Compass.

Mount Compass had not had a playground for its community, ever. The only playground they had was in the school itself. There were no playground facilities at the town oval or in any of the parks in the town, so this was an important feature that was lacking within the town. It was a great honour to be there to open it officially with the mayor, Keith Parkes, from the Alexandrina Council. The total investment into this playground was \$1.15 million.

It is an amazing facility with an amazing skate park and an amazing BMX track for the kids of the community to play on. It will be one of those playgrounds that people will come from miles around just to have a go. It was fantastic to watch the people enjoying it on the day of the opening. They were certainly doing things that I would be too scared to do on a pushbike or on a skateboard. It was amazing to watch them doing their tricks as they played on this new playground.

There is also a nature playspace and swings and slides. There are so many things there for the community to do. Probably one of the things I was most intrigued by was the toolkit there for the kids to fix their bikes. It is a pole that has a bike pump to pump up tyres and there are spanners, hexagonal keys and all sorts of things that kids can use to tighten the bits and pieces on their bikes if they become loose on the tracks. It is a minor piece of infrastructure, but an amazing one, to go with the playground.

I then had the opportunity on the same day to attend the opening of the Goolwa Surf Lifesaving Club, a new facility that has been built at Goolwa. The club has really only been in operation for about nine years. They went from operating in nothing, to having a shed donated to them by the CWA to operate in, to now operating in a fantastic facility. We saw the new facility opened to the public to enjoy as well. There is a bar to sit at, which would have to have one of the best views of any building I have ever sat in in South Australia, if not Australia. It looks over Goolwa Beach and sits within the sand dunes themselves. You feel like you are part of the dunes, sitting in this beautiful environment, looking out to the Southern Ocean.

It certainly has meant the club has gone from strength to strength. The number of members has grown dramatically, from the original handful through to several hundred members now involved in that facility, and that is on top of a previous upgrade at Chiton Rocks Surf Life Saving Club a year or so ago. They have recently received an award for the improvements they have made at their club.

I would also like to mention an event that occurred yesterday. It was an event organised by SteamRanger Heritage Railway to celebrate the opening of an upgraded bridge, which they received some federal government money to do. This bridge was in such disrepair that it was actually shut down for a very short period of time while an assessment was done. It actually stopped the train from being able to go past the town of Middleton, which would have been an utter disaster just before last summer. Luckily they were able to negotiate to put a speed limit on the bridge and keep operating. However, with the federal government investment, that was able to continue, and we have seen a great piece of infrastructure and a great tourism asset continue.

The work the volunteers did and how they actually turned that \$200,000 into a delivered bridge and then had money left over to go and buy an engine for another locomotive was amazing. They actually turned it into a win-win situation for everyone, so well done to those volunteers.

### **SERVICE CLUB WEEK**

**The Hon. A. PICCOLO (Light) (15:24):** Today, I would like to bring the attention of the house to the fact that last week was Service Club Week. Service Club Week is an opportunity for us to celebrate and recognise the outstanding contribution and achievements of all South Australian service clubs and the enormous contribution that individual volunteers in those clubs make to the state of South Australia and, of course, my local community.

While the clubs do great work in their own right, when they combine their efforts they do some fantastic things for their communities. In my home town of Gawler, the work of the service club and the combined service clubs is everywhere to be seen. The volunteering stories of these clubs are truly amazing. These traditions have been developed and nurtured by individuals over many years of service to the community.

From cleaning up local parks to assisting victims of natural disasters, club members so generously give their time, skills and talents to answer the needs and challenges that communities here in South Australia and around the world face. They spend a lot of time fundraising for projects overseas, as well as in their local communities.

I would like to provide some details about two of the clubs in the area and these are two of the earlier clubs that were established in Gawler. The inaugural meeting of the Apex Club of Gawler was held on 19 October 1951. Bob Taylor was the first president. In terms of their tradition of serving

the community, cleaning the Gawler South children's playground was the club's first project. In terms of fundraising, the first service project for monetary gain was grape picking at Lyndoch. In 1951, there would have been members of the Apex Club of Gawler who went out and picked grapes to raise funds for Gawler projects.

Another club I would like to mention is the Rotary Club of Gawler. As a result of a survey, the Port Adelaide Rotary members were hosts to 23 business and professional men at the Kingsford Hotel in Gawler on 1 March 1954. Later that evening, a meeting was held in the Gawler Institute, where there was a unanimous decision to form a provisional Rotary Club of Gawler. Nearly 300 people were present at the institute to see the charter presented to the first president, Mr Keith R. Hogben, on 24 April 1954. If my memory serves me correctly, former member for Light Dr Bruce Eastick was also a founding member of the Rotary Club of Gawler.

One of the first community projects undertaken by the club was the provision of an anaesthetic machine for the Hutchinson hospital, which was purchased before Christmas. A drying machine was also presented. When these clubs work together, they do two things: they provide valuable infrastructure to the community, in terms of parks and gardens and other projects, and they also provide important services and infrastructure for our community facilities.

Service clubs not only do good work and fundraise but also, importantly, provide a very important social role. In an increasingly complex and fast society, service clubs provide opportunities for individuals to have a sense of belonging by joining a service club to service their community and to also be part of a community, which I believe is very important.

Another example of work undertaken by service clubs is the Gawler Light Rotary Club's Wheels in Motion program, designed to help young people achieve their hours of driving so they can obtain their Ps. The Rotary Club of Gawler also help organise the annual Village Fair, which provides local charities with an opportunity to promote their work and raise funds for local projects. Two Kiwanis Clubs in Gawler run a terrific kids program through local schools, while the Zonta Club undertakes activities to make the community aware of the impact of domestic violence in our communities.

I am very fortunate to have a number of clubs in my electorate, including the Apex Club of Gawler, Bottlebrush Ladies, the Country Women's Association, the Kiwanis Club of Gawler, the Kiwanis Club of Roseworthy-Hewett, the Lions Club of Angle Vale, the Lions Club of Gawler, the Lions Club of Elizabeth Playford, the Rotary Club of Gawler Light, the Rotary Club of Gawler, the View Club of Gawler and the Zonta Club of Gawler. When working together, these clubs make a huge contribution to the wellbeing of members of our community. I congratulate them during Service Club Week 2019.

### **BANKSIA PARK INTERNATIONAL HIGH SCHOOL**

**Dr HARVEY (Newland) (15:29):** Last week, I had the great pleasure of participating in a panel for the final presentations of the Global Citizens Medal at Banksia Park International High School. The Global Citizens Medal is a fantastic initiative of the school for year 12 students who demonstrate key attributes in leadership, community and advocacy. It is an opt-in initiative. Teachers and other mentors within the school often recommend particular students to participate in this process.

More specifically, the attributes that the students exhibit include being empowered humans, understanding themselves and how they learn best, having self-confidence and taking measured risks; thinkers and innovators, thinking about what needs to be addressed more broadly and being creative and entrepreneurial; communicators and team members, working effectively with others and fulfilling commitments; implementers and performers, managing time and priorities to achieve set goals; and advocates and contributors, taking action and speaking up when they see a need on both local and global issues.

The final part of the award is a presentation on a topic that the student is passionate about. This could be a global issue, a local issue or something else the student passionately believes can improve the lives of others. At the start of each of these presentations, there was a short segment where we went through essentially the CV of the student, including some of the volunteer and

community activities they were involved with, and their sporting participation, which was really quite extensive.

All the presentations were very impressive and on a highly diverse range of topics. One student spoke about music and its importance in helping people in the community. He talked about how his own passion for music was used to entertain people and provide social activities for others out in the community. Two presentations were on the environment, particularly climate change, discussing the issue in a global context and what it will mean for future generations.

Importantly, they also talked about what they are doing in their own lives to reduce their own impact on the planet. I think it really showed a great deal of maturity on their part not only to talk about the importance of the issue but also to look at what they can do about it. There was a talk about youth involvement in the community, how important it is to engage young people and how best to engage them. There was also a talk about martial arts and its benefits, including physical and mental health benefits, social benefits and personal development benefits, developing discipline and confidence.

Three international students also participated, which I think is quite incredible in and of itself. It is often hard for anyone in those years completing high school, let alone for those who are doing it in another country, and they did their presentations in their second language. They tackled some very complex issues, including complex social issues that exist in their own countries. Other issues included orphanage volunteerism, where the student took us on their own journey of understanding this very complicated issue. Another topic was the prevalence of plastic surgery in South Korea. There were some really quite frightening statistics about how widely it is used in South Korea, particularly at quite a young age.

All these students demonstrated enormous passion for their chosen topics, but they were also incredibly well rounded, with impressive track records in their schooling and in the community. They exhibited leadership qualities and a real sense of community and responsibility in thinking about some of the issues that impact on our community both at the local level and globally. I would like to congratulate all the awardees on their work and look forward to seeing them receive their medals at the year 12 valedictory in a couple of weeks' time.

I would particularly like to congratulate the year 12 manager and assistant principal, Ms Bronwyn Eglinton, on her work in coordinating this award, as well as the other teachers and staff who were there to support the students. It is always clear when participating in these sorts of activities that the next generation has an enormous amount to offer. They think deeply about their place in the world and how they can improve the lives of others. Our responsibility is to ensure that we hand over the state, the nation and, indeed, the world to the next generation in good shape. What is clear, though, is that the future is indeed in safe hands.

### **THOROUGHbred RACEHORSE INDUSTRY**

**The Hon. L.W.K. BIGNELL (Mawson) (15:34):** I rise to speak today on something that a few people have spoken about in the past two weeks in political circles, in the media and in the racing industry, and that is the exposé on the ABC's *7.30 Report* about the deaths of thoroughbred racehorses at abattoirs in New South Wales and Queensland. Anyone who watched that program would know just how horrendous it was. It was sickening, and to believe that it was happening in our country is nothing short of scary.

We have heard the Queensland government announce an immediate inquiry into what happened there, and the day after we heard the Victorian government say that there needs to be a national register of racehorses from foal through to end of life. We have heard horse trainers around Australia say that they were sickened by it, but we have seen very little in the media here in South Australia, and we have heard very little, if anything, from Thoroughbred Racing SA or the government in South Australia about what needs to happen.

We do not know that, because something happened in Queensland and New South Wales, there is anything happening here, but if we go back a few years when another ABC exposé was aired on *Four Corners* about the greyhound racing industry we know how terrible that was. Within two or three days of that being aired the then environment minister, the Hon. Ian Hunter, and I organised a

meeting where we had senior police, the RSPCA and the greyhound racing industry sit around the table.

We were fairly secure in the knowledge that nothing was happening here in South Australia like we had seen in other states on the *Four Corners* program, but what we needed to do as a government—working with the industry and those who have animal welfare responsibilities outside of government—was reassure those who were interested in the industry and those who were interested in the welfare of animals that that cruelty was not happening here.

What I am worried about here is this vacuum that we have had in South Australia in the past two weeks from pretty much everyone about the inhumane and cruel treatment we have seen of animals. As someone who has been around horse racing all my life I know that probably 99.9 per cent of people love their horses and do the right thing by them. However, I think what we need to have is some sort of inquiry.

I like to have a punt—and not just on next week's Melbourne Cup, but I like to have a bet at Strath, Kangaroo Island, Balaklava and Murray Bridge—but I was so sickened by those images that I did not have a bet on the Caulfield Cup, and I have not had a bet since. We need to be reassured as fans of the industry that our industry here in South Australia is above reproach and that none of those things that we saw happening on the *7.30 Report* are indeed happening here in South Australia.

For the sake of the industry and for the sake of those people who support the industry, I would like to see the relevant ministers here, the environment minister and the racing minister—and I put no blame on them or anyone in the racing industry in South Australia in terms of anything that may or may not be happening in South Australia's racing industry—have some sort of inquiry and get people around the table, as we did with the greyhound racing industry, to make sure that everything is above board.

The Victorian government and Racing Victoria have come out with a very detailed, comprehensive response. They have set up a \$25 million fund for equine welfare. Everyone who goes to the races in Victoria will now have a 10 per cent clip on their ticket to go into a \$1 million fund for equine welfare, and those who are members of racing clubs will pay 5 per cent into an equine welfare fund as well.

I think all these things are being done in other parts of Australia, but for some reason we do not want to talk about it here. I think we need to talk about it. I think punters need reassurance. The industry needs to back itself and explain to people that things are indeed above board in South Australia.

### WELFARE RIGHTS CENTRE

**Ms BEDFORD (Florey) (15:39):** Today, I would like to speak about the South Australian Welfare Rights Centre. In its 31-year history, it has provided community legal service, and its main work has been to provide free legal advice and assistance in the areas of tenancy and social security law. Much of their work has therefore centred around Centrelink matters and homelessness issues.

The Welfare Rights Centre has provided a well-utilised and much-needed duty solicitor program for people appearing in the South Australian Civil and Administrative Tribunal (SACAT) and the Administrative Appeals Tribunal (AAT). Anyone appearing before these tribunals needs to be well versed in the criteria applicable to their matter and it can be an intimidating atmosphere at the best of times,

The Welfare Rights Centre has also trained a number of volunteers and law students to be able to assist in the many cases and calls for help in these jurisdictions. Some lawyers have also volunteered their time, and this has always been much appreciated by the Welfare Rights Centre and the clients involved. Perhaps most importantly, the centre's work has also been conducted in South Australia's regional and remote areas, not only in Adelaide's metropolitan suburbs. For example, there has been a regular service in the APY lands in the past, and this is in stark contrast to the availability of many services in those far-flung parts of this vast state.

Sadly, in a climate when financial counselling and legal aid have also suffered major cuts, the funding for the important work of the Welfare Rights Centre on both a state and commonwealth level has been cut back, and not for the first time. As is now all too often the case for community services of this kind, the governmental funding models and guidelines at both levels of government have been subject to change and often become inconsistent, making it difficult for many community legal services to continue their work.

Despite all this uncertainty, up until recently the Welfare Rights Centre and volunteers have managed to assist over 500 clients each year. Like the Florey EO, I have no doubt that many of you in this chamber, through your offices, would have sought advice and assistance from the Welfare Rights Centre for your constituents, or perhaps even referred them directly to the centre for specific help.

Centrelink, while not a state responsibility, is responsible for many inquiries from our constituents and, while not directly our responsibility, I do feel responsible for making sure my constituents have the best possible advice on what has become a very complex area. As the screws are applied on an ever-reducing welfare budget, criteria see eligibility reduced and the opportunity to report changes face to face almost obliterated in the march to self-reporting on the myGov website, which for even the most competent user may produce two outcomes.

Keeping an itemised diary or account of each and every interaction with Centrelink is often not enough evidence or proof of effort to keep the department informed. Recently, I personally accompanied a constituent to a Centrelink office, and after more than an hour and several staff members looking at the issues in question it was still not possible to receive a definitive adjudication or finding.

Areas like the carer's allowance, income tests for various pensions and social pensions, disability support pension eligibility and robo-debt, just to name a few, are complex areas not helped by changes to legislation and regulation. The Florey EO has always received quick and efficient responses and advice from the Welfare Rights Centre, and constituents referred have always reported effective assistance and advice.

The bad news today is that the centre is about to shut shop. I understand that at the Welfare Rights Centre's 31<sup>st</sup> AGM on 20 November there will be a motion to wind up the centre. How can it be that this service, with such a long and proven track record of cost-effective assistance, often to the most vulnerable in our communities, faces such a bleak future, which in turn delivers a dire outcome for its clients? It comes down to cost.

I believe that any clinical review of the value for money of each of those 500 services per year would show this funding cut is worse than penny pinching. It will condemn already vulnerable people to a helpless situation, as I am told these services are not replicated anywhere else in any state or federal system. I commend the Welfare Rights Centre for its invaluable work over the past 31 years, and its staff and volunteers for their commitment and dedication. I urge the Attorney-General to ask her department to review immediately this terrible decision, and I hope that even at this late hour something can be done prior to the 20 November AGM.

#### *Bills*

### **LAND TAX (MISCELLANEOUS) AMENDMENT BILL**

#### *Second Reading*

Adjourned debate on second reading.

(Continued from 16 October 2019.)

**Mr MALINAUSKAS (Croydon—Leader of the Opposition) (15:45):** I rise to inform the parliament, to inform this house, that the Australian Labor Party in South Australia will be opposing this land tax bill. Our party cares about a great number of causes and there are a number of issues close to the hearts of people on this side of the house—legitimate issues and legitimate passions for a party orientated towards progress rather than the opposite.

Above all else, nothing is more central to the Labor Party's mission than two things: first and foremost, fairness and, secondly, jobs—fairness and jobs, jobs and fairness. These are the central

missions of the Australian Labor Party. We would do well to contemplate these two key issues when we analyse and assess pieces of legislation that are brought into this parliament, or any other parliament, through our great federation and to ask ourselves, 'Does this legislation assist the cause of jobs and fairness?' On those two measures, the Australian Labor Party believes in this case the bill fails. It fails to meet either critical test.

Let's start with the question of jobs. As a Labor leader, I passionately believe that work has the capacity to provide all of us with dignity. There is no man or woman in this nation who does not deserve the opportunity to be able to enjoy all the dignity that work provides. I have repeatedly said, and I say in this house, I care less about what the work is than I do about the work in the first place. It does not matter whether you are a brain surgeon or a cleaner in a hospital, both jobs provide dignity. It does not matter whether you are the pilot or the air hostess, the retail worker on the check-out or you own the shopping centre—it matters not what you do—having a job in the first place provides every Australian with the chance to be able to enjoy the dignity that work provides.

Ideally, that work enjoys decent remuneration: a fair day's pay for a fair day's work. Ideally, that work enjoys stability of income. What matters first and foremost is that people have the opportunity to be able to work. We must contemplate the bill in the context of whether it assists job creation in this state or not. Unemployment in South Australia sits at above 6 per cent. It is the second highest unemployment rate in the nation. There are more South Australians unemployed today than at the last election.

We have listened to all considered minds in our state, to their views about whether this legislation assists job creation or not. I have sat down with individual small businesses, individual investors and indeed industry groups well respected in South Australia. The Motor Trade Association held a very specific round table for their small business members. Master Builders invited me along to an important forum only last week. Business SA, the chamber of commerce and peak small business spokesgroup in this state, facilitated another small business round table.

I have been in accountants' offices, I have spoken to lawyers and I have spoken to the Real Estate Institute. There is no-one in South Australia who has sought to advocate a position to the Labor Party who has not had their voice heard on this important issue. Almost every single one has expressed to the Labor Party, through me, through the shadow cabinet, that this bill does not assist the cause of job creation. In fact, they have made it very clear that they fear this land tax bill makes their task of increasing the number of jobs available to people, particularly young people in this state, a lot harder.

I can think of one specific instance that is worth sharing with this house, which is a panelbeating business, a hardworking family business that over the years has sought to grow their business not only for their own benefit but also for the benefit of our society as a whole, employing young people in the labour-intensive work of fixing up cars for all South Australians. This small business had me down to their panelbeating shop and explained to me that it was a family business and that, over a sustained period of time, they have invested in their business and it has grown and employed more and more people.

Because it is a family business, they have a family trust, as you do, they are developing succession plans and they are in the business of asset protection. Because they are committed to the long-term interests of this state, employing people for the long term into the future, they have sought to make strategic acquisitions of the land on which that business operates. They own the land on which the panelbeating business now sits, and the one down the road, and the one down the road from there, all to be able to protect that business long term.

They explained to me that this land tax change, on their assessment, on their advice, will mean an \$80,000 land tax hit to their business. The consequence of this change to that business means only one thing: they made it clear that it will mean fewer apprentices coming on board this summer—fewer jobs in this state at the very time that we need the panelbeating business that I spoke to and the bakery that I spoke to employing more people, not fewer.

Building approvals in this state have taken an extraordinary hit over the last 12 to 18 months. It breaks all our hearts, I am sure, including the hearts of those members opposite, to see small and medium-sized builders here in South Australia going under, no longer employing the trades, no

longer building new homes for young South Australian families, no longer providing affordable housing for those people who need it most, only exacerbating the problem of our already extraordinary waiting list at the Housing Trust.

These building approval numbers have us all incredibly concerned. We have heard from the Master Builders Association their unequivocal call to delay this because of the uncertainty in the economy that already exists on the back of the revaluation exercise that is being undertaken under this government's watch. We have seen the real estate market take an extraordinary hit in recent months because of the uncertainty that exists within the marketplace.

Builders, realtors and tradies are all wondering where their next job is coming from because of the uncertainty around these land tax changes, in combination with the revaluation process currently being undertaken, all of which are compromising certainty within the marketplace. This means fewer jobs, which leads to less activity at the very time this state needs it most.

All of those in this place with even the most elementary understanding of market economics would know that causing uncertainty in already volatile times only exacerbates the problem that we have within this already unseemly and unfair labour market. There is not an industry association, including the Property Council, that has not called for this process to be halted while the revaluation exercise is underway. Most industry associations continue to assert that this bill should not pass when it comes to the revaluation process continuing to be undertaken.

Then there is the question of fairness: are these changes fair, are they decent? The answer to those questions lie in two things, first and foremost in the outcome. However, the outcome is always informed by the process, and we must understand the process that this government has undertaken to understand the root of this measure's unfairness.

The process started with a broken promise. The Premier could not have been clearer: in the lead-up to last year's election he had a plan to reduce land tax. In fact, before a previous election, he said that he had a plan to take an axe to land tax, but make no mistake: the bill before this house now is an unequivocal tax increase. There are already a number of measures that are l-a-w—law—that enjoyed the bipartisan support of this parliament to pass land tax cuts. We supported that. But this bill is an entirely separate exercise, and all members opposite would do well to actually fact-check the remarks that the Premier has been making.

This bill provides for a net increase in tax revenue to this state. It is a land tax increase—a broken promise as clear as they come. Rarely is fairness found in a broken promise, but it is worse than that: this broken promise was thrust on South Australia in this year's state budget, handed down only approximately nine months after the first state budget. It was land tax 2.0 in this year's state budget. Then we saw Treasury and the government get their figures not a little bit wrong but astronomically wrong, to the tune of almost triple. This was not going to be a \$40 million hit to South Australians through aggregation: this was potentially going to be a \$118 million hit to South Australians on one account of the numbers.

That led to land tax 3.0. This was it. This was the final version of the land tax plan. Within moments of that plan being released, it was already being ridiculed by all quarters in South Australia: industry, property investors and small business owners. Then they put the bill out to consultation and tinkered around its edges: that was land tax 4.0. The Premier came into this house with that version of the bill only a fortnight ago, in the sitting week before this one. In the most recent sitting week, the Premier said, 'Here we have it. It's take it or leave it. No more changes.' More or less, those were the Premier's words.

Yet only last night did we learn that land tax 1.0 had bitten the dust, that land tax 2.0 was not going to pass the pub test and that 3.0 was reworked into 4.0. Now we have the fifth version of land tax in a matter of months. This is an absolute farce. I cannot think of a more profound example of policy on the run than this one. Our Premier is chopping and changing his position and fishing around for conviction, only to find it and then change his mind again, all on the back of the advocacy of one industry group and without consulting the thousands of others that are invested. This has been a shambles of a process.

Then, when we contemplate the other fairness element of the outcome, where do we find ourselves? We find ourselves contemplating a bill that is a retrospective change to tax law in this



state, pulling the rug out from underneath the feet of those whose only crime is to work hard and obey the law. Both sides of politics seek to claim the virtue of hard work. We have heard it all before—Australians have heard it all before—but here is the reality: hard work is not a Liberal Party virtue and it is not a Labor Party virtue; hard work is an Australian virtue.

It is the thing that has made our country great: the idea that every last person deserves the opportunity to work hard and to provide a decent standard of living for themselves and their family. With a little bit of extra sacrifice, they might have the ability to have a decent, well-funded, self-funded retirement and maybe even the ability to provide a better chance for their families and their children into the future. That is the collective Australian dream. A lot of people have gone out of their way to do exactly that.

When we set up our process, our series of public forums throughout the state, we heard from family after family, self-funded retiree after self-funded retiree, postwar migrant one after the other, coming to our forums and telling in graphic detail their stories and what this retrospective tax hit means to them. They did not see this coming. No-one saw this retrospective tax change coming.

The practical implication of this legislation passing for them is a fundamental attack on their standard of living, a fundamental hit on their ability to sustain that for future generations of their family and a fundamental compromise of their hope and aspiration that in places like this one there is a bipartisan commitment to an idea that that Australian dream survives for everybody and is not subject to wholesale radical change without at least taking it to an election, which goes to the final point of the unfairness of this and this process: not once has the Premier (member for Dunstan) or anyone else across the aisle decided to claim mandate because they promised they would do the exact opposite to what is occurring here since the election.

These laws do not facilitate more jobs in our state. The process has been a farce. The process has been a complete shambles. Ultimately, for us on this side of the chamber, we must contemplate our position in the context of those representations that have been made to us through the prism of jobs and fairness above all else. I will acknowledge the existence of an argument that we have heard on this side of the chamber quite a number of times in recent weeks, and that is that there is a political expediency to Labor allowing this bill to sail through the house. I accept that a hard-headed political view may come to that conclusion in a way that, to them, may seem rational.

They may take the view that it is politically expedient to let people who have been Liberal voters in the past feel the wrath and the consequence of a bad Liberal government. Is that really what we want to be about? When we go out to our electorates and we talk about the virtues of jobs and fairness, are we only talking about them for the people we perceive support us, or do we have a higher order principle here to try to ensure that jobs and virtue are not just things we want to provide for people who vote Labor, that the Liberal Party is only interested in jobs and virtue only for those people who vote for the Liberals? We have to be better than that. Jobs and fairness are things that everybody deserves.

We cannot just be making political decisions that are expedient with the hope that somehow it increases our chances of victory at the next state election. There are real people whose real lives are on the line here. They have come to our forums, they have shared their stories, they have shared their hopes and aspirations for their children. They share their work ethic in the pursuit of the Australian dream in the hope that someone will hear their voice and hear their call, and I want to respond to some of those people directly.

I heard from a self-funded retiree who has investments in Renown Park, Greenacres and Hendon of between \$300,000 and 450,000. They are a classic smaller time investor. Their subs, they have been advised, go from a \$295 a year land tax bill to over \$7,000 a year. That may have adjusted at the margins as a result of land tax 5.0, but, nonetheless, a land tax increase that is somewhere in the order of 2,000 per cent.

Another story goes to who the real beneficiaries of these changes are. Ask yourselves this as you cogitate on this bill: who are the winners? The government is making more money, but the land tax rates are coming down dramatically at the top end. But if the tax rates are coming down and the government is still making money, who is paying? Who pays? Someone has to pay. The answer

came from someone at our land tax forum in Lockleys: Helen, a self-funded retiree. She put it rather eloquently. She said, and these are her words:

We are in this position because Marshall and Lucas have a hunger for more money. They have formed a sandwich. Let me put that sandwich together for you. On the bottom we have \$450,000 people paying no land tax. On the top, we have the top bracket who will benefit from the land tax rate coming down from 3.7 to 2.4. And in the middle is all of us. We are the meat in the sandwich—the mums, dads, self-employed and retirees and the others who are the disadvantaged. This will destroy us. Hands up who are in this boat.

She asked for a show of hands at the Lockleys forum and almost every last person put up their hand. That is who is paying. We will not let this pass.

To the self-funded retiree who has worked incredibly hard to reduce their burden on the Australian taxpayer, we have heard your call; we will not let you down. To the small business owner doing nothing more than trying to provide a living for themselves, their family and future South Australians, we have heard your voice; we will not let you down. To the postwar migrants and everybody else who still believes that the Australian dream should belong to everybody without the government taking it away from you on a whim, we will not let you down. We will oppose this bill and always give a voice to the voiceless and put jobs and fairness first.

**Mr PEDERICK (Hammond) (16:06):** I want to talk about reform and something that the previous government did not want to go near for 16 years: reform to how we fund this state but giving equity to people from across this state. What we saw in the 16 years before our government was just the profligate raising of taxes across the board—whether it was the emergency services levy or whether it was a whole fleet of taxes. There were attempts to tax the banks. The car park tax went beautifully.

We saw how unfairly South Australians were treated, because the simple fact is that governments have to raise taxes. They have to do it equitably because somewhere down the line there is always someone with their hand out, but we also have to be able to fund all the needs. Whether it is in education, whether it is in health, whether it is in police or community services, whether it is in agriculture—something dear to my heart—whether it is in every portfolio right across the board, whether it is in justice and law reform in the Attorney-General's department, everything needs funding.

There is a novel view that people sometimes have out there in the community, that is, they say, 'We'll just get the government to pay.' Governments do not have their own money. They only have taxpayers' money, and you have to deal with it wisely. I take my hat off to what our government is trying to do here with some massive tax reform to bring land tax more into line with something that is not just more equitable here in South Australia but comparable to other states in this commonwealth.

What we are trying to do with this land tax reform as a Marshall Liberal government is to reduce total revenue collected from land tax and to implement a fairer, more competitive land tax system. We have put this package together, we have consulted and it has now been amended quite significantly. It includes increases in the tax-free threshold, cuts to the top land tax rate and amendments to the aggregation rules to ensure a fairer system.

In regard to the land tax package, there will be an immediate reduction from 1 July 2020 in the top tax rate from 3.7 per cent to 2.4 per cent, which will be equal to the average rate for all mainland states. Increasing the tax-free threshold from \$391,000 to \$450,000—this is one of our reforms before we made some more slight adjustments—from 1 July 2020 will provide relief to all taxpayers. In fact, 9,300 current taxpayers will no longer pay any land tax. We will reduce the amount of revenue collected in land tax by \$70 million over three years.

As I indicated in regard to aggregation, we will have rules in place similar to New South Wales and Victoria to ensure that we have a fairer system. This will stop the possibility of investors who own multimillion dollar property portfolios not paying a single dollar in land tax. Yes, some people have said, 'We don't want to do that,' and, yes, they have operated within the law now, but what we are trying to do on this side of the house is make it equitable across the board. We are also ensuring that self-managed superannuation funds are not impacted by the reforms. So 92 per cent of individuals will be pay less land tax, which is 47,800 people.

**The Hon. D.C. van Holst Pellekaan:** More now.

**Mr PEDERICK:** It is more now with these other reforms that we are bringing in place and I will talk more on them in a moment. Yes, there will be some people who will pay more land tax. Seventy-five per cent of company groups will pay less land tax and some will pay more land tax. In regard to trusts, some will pay more and some will pay less. It is difficult to work through the exact numbers, but people will have the option to nominate beneficiaries so they can work through that with their accountants.

Since the June budget, the government has consulted widely and listened to concerns expressed about aspects of the proposed reform. The fact that the government has significantly amended its reforms demonstrates the good sense of consulting widely. In regard to issues around tax rates, there is a very consistent message coming from the consultation that, if we are intent on adjusting the aggregation rules, the top land tax rate had to be reduced more quickly and closer to the national average land tax rate.

In regard to the rate, the proposed top rate will be 2.4 per cent, compared with Queensland, where it is 2.75 per cent; Western Australia, 2.67 per cent; Victoria, 2.25 per cent; and New South Wales, 2 per cent. We have come to the conclusion that we will work on the average, and the average of the mainland states is 2.4 per cent. In Western Australia, there is also a 0.14 per cent Metropolitan Region Improvement Tax payable on site values. The threshold in South Australia for the top tax rate will still be the lowest for all mainland states.

Certainly, aggregation is not new. Aggregation rules already exist. It is about getting equity between some people paying tax and some people who do not pay tax. Yes, it is change and there will be some people who will pay a little bit more tax, but the vast majority of people across South Australia will pay less.

Something we have listened to and flagged in our most recent amendments is in regard to the so-called mum-and-dad investors who own multiple properties, either by themselves or jointly with another individual, and clearly receive a sufficient return from rental income to justify continued investment in multiple properties. In regard to that, we have some amendments to help secure this legislation and make sure that we can get it through if people have a good look at it. This could be a once in a generation opportunity for land tax reform in this state.

The new amendments in regard to this reform increase the threshold where the top land tax rate of 2.4 per cent commences. The threshold for the top land tax rate will be increased by \$250,000 in 2020-21, from around \$1.1 million to \$1.35 million. The threshold will then be increased by a further \$250,000 to \$1.6 million from 2022-23. The top rate will be indexed annually by site value growth post 2022-23, consistent with existing practice.

The amendments also introduce a new marginal tax rate of 2 per cent between the previous top threshold of around \$1.1 million and the revised top threshold. We will also introduce a requirement for an independent review of the impact of the total land tax reform package in 2023. I think that a review of the legislation is a good outcome. This will include the amendments introduced in the 2018-19 and 2019-20 budgets.

The draft Land Tax (Miscellaneous) Amendment Bill 2019 was introduced in the parliament on 16 October 2019. The legislation included the introduction of a new approach to aggregation and a reduction in the top land tax rate to 2.4 per cent for the taxable site value of land above a top threshold of around \$1.1 million from 2020-21. As I have indicated concerning the amendments to the bill, under the existing provisions of the Land Tax Act 1936, thresholds are indexed annually by growth in the average site value of land subject to land tax as determined by the Valuer-General.

The top threshold in 2020-21 is estimated to be around \$1.1 million under the bill introduced into parliament. It is proposed that the threshold for the 2.4 per cent top tax rate will be increased by \$250,000 to \$1.35 million in 2020-21 and 2021-22. The threshold will be further increased by \$250,000 to \$1.6 million from 2022-23 and then indexed annually in line with average site value growth as per existing legislative provisions.

In conjunction with the increase in the top threshold, the bill proposes to introduce a new marginal tax rate of 2 per cent on the taxable site value of land between the existing top threshold of

around \$1.1 million in 2020-21 and the proposed new top threshold, rather than 1.65 per cent. This reduces the budget impact of the increase to the top threshold while still delivering further tax relief for taxpayers.

In regard to general land tax rates, the higher trust surcharge land tax rate incorporates an effective surcharge of 0.5 per cent for certain trust-held land, capped at a maximum tax rate of 2.5 per cent. Under the new proposed structure, the trust surcharge will be a maximum of \$7,565 in 2022-23 compared with \$5,825 under the current proposed structure. The increase in the maximum trust surcharge under the revised rate structure reflects the increased maximum threshold.

In regard to having an independent review of the legislation, it is proposed to include a provision in legislation for an independent review of the overall impact of the land tax reform package in 2023. The review will consider whether the estimated value of relief has been delivered to taxpayers. It will include all the land tax reforms introduced by the government since coming to office, including those legislated following the 2018-19 budget.

Reform is not easy: it is difficult. We have trodden a path to get to where we are today debating this legislation. We are a reformist government. We have already given businesses massive relief by lifting the payroll tax threshold to \$1.5 million, and also to taxpayers right across the state in giving \$90 million relief annually with respect to the emergency services levy. I commend the work we have done in working through this process. In an imaginary world where everything just happened, you would not pay any tax, but it just does not work like that.

**The Hon. D.C. van Holst Pellekaan:** We wouldn't have any roads or hospitals or schools.

**Mr PEDERICK:** Exactly right. As the Minister for Mineral Resources rightly says: you would not have any roads, you would not have any hospitals, you would not have any education. You would not have a functioning police service; you would have anarchy on the streets. The simple fact is that, as a government, you have to find a way, as equitably as you can, to raise taxes but also to deliver those vital services right across the board to the people of this great state.

I own some properties. I have my principal place of residence, I have a farm at Coomandook, I have an investor block in Murray Bridge and—

**The Hon. S.C. Mullighan:** Is this a confession?

**Mr PEDERICK:** Just a declaration.

*Members interjecting:*

**Mr PEDERICK:** Well, you can look up my register of interests. I am sure some people take more interest in it than others. It is not a long list. I am only a humble person from Coomandook. So, I have an investor in Murray Bridge and I have one up here in the city. There may be some changes to how I pay land tax, and I will look at that when the time comes. I will work through it if there are any changes in regard to this legislation going through.

We see that members on the other side hate reform. They hate the thought of reducing the top tax rate from 3.7 per cent to 2.4 per cent. They hate the idea of actually saving money, because the Labor Party has only one thing that runs through its veins, and that is to tax people—to tax them out of existence.

*Mr Brown interjecting:*

**Mr PEDERICK:** You can contribute later.

*Mr Brown interjecting:*

**Mr PEDERICK:** No, that's great. What we need to do is to get this legislation through this place, get it into the other place and get it enacted so that we can get fairness and equity for investors in this state, and also to have a land tax regime that is closer to what is happening in other states. We hear people say, 'People will just move,' and do this and that. Well, I have already read out that most of the top tax rates are higher across the board and aggregation rules exist in other states, so where are people going to go?

I will be interested in the debate on this bill. There has been a lot of conversation out in the community and in media circles, but as far as I am concerned we need to seek equity for the South Australian taxpayer. We need to give them the opportunity to pay less tax, because what this proposal does is that over time it actually reduces the overall land tax burden to the constituents in South Australia, and that is something that the Labor Party hates. I commend the bill.

**The Hon. S.C. MULLIGHAN (Lee) (16:24):** I rise to speak on the Land Tax (Miscellaneous) Amendment Bill and indicate that I am the lead speaker for the opposition. Can I say at the outset that this government fools no-one about this bill. This is not a land tax cut: this is a land tax increase; it increases revenue to the government's coffers. Those opposite, starting with the Premier, talk about equity. There is no equity in this measure.

This bill raises over \$80 million a year in land tax revenue from one cohort of landowners and provides around \$60 million a year of land tax cuts to the very top end of the landownership scale. The majority is being taxed more to pay for tax cuts for the minority at the top end. That is not equity. Those opposite say, 'Oh well, you have to raise revenue. Government costs money, and in an ideal world you wouldn't pay any tax.' I know that is the Tory fantasy, but you have to understand how we got to this situation.

Before the last election, the Liberal Party made a number of commitments with regard to tax policy. They said that they were going to return the remissions on the emergency services levy, they said that they were going to cut payroll tax, and they said that they were going to cut land tax. In their first budget, which they handed down in September last year after they were the beneficiaries of a deluge of more than \$300 million a year in additional unplanned, unbudgeted GST revenue, not only did they lock in those tax cuts but they stood by their word and wound back part of the emergency services levy remissions, as I have already mentioned in the house.

They did meet their election commitments on land tax; however, rather than providing \$32 million of relief upon forming government, they discovered that the cost of the land tax package they promised in the lead-up to the last election was over \$47 million in the 2020-21 financial year and then over \$28 million in the subsequent financial year. They also made commitments about land tax and included those in the budget measures bills which were provided to the house. The Labor opposition supported those land tax changes. The Labor opposition also supported the payroll tax changes, with one change. We tried to move an amendment to bring those forward; that was unsuccessful, but we supported those tax changes.

Those land tax changes contained in the Budget Measures Bill of last year's budget provided \$150 million in tax cuts over three years. The government have now found themselves in a situation where the tsunami of additional GST revenue has receded. They have found that they have to come up with a range of measures to raise additional revenue in order to try to fill their budget black hole, which was caused not only by their ongoing, extraordinary increases in expenditure but also by the return to trend levels of GST revenues.

We have previously spoken in this place about the \$500 million over four years of fee increases, charges and new taxes from the government. In addition to that \$500 million in additional revenue already contained in this budget comes this new land tax aggregation measure. We know that it was rushed in late into the budget process. We know that it was hastily rushed into a budget cabinet committee meeting, which the Premier did not attend, and we understand from government sources that it is his wont not to usually attend those meetings.

It was subsequently washed through the budget cabinet committee meeting and it was sold, as we understand it, by the Treasurer to his cabinet colleagues and subsequently to the Liberal Party room as, 'No need to worry about this. This is just closing off a loophole, nothing to see here, it's fine, it's no problem whatsoever.' It was a \$40 million increase to revenue. That is what the government was trying to achieve. This is nothing other than a tax increase and has been so from day one.

All the rhetoric of those opposite, deliberately and misleadingly conflating it with the already legislated land tax reductions from last year's budget, everybody sees through that. Nobody believes the Premier when he stands up here in question time and tries to claim that this latest land tax proposal is a land tax cut—because it is not. It is not at all: it is a tax increase. We know that because the Treasurer confirmed so on ABC radio this morning.

He confirmed that these latest land tax proposals increase land tax revenue to the government in the order of about \$20 million a year, each year, for the next three years: a \$60 million land tax hike. That \$150 million land tax cut legislated last year has now been watered down to \$90 million to try to fill Rob Lucas's budget black hole at the same time, of course, as he has the bagless Dyson sucking extra cash out of SA Water and every other government business and he is raiding every other hollow log he created in the former budget for himself. This is a tax increase.

I want to come back to the choices that the government had available to them, aside from introducing this aggregation. Before I do that, we will continue walking through the chronology of how the government have found themselves with six different versions of land tax policy since the election. There was the policy they took to the election, the revised budget measure in last year's budget, now legislated, providing a \$150 million over three year tax cut. Then there was the rushed measure, the aggregation measure, hastily whacked into the budget at the last moment to provide an extra \$40 million of revenue per year.

We also know that it was rushed in because there was no modelling available. It is the only tax measure I can recall being moved through the parliament where there was no detailed information to the opposition, or indeed to all members of parliament, about the impacts. There was no detailed modelling that was available. In fact, there still is no detailed modelling available. We also know that it was rushed in because there was no draft legislation, there was no bill on this, there was no set of amendments that could form part of the Budget Measures Bill.

This is despite being told by the government, 'This is fine, this is par for the course, this is what you get in the Eastern States. They have had this and they have legislated this.' Well, if it is so simple, if it is so par for the course, if it is so de rigueur amongst Liberal governments, why did they not pick that legislation up and tailor it for South Australia and make it part of the Budget Measures Bill? Because it was rushed and they did not realise what they were doing.

We know that they did not realise what they were doing because, when nobody believed that the introduction of this aggregation measure would raise only \$40 million, Treasury undertook some further work and, lo and behold, it was \$118 million a year—a \$118 million a year tax increase. That modest offset that they also proposed in this year's budget to incrementally reduce the top marginal tax rate for properties valued at over \$5 million, from 3.7 per cent down to 2.9 per cent over a period of seven years—now that they had three times the amount of revenue to play with—they decided to massively accelerate reductions in the top marginal rate.

While leaving the full impact of aggregation—three times the impact, mind you—on landowners here in South Australia, they used some of that additional revenue, three-quarters of that additional revenue, to try to buy off the top end of town, led by Daniel Gannon and Steve Maras at the Property Council, their most vocal critics. At that point in time, the Property Council's membership knew how damaging this aggregation measure would be to the property industry, to the real estate market, to the housing construction industry and to all those other parts of the South Australian economy that support those areas of economic endeavour.

The campaign began against the government's massive tax hike. Over the subsequent weeks, the government worked up a package where, to try to offset the impact of that \$118 million a year tax increase through the imposition of these aggregation changes, they could try to provide some more tax relief once again at the very top end. The proposal came back to introduce a new top rate of 2.4 per cent and have it take effect from what had previously been the third highest threshold, estimated to be \$1,980,000 worth of taxable land.

To give the government a modicum of credit, that did cause some landowners to sit back and think, 'Well, actually, I wonder if I am better off here?' That consideration, as you could understand, took some days amongst some of those landowners. They had to work out their own circumstances, apply what they understood to be the aggregation measure against their own landholdings and then work out how that would change for the 2.4 per cent.

After those landowners made that calculation, all bar one said that they were still unsatisfied with the impact of aggregation because they knew how deleterious it would be. The one, of course, was Harry Perks. I assume that he will be happy with whatever the Liberal government does in this space because he has to maintain the fluttering of the Liberal flag regardless of the economic and

social cost, but the rest of the landowners in South Australia knew that the retention of aggregation would be so damaging that it could not be supported.

The government, in releasing a draft bill for consultation with these changes, saying that they were happy to hear from people—mind you, they were not going to take any further changes but were happy to hear from people—embarked on a four-week or so period of consultation, and some further minor changes were made to try to garner the support of select areas of the property development industry, in particular those people who are most interested in greenfield developments being facilitated by property trusts.

The government tried to come up with a regime, as it currently stands in the bill that we have before the house, where they would get some relief from the implementation of these aggregation measures. But, other than that, that was it, and the Premier said, 'No further changes. That's it. We don't need to make any more changes. We don't see the need. This is it. This is as good as it gets. It's this. Take it or leave it.' The bill was introduced last sitting week, which was 16 October as the member for Hammond has advised the house, and here we are, less than two weeks later, getting ready to debate the bill.

The government puts out its weekly program late on Friday and the land tax bill is listed as the first bill for debate, but something happened between Friday afternoon and Monday afternoon. What we understand from reports in the media, who had been contacted by members of the Liberal Party, is that it became clear to the leadership of the government that some members of the Liberal party room reserved their right when it came to whether they would support this bill. They reserved their right either to oppose it or to abstain from the vote.

So we have the most recent iteration of this land tax bill: rushed changes at the very last minute, put together over the weekend to try to appease those members of the Liberal backbench who the government were worried might cross the floor or abstain from voting and lead to the second embarrassing defeat on the floor for the government on a vote.

Who did the government consult with? Only one group, as far as we know, and that is the Property Council. The Property Council, led by Daniel Gannon and Steve Maras, have said repeatedly—for the last 140 days, as they like to tell us, keeping the days counted accurately—that aggregation is the issue: 'Any change that contains aggregation is unacceptable, and as long as the bill has aggregation in it we can't support it.' This is exactly what the Property Council said, but at the last minute, for a minor additional change to rates and thresholds contained now in the amendments filed in the Deputy Premier's name, the Property Council have abandoned their position on aggregation.

For an additional benefit of a new rate of 2 per cent to apply to a relatively narrow band of properties valued between \$1.1 million and \$1.35 million, there will be a reduction from the previously mooted 2.4 per cent—so a 0.4 percentage point reduction for up to \$250,000 worth of land. If you have land valued at the full \$250,000, the maximum benefit is \$1,000. When that further increases from \$1.35 million to \$1.6 million, that is a further \$1,000.

The Property Council is happy to abandon their position on aggregation for a further tax cut for the few thousand landowners at the very top end of the land tax scales so that they can have between \$1,000 and \$2,000 extra in land tax relief. That is everyone from \$1.35 million all the way to the top end of the scale, all the way to the top land tax pay rate, if they own tens of millions of dollars' worth of land.

How on earth can the government, let alone the Property Council, justify that bargain? How on earth can those nameless members of the Liberal party room suddenly fall into line on aggregation for that meagre further offering from the government when there are still more than \$80 million of higher land taxes to be paid by those South Australian landowners now facing these changed aggregation arrangements for the first time? It is extraordinary. I have not heard anyone who can provide a credible answer as to why the Property Council and Daniel Gannon and Steve Maras have flipped on their position on aggregation.

Maybe they did more sums. Maybe they worked out that, for a select few Property Council members, the reductions to 2.4 per cent and 2 per cent actually meant that they were net

beneficiaries of the bill: 'Hang the rest of the property industry, hang the rest of the real estate industry and hang the rest of the housing construction industry, I am alright, thanks, Jack, so stuff the rest of you.'

Maybe that was the calculation, or maybe for Daniel it was, 'Actually, I have to make peace with the Liberal Party. I want to get preselected at some stage, so I can't have this ongoing feud between the Premier of the day and the Treasurer of the day, and I had better make peace.' I hope that is not the case, but without sufficient justification that we have yet to hear from the Property Council, what else can you think? There can be no justification for this.

I have referred to this deal as the Property Council accepting 30 pieces of silver in response to their endorsement of the government's bill. I do not think that is pushing it too far. I think that is an apt and adequate explanation of the arrangement that the government and the Property Council have now entered into, completely undermining the last 139 or 140 days of the Property Council's positioning on this issue in regard to aggregation. At no stage did they say, 'If the government were to put a deal on the table which dropped the top rate, that would be alright for our membership, and we are happy to see aggregation waved through.'

They never said that—never. It was always about aggregation and it was always about aggregation in particular because of the context of the revaluations which are going on from the Valuer-General. The revaluations, bear in mind, will see an extraordinary increase in government revenue, the likes of which a high-taxing, high-debt, low-growth treasurer like Rob Lucas could only dream of: revaluations of commercial properties in the City of Unley of between 30 per cent and 110 per cent in one year.

People's land tax bills, people's council rates, people's sewerage rates, people's emergency services levy and people's NRM levies are all going up in one year. It will, from multiple directions, flood the government with additional revenue, and you can understand why landowners think that aggregation needs to be parked until the full impacts of the revaluations take effect.

It is not only extremely disappointing that that arrangement has been entered into between the Property Council and the government, but it has also been extremely disappointing that the government has chosen to position this change as some sort of a once in a generation reform, of doing the hard work of reform. The hard work on land tax was done years ago—years ago. Those opposite who do not remember the changes to land tax over the last 20 years would do well to remember the history of land tax policy in this state.

Over the last 20 years, it has only had one trajectory, and that is consistent land tax reforms to reduce the burden of land tax on South Australian landowners, consistent reforms in that direction. In one respect, it is correct that it is a once in a generation change because this is the first time in a generation that land taxes have been deliberately increased by a state government to garner more revenue.

Do you want to know, Deputy Speaker, the last time when tax policies were changed in the land tax regime to garner more revenue? It was under the former Liberal government. The land tax tax-free threshold used to be \$90,000 a year, but under the former Liberal government it was dropped to \$50,000 a year to garner more revenue from all the ownerships valued above \$50,000. In that context, the state Liberal Party has form when it comes to land tax, when it comes to increasing land taxes to garner more revenue.

What has happened since then? At the election in 2002, when South Australians finally had enough of the internecine infighting within the South Australian branch of the Liberal Party, Labor formed government and undertook successive land tax change after land tax change after land tax change to massively alleviate the burden of land tax bills on South Australian landowners. I remember it quite well.

*Mr Teague interjecting:*

**The Hon. S.C. MULLIGHAN:** Under his breath, the member for Heysen said, 'You have forgotten about Kevin Foley.' No, I was just getting to him actually because he was the one who introduced what were actually the largest doses of land tax relief in South Australian history, not this



pretender Premier; he is increasing land taxes in this tax measure. If you want to know what tax relief looks like, I will walk you through it.

I remember quite well that in 2005 we had had a period of about three or four years when property values in South Australia rapidly accelerated. For those of you who were paying attention to the property market not just here in South Australia but nationally, of course there was a huge housing boom in the Eastern States and that also spread over the border to places like South Australia, Tasmania and in particular Perth.

People who had houses which were previously worth tens of thousands of dollars suddenly found themselves with houses worth hundreds of thousands of dollars. People who had lived for a long time in suburbs like Prospect, Tranmere, Magill or Mile End, where they bought houses in the 1990s for tens of thousands of dollars, suddenly were seeing house sales on their street or the street over for hundreds of thousands of dollars. As a result, their property value has increased. For those who had rental properties, their land tax bill has massively increased from maybe \$100 or \$200 to \$2,000. For people who had multiple properties, maybe it was up to \$10,000 or more.

I remember the former member for state parliament and then federal parliament and then putative member for state parliament again, the Hon. Nick Xenophon, who whipped up and fomented so much dissent about this that there was a huge public meeting at the Norwood town hall. The then treasurer, Kevin Foley, attended that meeting two days after cabinet had approved and announced a \$57 million a year reduction in land tax, an increase in the tax-free threshold to \$100,000 and a significant restructuring and change of rates throughout the remaining thresholds of land tax. It was worth \$57 million a year. Imagine how much that reform would be worth today. It would probably be worth 1½ times or even double that \$57 million a year.

If my memory serves me correctly, that was in March or April of that year. I remember it being a warm night or maybe that was just the temperature of the room. But at the subsequent budget further reforms were made. Only a month or two later, the tax-free threshold was increased to \$110,000, so it had more than doubled from the reduction that Rob Lucas had taken it down to. That served to provide relief for those people who had suffered land tax bills and increases in land tax bills of many thousands of dollars. It provided them with very significant relief for a number of years.

Further relief was introduced in the 2009 budget, which provided a further \$157 million worth of land tax relief over three years. That was on top of the more than \$50 million of relief that had been provided only a handful of years earlier. The tax-free threshold was increased from \$110,000 to \$300,000. Not only was it increased to \$300,000 but a new provision was inserted into the Land Tax Act so that the Valuer-General's average valuations of land across the state each year would reflect itself in indexed land tax thresholds so that, if property values increased, there would be a much lower chance of bracket creep catching those properties as their values increased—a huge reform, over 10 years ago now, worth far more than what is being promised by the Liberal government.

There are also new exemptions for residential aged-care facilities. There are also exemptions introduced for people conducting a small business from home. I am sure many members opposite, as many do on our side, have people in their electorates who run small businesses from their homes, whether they are hairdressers, for example, or beauticians. Even some motor mechanics use part of their premises at home. A new sliding scale regime was introduced to ensure that those people would not be hit with a land tax bill by virtue of using their principal place of residence as a site for their business.

Further land tax exemptions were introduced to extend to a wider range of not-for-profit community associations so that they would not have to pay land tax. A rebate scheme was introduced for not-for-profit ethnic organisations. That was ultimately replaced with an exemption from land tax.

At many different times over the last generation, the former Labor government introduced very significant land tax relief. The reason why the tax-free threshold is estimated at \$391,000 and not at the \$50,000 mark that Rob Lucas left it at when he was last in government is because of Labor's reforms. Those land tax reductions are now worth in excess of \$150 million a year. That is land tax reform. Trying to find more revenue from the land tax base by introducing aggregation

measures to raise an extra \$80 million is just a tax increase. That is just trying to raise revenue to fill a budget black hole.

Despite giving so much of it back at the top end, all those people who are affected, those thousands of South Australian landowners, know exactly what they are in for. They will face thousands of dollars in higher land tax bills—some will face tens of thousands of dollars in higher land tax bills—to pay for, for example, those 400 or so properties, taxable land ownerships valued above \$5 million, many of which have the land tax bill sent to an interstate address.

South Australian landowners are paying thousands and thousands of dollars in higher land tax bills under the government's aggregation measure to provide a massive tax cut for the Westfields, the centre groups and those interstate property owners who own land here in South Australia. How is that fair? How is that equity? It is no wonder that those members of the Liberal party room who actually spent time to read the bill and talk to members of their electorates, their constituents, were raising concerns about this, saying, 'Mr Premier, Mr Treasurer, do you understand what the actual impact in the community will be?' The answer for both the Premier and the Treasurer is that of course they do not understand what the impact in the community will be.

They have not consulted the community. They have not fronted a land tax forum. They have not spoken to people face to face about what it is going to mean for their livelihoods. They have not spoken to a small business owner who will no longer be able to recruit new staff, or may even have to lay off staff, as a result of having a land tax bill tens of thousands of dollars higher. They have not had to front constituents of mine in Seaton, for example, first and second generation Italian migrants who came out to Australia in the 1950s or 1960s with nothing. They got jobs as labourers or shopkeepers, or even at Holden or Chrysler. Once they had saved enough money, they bought their own place for their families: for their wives and for their children.

Once they had saved even more money—there was no compulsory superannuation back then and they were not interested in what was a relatively fledgling share market in the 1960s and 1970s here in Australia—they invested in what they knew. They invested in property because, if they had a rental property to their name, when they retired, or if something happened to them or a family member, they had something they could fall back on. They had a rental income from the tenant or, if push came to shove, if worst came to worst, at least they had an asset that they could sell to provide some money for their family, which of course creates its own problems because, once that property is sold, there is no rental income stream.

That is the experience of hundreds of people in my electorate in Seaton, West Lakes, Grange, Royal Park and Semaphore Park. These are the people who have been writing letters, writing submissions and providing feedback on the government's land tax changes. From the bill and the amendments we have before us, it seems they have been completely ignored.

As I understand it, even those people who met with the Treasurer and vehemently disagreed with him after those meetings have said, 'At least he saw me.' But what they have been told is, 'Oh, well, if you don't like it, sell a property.' I think that is an extraordinary position to take. Let's assume that that is the solution for some of these people, that they are forced into selling a property. Do the government have any advice about what the capital gains tax liabilities are likely to be for some of these people who are forced into selling their properties?

Do the government have a view about whether somebody should pick up a portion of the equity they have in the land they own and pay that to the federal government in capital gains tax, whether that is good for them as an individual or whether it is good for that money to leave this state? I cannot imagine that it would be. It is another impact that if the government had fronted the community, if they had spoken to people directly about the real impact of these changes, they might have learned for themselves, but they did not do that.

When we were confronted with these changes—when we immediately saw, despite what was being dressed up, that this was a package of measures that took more than \$80 million from one group of landowners and provided now three-quarters of that in tax cuts to the very top end of the land tax scales—we thought, 'We'll go out and talk to the community ourselves. We'll hear from them directly what their experience is.' Labor has held three forums. We held one in Campbelltown in the electorate of the member for Hartley, the Speaker, at the Marche Club.

The room was full that night. It was an agitated group of people who were petrified about losing their livelihood as a result of the impact of these tax changes. I do not pretend for a minute that there are not some people who, regardless of the aggregation change or the reduction in the top rates, can probably well afford these changes. As the Treasurer said, if somebody owns multiple properties—the figure changes; sometimes it is 10 properties, sometimes it is 12 properties and I think this morning it was 20 properties—and pays no land tax, how can that be justified?

Well, fine—release the modelling. How many people own 20 properties and pay no land tax? Maybe that is Harry Perks. Maybe that is why he is in favour of the cut in the top rate—because he knows that on a net benefit basis he is much better off. Maybe he can suffer the aggregation and receive the reduction in the top rate because he is a net beneficiary, but everyone who attended that meeting in Campbelltown at the Marche Club was furious.

People lined up at the microphone to tell their stories about their situation, what they were facing and the choices they were going to have to make about their landholdings. It was remarkable. For some people, it was very moving. The experience of my Italian constituents in Seaton was certainly reflected by some of the first generation Italian migrants who came to that meeting. They were devastated. They were devastated that they had worked hard all their lives. For 50 or 60 years they had saved and they had gone without.

I will always remember one gentleman standing up at the microphone who said, 'I have worked two jobs. I have worked every Saturday. I'm a tradesman. I never got to take my son to a soccer game because I worked, and with the proceeds of my work I bought a property so that I could rent it out. It was not just for that rental income: I could also leave it to him. That would be some justification for why I never got to watch him play a soccer game—because I had worked all my life to provide for him when he got to my age.'

Those are the stories that those opposite refuse to hear, that they do not want to hear and that they refuse to listen to. They are all written up as the obscenely wealthy top end of town. When it became clear that public sentiment was moving against the government on this land tax aggregation stuff, well, that is when the government's rhetoric took a really nasty, really sinister turn. That is when somebody in the government shopped a prominent Liberal Party supporter, donor and fundraiser to a national broadsheet newspaper, *The Australian*. The treatment at the hands of the state Liberal Party of Dr Timothy Goh is one of the worst abuses of government resources I think I have ever seen.

So desperate were the spin doctors in the Liberal Party to try to create the impression that it was only the top end of town that was complaining about these land tax changes that they sold out one of their own and tried to humiliate him on page 3 of *The Australian* newspaper. What a shocking miscalculation that was by the Liberal Party because not only was that person justifiably outraged that as a citizen a state government could target him and vilify him in that way but he was also grievously offended that the party that he had always supported since he was a teenager, the party that he had always believed in, that he had held fundraisers for, that he had donated to and that he had always voted for could throw him under the bus in such a public way—in a national broadsheet newspaper—so that the government could make its point a little bit better about its land tax changes. That is outrageous.

The only thing that matches it when it comes to being outrageous is that when the Premier was asked about it in question time he said, 'I don't know anything about it,' and when we asked him whether he would now make inquiries as to whether it was a member of his staff, he was completely disinterested. If I were the leader of a political party, if I were the Premier of the state and I suspected that a member of the Public Service—let alone a member of my personal staff—had behaved in such a way I would be outraged, absolutely outraged.

How can somebody treat another member of the South Australian community like that from a position of power, from a position of government? That was, I think, the tipping point in this debate. That dreadful, woeful political calculation of somebody in the Premier's office or in the state branch of the state Liberal Party to try to humiliate Dr Timothy Goh in a national broadsheet newspaper really got people angry. Whether you listened to the ABC or FIVEaa for the next two days, callers—

landowners or otherwise—were absolutely furious that a state government could treat one of its citizens like that.

The amazing thing, though, is that it galvanised the sentiment at these public meetings—the number of people who presented to these public meetings came up to the leader, or came up to me, or came up to the member for West Torrens, or came up to one of the other Labor members who attended those forums and said, 'I just want you to know that I've always been a Liberal supporter,' or, 'I've always been a member of the Liberal Party, and after this I am done with the Liberals.' How can a political party treat one of its own like that, how can a government treat one of its citizens like that? These people deserve no support again.

There is no illusion here. There is no assumption on this side of the house that these people are suddenly going to flip and start voting '1' in the box next to a Labor candidate, but they are done supporting the Liberal Party. That part of their base that has always supported them through the 16 years of incompetence and opposition and finally got them there in 2018, to be thrown under the bus within 18 months, is it any surprise that those Liberal Party supporters are saying that they are done?

Yes, I understand that some Liberal Party members—those select few members of the Property Council—now believe they have reached a good agreement with the government, but not all the Property Council members do. Some, I have to say, have been ringing me, the member for West Torrens and the Leader of the Opposition saying, 'I can't believe my organisation has done this. I am embarrassed and outraged.' So not all members of the Property Council, but some, think it is a good idea.

I understand that it is Liberal Party first, policy and state second. I get that. They will not change, but nearly all of those other close to 1,000 people who presented to and attended the land tax forums convened by the opposition were self-avowed Liberal Party supporters—or, I should say now, former Liberal Party supporters. I think that is why, when the news came through on Friday, that at least one, if not two or more, members of the Liberal party room were going to reserve their right on this bill. They could see that this was not good policy. This was not good policy from a Liberal government.

If you find yourself in a situation where you need to balance the books, you do not do what the Premier and Rob Lucas have done at every juncture over the course of the last year and immediately run to the public for more revenue to dial up their taxes, to increase fees and charges, to implement an \$80 million a year land tax aggregation charge. That is why these people feel let down. Rather than just dwelling on the fact that Steven Marshall and Rob Lucas have trashed the Liberal Party's support base, it is also worth hearing the stories shared by people at those forums about their personal circumstances. These people have been impacted by these land tax changes.

It is not just landowners who have approached the opposition with concerns about these changes. We have heard from mortgage brokers, rental property managers, the Real Estate Institute of South Australia and from real estate agents. We have heard from accountants, tax lawyers and the full gamut of professionals who know far better than most of us how the property market works in South Australia. These are not made-up examples: these are real examples of real people who are facing this aggregation measure.

A couple own three investment properties in Davoren Park, Elizabeth North and Albert Park. They are retired. They are not eligible for the pension because of the properties they own. They have no shares and no superannuation. Their rental income is \$40,000 a year, or thereabouts, and their other annual property expenses total nearly \$15,000, including their current land tax obligation of just over \$800. Following the aggregation measure, their land tax bill will increase to \$4,720. When your annual income is \$25,000, which is less than the pension for a couple, that is a big sting. That is a really big sting. This couple is relatively young, in that they are only in their 70s. They have children and grandchildren, and they are now facing a \$4,000 hit to their net disposable income.

Another family—again, a retired couple—has a property portfolio to provide for their retirement and they receive a yearly rental income of \$72,000 from five investment properties. I am the first to admit that that is towards the top end, until you understand where those properties are: Osborne, Salisbury North, Davoren Park and Torrensville. From that yearly rental income of \$72,000,

their other annual property expenses are around \$25,000. That leaves them just under \$50,000 to live off from their properties. Their current land tax bill is nearly \$3,200. That is now destined to increase to \$24,000 or, to be fair on the government, with the further changes now proposed via the amendments that the Deputy Premier has filed, not \$24,000 but \$23,000.

That is a massive impact. I understand why those Liberal Party spin doctors worked as hard as they possibly could to try to paint those self-funded retirees with no other assets and no other access to income as the very top end of town, but they are not. These are people who have worked hard all their lives. These are people who did not have access to compulsory superannuation when they were building their retirement income assets in the 1960s, 1970s and 1980s and these are the majority of people who will suffer the most from these aggregation changes.

It is not just those self-funded retirees; there are some other more extraordinary impacts, which I must admit on face value had not occurred to me, let alone obviously to the government. We had the operator of a number of childcare centres saying, 'I had arranged my business so I can afford to operate childcare centres in South Australia. If these changes go through, I will either have to dispose of them,' not easy in an overpopulated, oversaturated childcare market, 'or I will have to increase childcare fees'. Childcare expenses are expensive enough.

*An honourable member interjecting:*

**The Hon. S.C. MULLIGHAN:** There is a vacant seat next to the member for Heysen if the member would like to carry on with their comedy routine.

**The Hon. V.A. CHAPMAN:** Point of order: I would ask that the member for Lee resume his contribution to the house and not start a fight across the chamber.

**The DEPUTY SPEAKER:** Yes, we are all paying attention, member for Lee. I would remind members, and it is probably a timely reminder, that they are to keep discussions to a minimum during the contributions of other members. Member for Lee.

**The Hon. S.C. MULLIGHAN:** Thank you, Deputy Speaker. I do not mind people having conversations in the chamber, but when they are doing it audibly with their back turned to the speaker it is unparliamentary. That is the only point I make.

**The DEPUTY SPEAKER:** I was not aware of that, member for Lee. I was paying attention to you, so please continue.

**The Hon. S.C. MULLIGHAN:** Thank you. That makes one of you, Deputy Speaker. Thank you very much.

*Mr Teague interjecting:*

**The Hon. S.C. MULLIGHAN:** Apparently the member for Heysen speaks. It is news for all of us. There was Rob, who owns two GP medical centres that he has developed and now his GPs in these medical centres are talking amongst themselves about whether they have to end their practice of bulk billing. That is an extraordinary outcome. Those GP centres, of course, are located in the north-eastern suburbs, as it happens, in the electorates of the member for Mordialta and the member for Hartley.

These are the sorts of impacts which, if the government had deigned to listen to the results of feedback provided to them in the four weeks, they might have realised would come if these aggregation changes went through. But, of course, those impacts on the community have not been considered by the government.

At Lockleys, there was Eddie, the owner of three properties and, as a result, not entitled to the pension. He has a modest annual income and a lot of it will be removed through the application of this aggregation measure. He has had the wherewithal to go and speak to his accountant, who advised him, given the uncertainty, that perhaps the best thing he could do is sell everything and start over. Eddie is one of those post-Second World War, first generation European migrants forced into this situation by the Liberals.

There was Graham, who told the Lockleys community forum, 'If the Liberals had declared this at the last election, Labor would be in government. The Liberal's dishonesty got them into power.'

They were not my words; they were Graham's words at the Lockleys forum. He now faces paying half of his \$35,000 in net rental income in land tax, again, being left without a livelihood should these changes go through. There was Will, who also told the Lockleys land tax forum, 'The government blatantly lied to us. They told us at the last state election that they would cut land tax, yet here they are, 18 months on, massively increasing it.'

There was Sam—not the member for Waite, clearly—who said, in regard to the government's arguments that these land tax changes would make us competitive with interstate property investment markets, that in Melbourne \$1.5 million worth of taxable land is taxed at \$12,000 and in Adelaide it will be \$25,000 under the proposed trust changes. He also told the meeting that he is aware of one developer who had received council approval but that the development approval for a development of 16 dwellings, which would have supported 10 different trades and 180 different tradespeople over the construction period, has now been cancelled.

That is the message that has come through from other industry groups, those that knew what was actually going on here and did not settle for the 30 pieces of silver like the Property Council did. If you cast your mind back over the last 10 years, 75 per cent of new dwellings that have been constructed in metropolitan Adelaide have occurred as a result of infill development—not greenfield development but infill development. These are the small-time personal property developers by and large; for example, someone who buys a block of 700 square metres or 1,000 square metres in Campbelltown or Seaton and subdivides it and puts two dwellings on the land.

This is the bulk of the new housing construction industry in Adelaide as we have known it for the last 10 years, and these are the projects that are being cancelled. As I said in my earlier remarks, I appreciate that the government has tried to make life a little bit easier for those greenfield developers who had established property trusts, for them to escape the worst ravages of this aggregation measure, but it does not help the majority of the industry. It does not help those people Sam was telling us about at the Lockleys forum.

We had Tom, the son of a very well-known and well-loved butcher in the western suburbs. His father had invested in a property not just to run his business from but to ultimately pass it on to his sons, in addition to one other rental property in his family. He now faces the prospect of having to make a decision about whether that property can be retained by the family and the net rental income with it.

At that same meeting, Tony echoed Graham's concerns that the Liberals are just dishonest. He said, 'This is not what they said at the last election. They said they would cut land tax and now they have changed it.' He is facing a land tax bill that will go up from \$8,000 to \$20,000, or perhaps, with these changes, to \$19,000—pretty cold comfort given the impact it will have on his livelihood. We had Laz, a property adviser with his own practice in Henley, who said that if people take the decision, under these aggregation changes, to sell properties, we know that thousands of individuals will be impacted by aggregation.

Amongst those people there are many more thousands of properties that are owned. If huge numbers of people sell, what happens to bank valuations on everybody else's residential property? What happens to loan value ratios? What happens to people's capacity to make loan repayments if they have geared their properties?

Regina Twiss, who is one partner of the North Adelaide Heritage Society, faces paying \$60,000 a year in land tax merely because she and her husband have worked very hard to build themselves a property portfolio very particularly dedicated towards the preservation of significant heritage properties in North Adelaide. Anyone who has gone to Tynte Street, either to Amarin Thai (I think it has moved now) or to Perryman's Bakery, would be familiar with the old fire station there, which has been turned into short-term accommodation. That is one of their properties, and that is the sort of effort that they have gone to. There is a heritage impact here that also has not been contemplated by the government.

At the forum at Goodwood, we again heard stories of people's retirement income being smashed by a land tax increase from \$4,500 to \$23,000. One landowner said, 'I've got no choice. I either sell the property or I pass on the costs in higher rent. I calculate the increase in weekly rent to my tenants, if I try to pass it on, to be \$80 a week.' We had a self-employed business owner suffering

an extra \$15,000 a year from these aggregation changes. He was petrified that he would have to sell, likely at a loss, given the current environment. Ray said that his land tax bill now looked like it was going to go up by \$60,000. In the last five years, he had already spent \$300,000 on stamp duty in establishing his property portfolio.

These are certainly not all the stories that the opposition heard presented in those land tax forums. We had retirees at their wit's end, genuinely panicked and terrified of the impact of these aggregation changes. We had young people—and when I say 'young people', I am referring to people even younger than me—in tears at the prospect of losing everything that they had worked for. They were not just concerned about the dishonesty of the Liberal government in promising to cut land taxes but now actually increasing them; it was the retrospective application of these arrangements to the investment portfolios providing for their retirement incomes that also enraged them.

Remember, as I said, that the vast majority of the nearly 1,000 people who attended these three forums declared that they were, or had been up until now, Liberal Party supporters. Unsolicited by the Leader of the Opposition or me, people were standing up at the microphone and saying, 'Didn't we just see this in May at the federal election? Didn't we just see a prospective government trying to take a new tax to the election that would impact on people's retirement incomes?'

People had amassed shares and were receiving the benefit of tax credits on their dividends from those shares, and that was proposed to be wiped out by Chris Bowen. Did the community not send the message clearly enough about these sorts of changes from government? Most people said, 'Yes, that's right, but at least Bill Shorten and Chris Bowen took it to an election.' At least they took it to an election. This government did not take it to an election. In fact, they promised the opposite at the election: they promised land tax cuts, not this land tax increase.

I mentioned earlier that the government had a number of choices in trying to fill this budget black hole. I found it extraordinary. Perhaps this shines a great light on the mentality of the Treasurer. I remember at the 2006 election he promised that he would sack 4,000 public servants if the Liberals were elected. He was roundly criticised by public sector unions, by the Public Service Association, by the teachers, by the nurses and by all those allied health professionals who support our doctors and nurses. The Liberal government copped an absolute hiding over that policy.

Even today it seems that the Treasurer has an instinctive reaction to need to try not just to balance the budget but to do so by taxing South Australians more, rather than cutting the cloth of government. That was another point raised at these forums: 'I thought these people were Liberals, and as Liberal supporters we would have thought this wouldn't be the first port of call of the government—\$500 million in higher taxes, fees and charges and then on top of that this new egregious land tax aggregation measure.' And they call Labor the party of high taxes.

At every single juncture, this year this government has imposed higher taxes on the public of South Australia. They have completely undone the benefits that households would have received from the emergency services levy, and they are now on track to completely undo the benefits to the business community of payroll tax reductions and the legislated changes to land tax. Sitting behind all this, as I mentioned earlier, is the threat of the revaluations. We still do not see the government being honest with South Australians about the outcome of this revaluation process.

For a while the Treasurer tried to argue, 'Oh, look, this started under Labor, and the former Labor government was expecting an extra \$19 million in land tax revenue, so they were in it just as bad as us.' Well, I asked the Treasurer where that \$19 million could be substantiated, and he said, 'Oh, it was across the forward estimates, and it was held in a contingency.' A revenue contingency—will wonders ever cease? There is no revenue contingency in the budget. There never has been and there currently is not. It is just made up by the Treasurer.

But what is not made up is the deluge of revenue that people are now going to pay to the government in higher state taxes as a result of these revaluation changes. The plea from landowners was, 'If this aggregation measure is to be introduced, the very least the government could do is hold off on implementing it until the Valuer-General's revaluation process has been completed and we understand the impact on people's valuations and we also understand the impact on the government's revenues and how much more revenue they stand to gain from these changes in property value.'

But the Premier, the Treasurer and those opposite want their cake and they want to eat it, too, because not only do they want to increase land tax through this new aggregation measure but, once they start generating a lot more land tax from the existing land tax base, they then also want to see massive increases in people's property values. For the last few years, as I said, because of Labor's change to the Land Tax Act when we were in government, there has been an adjustment to the thresholds of the land tax regime.

It is done based on the Valuer-General's statewide average in land values each year. That has usually been 2½ per cent, 2 per cent, 3 per cent or 4 per cent. This year it is 6 per cent, perhaps a harbinger of what is to come from revaluations. That is based on only three councils having their property values changed: Adelaide Plains, the constitutional monarchy of Walkerville and the City of Unley. The next one that is about to come is of course the City of Adelaide. That is where the—

**The Hon. S.K. Knoll:** No shame—none.

**The Hon. S.C. MULLIGHAN:** The member for Schubert has a contribution, I understand.

**The DEPUTY SPEAKER:** He does not have a contribution. He is interjecting and he is out of order to do that. Member for Lee, please continue.

**The Hon. S.C. MULLIGHAN:** Thank you for your protection—and a minister of the Crown nonetheless. Shame, shame, shame! Once these valuations are conducted in three of the 68 councils across South Australia, you can imagine what is coming forward, and we are already seeing the average land value increase, arrived at by the Valuer-General, by which land tax thresholds have been indexed to 6 per cent. That 6 per cent is no comfort to that business in the City of Unley that has had a revaluation of over 100 per cent. The land tax thresholds are not going to keep up with that property.

The bracket creep that will impact that particular landowner will be grievous and significant. Once the valuation changes started in the City of Adelaide where, thanks to the member for West Torrens' stamp duty reforms to abolish stamp duty on commercial property transactions—and I note for a period of time after the controllers of SA Liberal media on level 15 in the State Administration Centre finished trying to dirty up Dr Timothy Goh—they started changing their attention to claim credit for the introduction of those commercial stamp duty reforms.

Fortunately, not only are they not targeting citizens of the state to try to humiliate them on national broadsheet newspapers anymore but they have also stopped trying to claim responsibility for the single largest tax cut in recent history: more than \$300 million a year in stamp duty forgone. All of that has seen tremendous investments in the CBD. We have seen not only new office buildings being built—for example, the new development at the GPO, which the Deputy Premier was complaining about and criticising in 2017 before the fabric swatches came with her incoming government briefs in 2018 ready for her to move into that said building—but we have also seen the Black Stump and 45 Pirie Street sold. There is tremendous investment in commercial property in the CBD.

It seems like the Valuer-General is taking the view that a rising tide lifts all boats, that if huge increases in property prices are being achieved for the sale of these individual commercial buildings that will then flow on to the surrounding commercial buildings. This is notwithstanding the fact that they may not have been on the market, they may not have changed tenant, they may not have had an external refurbishment or an internal refurbishment. They are all likely now to have a significant increase in their valuations, which means that their land tax bills will increase as a matter of course, well aside from the aggregation measure, but they will face that. That will mean that there will be a spillover effect into broader property revaluations.

In that context, it is not unreasonable for those other landowners to think, 'Well, if we're all going to face this across the other 65 council areas, after the City of Unley, the Adelaide Plains and the constitutional monarchy of Walkerville, then it makes sense for us to park this land tax aggregation measure until we get this out of the way.' If it is not parked until the revaluation measure is out of the way and people can better assess the impacts of it, then, at the very least, provide some sort of period of time where people can transition to these new aggregation arrangements.



Six months is not sufficient for pretty much any landowner staring down the barrel of a massive land tax increase as a result of aggregation. That means they have to make a choice: they have to grin and bear it and suffer the impacts to their livelihoods, whatever they might be—self-funded retiree, small business owner, small-time property developer, large-time property developer or property investor. They can grin and bear it. They can choose to sell a property and most likely, depending on their circumstances, face a significant capital gains tax bill, or they can increase rents to their tenants.

One-third of households in South Australia are rental properties—300,000 of the near 900,000 households here in South Australia are rental properties. If they are rented, that means somebody else owns them and is charging them rent. That person is likely to face not only a land tax bill under the current arrangements but at least a changed and most likely higher land tax bill under the provisions of this bill. Up to 300,000 households will either have their landlord sell the property out from under them—no nice feeling of certainty for that tenant, hoping that perhaps they can hang on to their tenancy and they do not have a landlord who makes life difficult for them—or they have an increase in their rent payments, which many cannot stomach.

I had one person who came and met with me who said, 'I make no bones about it: I own residential investment properties. The part of the market I have participated in for the last 10 or 15 years is I have bought former Housing Trust properties in the Riverland, usually for well under \$100,000 each. I have people who are very much at the low end of the income scale, usually on pensions, disability support pensions or other forms of government assistance, to help them keep the lights on and maintain their livelihoods.' He said, 'Given how little I have paid for these properties and how relatively little they are valued at, I am absolutely fine with charging them the bare minimum in rent.'

People's rents for these properties are in the \$120, \$150 or \$170 a week range. This is not the average rent, as it is in Adelaide, of about \$450 a week for a house, or the more than \$300 a week for a unit; these people are paying \$100 or \$150-odd a week in rent. That means that they have some disposable income after they receive their pension and they have paid their rent. That means they can pay their electricity bill or their gas bill. That means they can put food on the table and maybe even go out and participate in a social or sporting group in their local community.

He said, 'Not only have I tried to do the right thing by myself and build up an asset base where I can provide myself an income in retirement, but I have also tried to do it in a way where I genuinely feel like I'm helping people in the community who otherwise wouldn't be able to put a roof over their heads. Now, through these changes, I am not going to be able to do that. Now I have to either sell those properties or go and front up to some of these people who have an income of \$200 or \$300 a week, of which already half of that is already going to me, and ask them for more money.' He said, 'I just can't do it. I just can't do it to them, because what else are they going to do? Where else are they going to go?'

There are no other Housing Trust properties available that they can then fall back on in the public housing system in that area, so what do they then do? Do they have to move to somewhere where there is what they understand to be vacant Housing Trust properties? Do they join the waiting list? Do they become homeless as a result? These are all the different experiences of people who are likely to be hit by this.

To give the government the benefit of the doubt, I think when they first set out on this measure, they would not have intended that those people be hit like that. I do not think they would have realised that people were in those situations and were facing those choices and might need to put other members of the community through those straits, but that is the benefit of talking to the community and understanding people's situations.

I come back to the point of the blasé characterisation by this government, that this is a measure just targeting the top end of town, that these are the people who only drive expensive European cars, who inexplicably were reported as buying them from Chateau Moteur. I was waiting for the follow-up article where the next person would have bought their car from Bob Moran Cars. It is just extraordinary that the Liberal government would be ignoring the full breadth of experience across the community regarding these changes.

I genuinely think that that is why there is still a group of people in the Liberal party room who are uncomfortable with this. I genuinely think that some of those opposite—not all of them and certainly not at least half or the majority, but a small number of people—know that this is not the right thing for a government to do, and it is certainly not the right thing for a Liberal government to do. It is manifestly unfair not only for that Riverland landlord and places other people in dire straits but for those self-funded retirees, for those people who have worked all their lives, who have paid their taxes, who have paid stamp duty in buying these properties.

Many people bought these properties for a few thousand pounds, let alone a few thousand dollars or maybe \$20,000 or \$30,000 in decades gone past. They have always tried to do the right thing. They had heard the message from federal governments from the late 1970s onwards that they do not want more Australians being a burden on the welfare system, that people should find ways of managing their own retirements without being a burden on the taxpayer, and so they have done that. They are now being told that that is not good enough, that they have to pay more tax. It is just extraordinary.

We cannot support this bill. I stood in front of the hundreds of people at each of those forums and heard those real experiences of real South Australians who have done the right thing all their lives, who have tried to make sure that they can rely on themselves, who have tried to make sure that they minimise any burden they might place on other taxpayers, who have tried to make sure that they can set an example for the rest of their family and their children—that if you work hard, if you make good choices, if you make sacrifices, then not only can you provide for yourself but you can also ensure that you are alleviating the burden on other taxpayers.

Those people now are saying, 'What was it all for? Why should I have gone to all of this work?' Why should that father who spoke to us at Campbelltown have missed a decade of watching his son play soccer on Saturday because he was working as a tradesperson so he could make sure that his family was well provided for?

I urge those opposite, those people who perhaps did not attend the Liberal party room meeting, who were not there to be cowed back into submission by those who are more interested in raising revenue than the real impacts on the community, to withdraw their right of either abstaining or opposing this bill and to think very carefully about what impacts they are having on the community.

What the Premier, the Treasurer, the Liberal Party and the government spin doctors have told you is wrong. This is not a tax cut: this is a tax increase. This is a tax increase to be paid for by thousands of South Australian small businesses, by thousands of South Australian self-funded retirees and by thousands of South Australian families. Three-quarters of that benefit, \$60 million in tax cuts, is now being handed to the minority of landowners at the very top end of the scale.

There are interstate property investors—people who are not even South Australians—who own significant portfolios of land in this state who will receive a tax cut of hundreds of thousands of dollars a year from this land tax proposal, and it will be paid for by those people who turned out to the meeting at the Marche Club, it will be paid for by the people who turned out to the Lockleys Bowling Club and it will be paid for by the people who turned out to the Goodwood Community Centre. How is that fair? How is that equitable?

**The Hon. A. Koutsantonis:** It's not.

**The Hon. S.C. MULLIGHAN:** As the member for West Torrens says, it's not. It is not fair and it is not equitable: it is grossly unfair. For the Premier and the Treasurer and those opposite to package this up as something different is deliberately misleading and deceptive.

Those people who see themselves as the putative treasurer on that side, the member for Schubert included, who thumps his chest about the benefits of these reforms, should be warned about the impacts on the South Australian community. Given that we now know from the Premier's admission in question time that dear old Rob is not going to see the term out in the Treasurer's seat, the member for Schubert may well be the one in the Treasurer's chair in the lead-up to the next election when, if this bill goes through, the second round of massively higher land tax bills goes out to all those people.

All those constituents in the electorates of Morialta, Hartley, Dunstan, Adelaide, Colton, Morphett and Elder are the people who are going to face land tax bills many thousands of dollars higher. Why? So that those people, those wealthy property investors with millions and millions of dollars worth of land, can have a tax cut in the tens or hundreds of thousands of dollars. We should not be surprised by that, should we? This is true to form—large 'l' Liberalism in this day and age, is it not?

It is the belief in trickle-down economics that if you give the very top end of town a big enough tax cut they will take care of the economy. They can be believed to create the jobs, to invest in labour and to invest in capital to grow the economy. That is just not true. We have had the big experiment with that over the last 10 to 15 years. The experience since 2008 has been unequivocal: all the largesse that has been provided to the people at the top end, whether at the federal level or at other levels around the country, has massively increased profits of companies, and for the last 10 years, wages have stagnated, both across Australia and South Australia.

Providing those sorts of people with additional relief does not lead to any economic benefit at all. As we have already seen, the people who build the majority of new houses in South Australia are small-time property investors. They are not large property investors. Certainly, they develop a lot of properties but nowhere near as much as the infill urban development that has been conducted in Adelaide over the last 10 years, and that is what is now at risk.

It is no coincidence that there has been no endorsement of this latest package from Business SA. There is still criticism of this from the Master Builders Association, the Urban Development Institute of Australia and the Motor Trade Association. The assertion in the paper today, that the government have brokered an agreement, with industry is wrong. They have brokered an agreement with one small unrepresentative part of industry, and the remainder of industry—the vast majority of industry—does not support these changes.

The community does not support these changes, landowners do not support these changes and industry does not support these changes. Other than the Property Council, Daniel Gannon, Steve Maras, the Liberal party room and Harry Perks, who does support these changes? If it is just them, why on earth would they be ushering this through? Is threatening thousands of South Australians' livelihoods honestly the best way that those opposite can come up with to find an extra \$20 million for their budget?

I cannot believe that in all the years I have been either watching or participating in parliament we now have a Liberal government, which has waited out the long 16 years in the wilderness of opposition, using their first term to massively increase land taxes—\$80 million on a few thousand landowners—to pay for tax cuts at the top end. It is just extraordinary. This is not reform. This is just a punishing tax hike dressed up as reform by the Premier and the Treasurer.

I understand that we may well get the opportunity tonight to vote on the bill. The opportunity is not yet lost for those members opposite who have made it clear to their own colleagues that they remain uncomfortable with these land tax changes because they know it is bad for the community, they know it is bad for industry, they know it is bad for landowners and they know it is bad for the economy. They still have the opportunity to do the right thing and vote against this legislation. It will be interesting to see if any of them do and, if any of them do, which ones do.

We know that the member for Waite was the Jerry Maguire of the land tax debate: Rob had him at hello. He settled early: 'What's that? This is more than sufficient. I'm in.' Little did he know that there was room to go. Do not take him to a house auction, Mr Acting Speaker. With that, I conclude my brief contribution.

#### *Parliamentary Procedure*

#### **VISITORS**

**The ACTING SPEAKER (Mr Pederick):** Before we rise for dinner, I would like to welcome the Wilderness School SRC for 2020 and Mrs Rosie Broderick. They are guests of the member for Flinders. Welcome to the house tonight.

*Sitting suspended from 17:59 to 19:30.*

*Bills***LAND TAX (MISCELLANEOUS) AMENDMENT BILL***Second Reading*

Debate resumed.

**Mr DULUK (Waite) (19:30):** Today, I also rise to speak to the Land Tax (Miscellaneous) Amendment Bill.

*Members interjecting:*

**Mr DULUK:** Sir, please, I have barely started and look at them going at me already.

**The SPEAKER:** Order! The member for Waite has the call.

**Mr DULUK:** Sir, as you know, in the lead-up to the state election, our side—the Marshall team—said that it would be a reformist government, and I think in many senses we have continued down that very path. We said that we would bring a reformist agenda to government, one that is focused on the economy, one that is focused on creating jobs, which I know those opposite are so interested in, yet when we have good job statistics, as we recently had the other day, they do not celebrate them. In fact, they do not like good stats because it takes away their ability to counter—

*Mr Malinauskas interjecting:*

**The SPEAKER:** Leader of the Opposition!

**Mr DULUK:** —their poisonous attitude in their conversation with the people of South Australia.

**The SPEAKER:** Member for Waite, be seated for one moment. The Leader of the Opposition spoke to this part of the second reading speech unhindered pretty much. It was pretty good behaviour from the government side, and I ask the Leader of the Opposition to return the favour to the member for Waite.

**Mr DULUK:** Thank you so much, sir, for your protection. As you know, they hate good news. They hate it that job numbers are—

*Members interjecting:*

**The SPEAKER:** Order, member for West Torrens!

**Mr DULUK:** —positive for South Australia, as they were most recently. They hate that we are out there creating jobs, which we are. They hate it that we are out there reforming the VET sector and the TAFE sector, as the Minister for Education is doing, putting money back into the system, investing in jobs. They hate that. They hate good news.

We have had 16 years of Labor here in South Australia and we need to reform, and land tax is part of that reform we need to undertake. That is why we want to deliver tangible benefits to South Australians. We made a commitment to the people that we would lower taxes and other costs—and we are doing that. We have abolished payroll tax for so many small businesses in South Australia. Do those opposite thank us for that? No, it is something they never did, something they did not want to do. They do not like people who employ people. They only like the unions. That is what the Labor Party is in for.

We have put back the remissions on ESL and returned cost-of-living savings to households across South Australia. We remain committed to capping council rates, reducing electricity prices and cutting water bills, but there is plenty more to do and, as part of that, far-reaching land tax reform is very important. Major reform is never easy. It is not even popular and it is often controversial. However, that does not mean that we should take the easy road, as it says in the Good Book. We have an opportunity for true economic reform—

*The Hon. A. Koutsantonis interjecting:*

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

**Mr DULUK:** —reform that will benefit South Australia's economy, reform that will benefit businesses large and small, reform that importantly will actually support mum-and-dad investors and, ultimately, reform that will benefit the community. Governments must have adequate revenue to provide essential services, but I believe in growing that pie—

*The Hon. A. Koutsantonis interjecting:*

**The SPEAKER:** Member for West Torrens!

**Mr DULUK:** —to provide those essential services, rather than increasing taxes to deliver those essential services or privatising government assets, such as the Motor Accident Commission, which goes straight into general revenue, or ForestrySA, which goes straight into general revenue— which those opposite did so easily in their last term of government.

True economic reform will achieve this important end. I appreciate that there are many voices in the debate on the nature of the reforms that we should pursue, but there is one thing that has unanimous support—that is, urgent reform is necessary to send a clear message that South Australia is open for business, that South Australia is indeed the best place in the nation to invest in property and that South Australia is the best place to run a business large or small.

As we seek to grow our economy and repair 16 years of Labor mismanagement, the stakes are too high for any missteps. There is no doubt that the proposed land tax aggregation changes have caused significant angst and uncertainty amongst the community. I am the first to admit that the land tax journey to this place since the state budget announcement has not been an easy one and I, too, was an early critic of the process undertaken. At this point, I would like to thank the many constituents who have contacted my office, as indeed they have yours, sir. I include industry bodies such as the MTA, the UDAA and the MBA—

**The Hon. A. Koutsantonis:** UDIA.

**Mr DULUK:** —UDIA—who have contacted me seeking a better overall land tax reform package. I acknowledge many of their concerns. I know that the bill before us that we are debating this week and the additional amendments proposed yesterday by the Treasurer seek to address many of the concerns raised about thresholds, rates and trust aggregation. I am glad to see that we are proposing to adopt a more Victorian aggregation system as opposed to a Queensland one and also a provision where companies that act in a development capacity are treated as trusts in their proposals.

We must not lose sight of our objective to create a competitive advantage over other states. This was certainly the mantra when Sir Thomas Playford was premier of South Australia: to make South Australia a low-cost jurisdiction. It is something that South Australia has lacked since the Bannon Labor disaster of the State Bank. I know that members opposite do not like to talk about the State Bank disaster.

*Members interjecting:*

**The SPEAKER:** Order!

**Mr DULUK:** Since the State Bank disaster, this state has not enjoyed a competitive advantage in almost any industry, especially in state-based taxation across the nation, mainly due to the monumental catastrophic devastation that the State Bank had on South Australia so that it was unable to grow over that period of time. When it comes to tax policy, I really think that South Australia has been too dependent on the other states. We have been too dependent on grants from the commonwealth, and this needs to change.

We need to grow our pie in South Australia. We need to grow our economy and grow jobs. I know that this government is committed to growing jobs: Labor only pay lip service to jobs growth. We need to grow the pie so that we can become a competitive, low state tax jurisdiction. Sir, I am driven, as I know you are, by conservative principles that lower taxes give us a competitive advantage so that we can grow our economy. I want South Australia to be known as a state with a fair and competitive tax system, a state that is an attractive place in which to invest and live.

For South Australia to achieve its population and economic growth targets, we must make sure that there is a competitive advantage relative to other states in terms of affordable housing, and we must also ensure that the tax burden is not disproportionately applied across the community. We must strive to achieve a fair and equitable system. South Australia's existing land tax regime is unfair and broken.

What we are really dealing with now are the so-called reforms of former treasurer Foley. The member for West Torrens was in the parliament and the government at that time and presided over the mess we have today. When he was treasurer in the former Labor government, he did nothing to fix this land tax mess we are in. He sits there, and he has been the best friend—

*Members interjecting:*

**Mr DULUK:** —of the Property Council for the last six months.

**The SPEAKER:** Order! The member for Finniss gesticulates. I ask the member for Waite to cease provoking the opposition, and I ask the opposition not to respond to that provocation.

**Mr DULUK:** Sir, as you know, the member for West Torrens served Her Majesty diligently as treasurer in the former Labor government. In that time, he did not once seek to reform land tax, but we are doing it. This government, the Marshall Liberal government, is doing it. We all know that, across South Australia, a top marginal rate of 3.7 per cent is too high and uncompetitive. Those opposite who do not want to support this bill are basically saying that it is okay to have a top land tax rate of 3.7 per cent.

*Members interjecting:*

**The SPEAKER:** Order! Member for Playford, be quiet!

**Mr DULUK:** If Labor oppose, they are saying, 'We want the highest land tax rates in the country.' They want the highest land tax rates in the country. It is unfair that South Australian investors pay the highest top marginal land tax rate in the nation. Land tax should be as broad as possible and as flat as possible. It is important that land held for investment purposes is treated the same from a tax perspective no matter what the ownership structure is. I think that is so important.

If we do not get it right, we will turn away investment and we will stifle economic growth. So the changes we are proposing—looking at lowering rates over time, looking at increasing tax-free thresholds—will help investors in South Australia and tell people that we are open for business. For years, investors have preferred to place their money in other states because of our historic 3.7 per cent top rate of tax. Over time, I believe we must also look further to reform the thresholds and rates paid for rateable land between the \$755,000 mark and \$1.1 million. It is important that we further lower the rate in that bracket.

The top tax rate must be reduced. We must release that handbrake on investment. The legislation before us aims to create a fairer land tax regime than the current arrangements. These changes will result in a lower tax burden for more South Australians. These changes will also result in a fairer tax burden on South Australians. The payment of tax should be equal; it should not be based on how you structure your investment. But investment should not be a dirty word; in fact, investment should be encouraged.

We should not view the holding of an investment portfolio, whether it is one property or many, as a negative thing. We should not be singling out property investors, many of whom come from multicultural communities, and bemoaning their hard work, risk taking and resourcefulness. Property investors are not only key cogs in keeping our economy moving but they are essential to our economic growth and prosperity. They underpin our residential rental market and are an important source of rental stock. They are an important driver of residential real estate prices. A flatter, broader tax system is essential to providing incentive and reward to those who take risks. A tax system that makes lawyers superfluous to investment decisions is important.

*The Hon. V.A. Chapman interjecting:*

**Mr DULUK:** I apologise to the Deputy Premier for that. A tax system that is world's best practice, a tax system that encourages investment in residential and commercial real estate, and the positive flow-on effects this activity would bring would be of enormous benefit to our economy.

Middle-tier investors should not be disproportionately affected by changes in comparison with smaller investors and the big end of town, and vice versa. Investors should not be disproportionately affected by the approach they take to structuring their investments. Government, industry and investors all agree: reform is essential, but we must reform land tax with a positive impact. Too few have carried the large land tax burden in South Australia for too long. It is time we pursued a pathway of reform that reduces red tape, is easy to understand and is economically more efficient.

I welcome the amendments as flagged by the Treasurer yesterday that see a further flattening of the land tax rate with a new 2 per cent threshold, which sits at \$1.1 million at the moment and ultimately increases to \$1.6 million by 2023-24. I am pleased to see that self-managed super funds are exempt from land tax and, of course, that the primary residence is exempt from land tax. I know that members opposite would love to charge land tax on the primary residence.

It is actually in the DNA of those who love the politics of envy, which is the Australian Labor Party, to talk about taxing the family home. That is what they want to do. I know that that is what the member for West Torrens has previously floated when he was on this side of the house. The member for Enfield shakes her head, but she knows that that is what the Labor Party wants to do to her constituents as well, and that is put a land tax on the primary home.

I am more comfortable with the trust surcharge aggregation provisions than those first announced, but I note that caution should be used in the implementation of these provisions, ensuring that those who legitimately use trust structures are given time to transition under the new rules and are also aware of their obligations in regard to beneficiary nominations. I urge Treasury to proceed with caution as they go about implementing this new regime, should the bill pass the house.

I also welcome the legislated independent review of these land tax changes in 2023, and I hope an independent review will call for further reductions in land tax. If I could finish with a few words of caution, any scope in the budget to fast track these tax cuts must be utilised, and of course there is the Mid-Year Budget Review coming up later this year. The drawn out debate over land tax reform this year, I believe, has impacted to a certain extent market and investor confidence. I encourage my colleagues to remember the Marshall Liberal team's commitment to an open, transparent and accountable government.

The development industry and those who are developers play a vital role in housing affordability and jobs. Land tax reform should respect the contribution this sector makes to the South Australian economy. The current statewide revaluation being undertaken by the Valuer-General began under the former Labor government, which they hardly ever mention in dispatches. But the process by the independent Valuer-General, which began—

*The Hon. A. Koutsantonis interjecting:*

**The SPEAKER:** Order!

**Mr DULUK:** —when the member for West Torrens was treasurer, may have a significant impact on the tax burden for all property owners. Investors may reach a tipping point in a concurrent process of land tax reform, if not managed carefully. We should not and we must not adopt a system that discourages multiple residential and commercial ownership in this state.

As we move forward with this legislation, we must tread carefully to avoid any unnecessary damage to the property sector and the state economy. To this end, I encourage my colleagues, the Treasurer and the Premier to work with key stakeholders to navigate our government's challenging reform agenda to ensure we deliver the best outcome for our state and for all South Australians. Anything less than that risks taking a wrecking ball to the economy.

**The Hon. A. KOUTSANTONIS (West Torrens) (19:45):** And with that, we see the complete capitulation of the financial conservatives to the wet moderates of the party. With that, we see the humiliation of the member for Waite, who went on radio not three weeks ago lauding initial changes that the Premier had made saying that these had gone far enough, only to be humiliated when the Treasurer had in his pocket further room to move, and this is the point I make in my remarks today. How irrelevant is the Liberal Party backbench? How irrelevant are they?

It takes someone who is not even in the party room to call a meeting with the Treasurer on the weekend, despite what we were told by the Premier to this house that there was unanimous support for the original land tax measure that the parliament was going to be considering today before the amendments were proposed. Members opposite were removed from deliberations, and Daniel Gannon and Steve Maras were brought into the tent, the Treasurer heard their concerns and they acquiesced to his amendments.

If you are a Liberal member in a marginal seat and you see the Treasurer meeting with people who are not in this room—despite, I suspect, some members making concerns known to the executive and the cabinet and being ignored—how irrelevant are Liberal backbenchers that their views are not taken seriously, that their views are not heard or taken up by the cabinet, but someone like Daniel Gannon's are?

How irrelevant is the former mayor of Holdfast Bay? How irrelevant is the member for Newland? How irrelevant is the Government Whip or a former lawyer or a dairy farmer? How irrelevant is the member for Waite? All their concerns—dare I say it, Mr Speaker, even the Presiding Officer's of this house—are not listened to and are ignored. They are not taken seriously.

I do not believe that any member of this current Liberal government will vote against these measures. I believe they all wholeheartedly support aggregation of properties in land tax. I think that they think it is a rort. I think that they think that people who have bought properties in different ownership structures are tax cheats. I think that they think that they should be taxed more, and that is why this measure is here today, and that is why all of them, every single one of them, is voting for this, including you, Mr Speaker.

All of you support this measure. All of you support aggregating all properties, regardless of the legal instruments that were available to people before this. All of those opposite support retrospective tax changes to arrangements made in the ownership of property. All of them. Every single one of them. Not one today will get up and say that they are reserving the right to cross the floor. Not one will speak for the mum-and-dad investor. Not one will speak for someone who has gone without to build a property portfolio. Every single one of them will vote for this Premier's attack on aspiration—every single one of them.

Ask Timothy Goh what happens to you if you dare to oppose them, if you dare to stand up to the Liberal Party. What happens if you attempt to say that what they are doing is unfair or unjust? Well, they will parade your acquired wealth on the front page of a paper, they will attack you as being aspirational, they will attack you as being rich or, even worse, call you a rorter.

Imagine the Labor Party holding these forums and hearing from a wide range of people about their concerns about land tax. The one thing that struck me at all these forums was the consistent theme that came up from a lot of people. Without being accused of being a misogynist, overwhelmingly it was from men. Overwhelmingly it was from blue-collar working men, who said the same thing over and over again to me: 'I missed out on going to my kid's sport. I'm not as close to my children as my wife is. I'm not as close to my family as others are because I worked weekends. I wasn't home. I worked two jobs. Why? To pay off the mortgage or the borrowing costs of the second, third, fourth or fifth property. Now I am being told by a party that I have voted for my entire adult life that it was for nothing. On top of that, they imply that I am a tax cheat, that it is a rort, that I have somehow done something wrong.'

Now that person is turning to a party that they have never voted for, that they have never seen as their ally, as their only hope, because the member for Elder, the member for Newland, the member for Adelaide, the member for Morphett and the member for Colton will not support them. The member for King is oblivious to all this, but the other members know what they are doing. They are ending what they think is a rort. They think that people who have the intelligence to establish trusts because they want to protect their assets are somehow rorters. That is what the Liberal Party is telling them.

I do not believe that there is a single person in the Liberal Party who does not agree with the Premier, because all the lecturing we receive in this parliament and outside this building from Liberal members is, 'We are free to vote as we please in the Liberal Party and not be expelled.' Well, we will see it in this vote. All of them, every single one of them, will be there sitting alongside their Premier,



voting for these reforms. Why? Because they believe it. They think it is the right thing to do—every single one of them. I can see the member for Heysen nodding in agreement. He thinks it is a great idea. He thinks people who have disaggregated their properties through trusts are tax cheats and they should be taxed the same way or have all their properties aggregated to increase their holdings.

Imagine being a Liberal backbencher who made complaints to the Treasurer on behalf of their constituents being ignored, seeing this backflip yesterday. I will go so far as to say that not one Liberal backbencher knew that the Property Council were in discussions with the Treasurer over the weekend—not one. I will go so far as to say that a majority of the cabinet did not know. They were out there on weekends at street corner meetings telling their constituents, 'No, no, this is the right thing to do. The Premier has given us the best package we can have,' and meanwhile the Treasurer was having secret meetings to undermine them.

How impotent would they feel that the Premier has done this to them? Yet members will walk in here and they will all vote the same way without any remorse or any fear that they are doing the wrong thing. All of them think this is the right thing to do, because we are constantly told by them that if they disagree with the government they are entitled to vote against it—so no doubt there will be some who cross the floor. Of course there will not be, not one.

The member for Waite, the Premier, the Treasurer, the Deputy Premier, the default treasurer, the aspirant to the role, have all told us that 92 per cent of people will be better off. Yet for some reason my Facebook page, my Twitter account, my email, constituents walking into my office, at the supermarket, everywhere I go I am being stopped by people telling me that aggregation is a disaster. So someone is lying. Someone is not telling the truth.

The Premier today told the house, in front of all of us, that this bill we are debating now is a net cost to the government. That is not true. The bill we are debating now raises more revenue for the government. That is indisputable. This bill raises more money, with the amendments, for the government than they currently collect with the land tax reforms they made last year. That is indisputable, yet the Premier and members opposite are attempting to foist onto the people of South Australia something they well know is untrue: that aggregation will not increase their costs.

That is a lie. Aggregation will increase the cost of investing in property, yet members opposite, knowing that, are still voting for it because they think it is a roort. I look forward to those members, who have lifelong commitments to the Liberal Party, who all swear an oath to the altar of the free market and aspiration, explaining why they think it is a roort. Someone has structured all their investments in different structures and it is completely legal; there is nothing illegal about it, yet members opposite say it is a roort. What a joke.

There is also the point to be made of the dishonesty of this measure. The Treasurer and the Premier said before the election, when they were the shadow treasurer and the opposition leader, that they were going to take an axe to land tax. There is no mandate for this bill. There is no mandate for this tax increase. The Liberal Party never said once in any of its information—indeed not a single member opposite who was on the backbench and not in the cabinet knew before the budget was delivered—that the government was planning an aggregation measure in the budget. They found out about it on budget day after the cabinet had approved it. It was not taken to the election.

On this side of the house, we took the transport development levy, otherwise known as the car park tax, to the election. We won the election and members opposite still voted against it. Yet here they are using their majority, built on a lie that they would lower land tax, to increase land tax. They want to use the numbers they achieved at the last election to try to achieve that result. There is a word for that type of behaviour, but we are in decent company so I will not repeat it.

I also heard the remarks made by the member for Hammond about equality. Well, let's talk about equality. Let's say, for example, that we have a commercial venture in Murray Bridge. That commercial venture on a commercial property is subject to land tax. Down the road on a farm they are not subject to land tax. I say to the farming community of regional South Australia that if the Liberal Party today is prepared to come after people who have made arrangements that are legal, to aggregate properties and increase land tax on commercial holdings, why not farmers next? Why won't Steven Marshall, the Premier, the deputy leader, come after the family farm next? It is a commercial venture; why not charge them land tax? It flows.

**An honourable member:** What about equity, fairness?

**The Hon. A. KOUTSANTONIS:** It is all about fairness, member for Hammond. You cannot have one cohort of people owning commercial property paying one rate and others not. Why not farmers? The Liberal Party's next target will be the family farm, and if the farming community, the regional members, cannot stand up to the Premier now, why does anyone in regional South Australia think that they will be able to stand up to them in the lead-up to another election or after an election for increasing land tax or placing land tax on the family farm?

What is the argument against it? If you are prepared to do it to someone who owns a service station, a mechanic shop, a GP practice, a delicatessen or residential properties, why would you not do it to a farmer? The Liberal Party here has no credibility anymore. None. The marginal members, who know exactly what they are doing to end what they call a rort, are hurting people who have voted for them their entire lives. Those people are feeling damaged and they are feeling betrayed.

I want to get to the cultural issue of this measure. There are many people in my community, who I would call postwar migrants, whose first language was something other than English. They did not want to be a burden on the state. They worked hard in factories, they worked hard on farms, they worked hard in their own businesses or for someone else and they invested in property. It is something they understood, it is something that did not require language skills and it is something that they thought would be safe. They view these changes as a cultural attack. They view these changes as a cohort of the elite turning on them.

Imagine how you would feel if you were a postwar migrant and you bought four properties under four different trusts because you have four children and you want to make sure that you protect your property for the next generation, after having seen the campaign against franking credits with the entire country and the Liberal Party elite standing up for those who invest in shares, yet when it comes to investing in property members opposite call them rorters. Getting franking credits for tax that has already been paid: legitimate. Paying land tax on disaggregated properties: rort. That is what the Liberal Party is saying to these people.

The Labor Party is saying to these people, 'You have a home with us. We agree. You are being treated unfairly by a Premier who has lost touch in less than 18 months. You are being treated unfairly by a party that does not understand the aspirations of ordinary people, does not understand the cultural issues of people who have gone out and bought a property and want to leave it to their children, will not ever recognise the capital growth in their property, rely on the yield from the property as their retirement and are ineligible for pensions because they own those properties but cannot sell them for cultural issues.' The Liberal Party calls them tax cheats. How do you sleep at night? How do Liberal members of parliament who rely on these people's votes in Hartley, Morialta, Dunstan, Morphett, Colton and Adelaide sleep at night, knowing that these people put their trust in you and members opposite have betrayed them?

If the Liberal Party had any decency they would take this to an election. They would say, 'We will change the date of operation to 1 July 2022 and let the people decide.' But they are cowards, they will not do it, they are afraid of the people. They are hoping that members in the upper house block this because none of them have the courage to stop their Treasurer or their Premier, none of them have the fortitude to stand up for the battlers, and now here we are trying to stop debate because the deputy leader has sold out working people.

**The SPEAKER:** Member for West Torrens, there is a point of order.

**The Hon. V.A. CHAPMAN:** There is a level of robust debate, but this is personally offensive that he should be bullying and attempting to bully members into their voting situation. I ask that the member get back to the substance of the debate and not his offensive remarks in relation to the members opposite.

**The SPEAKER:** I have allowed the member for West Torrens to enter into debate in quite a robust fashion. I do note he is starting to go near reflections on members to a level that is probably not where I would like it to be, so I caution the member for West Torrens for the remaining time that he has left.

**The Hon. A. KOUTSANTONIS:** Doesn't that point of order say it all? Doesn't it say it all, Mr Speaker? Anyone who dares to question the brilliance of the Liberal Party is somehow a thug, a bully, a misogynist or something else. Here we are again: don't you dare stand up to the genius of those who want to fix this rort on land tax that members say it is. It is not a rort. It is not a rort at all.

People have worked hard. They have bought their assets and they have paid for them. They have worked hard and gone without. They have not gone on holidays to Spain and they have not gone on holidays and stayed at resorts: they have gone without. They have not bought their second, third and fourth cars: they went without. They went with one fridge and one TV to try to build their wealth. They came to a country looking for something different that they did not have in postwar Europe.

Other investors who have worked hard have done this country a service by investing, and they offer a service to people who cannot afford to buy their own properties by having a robust rental market. The Liberal Party has sold them out. Tom Playford's portrait is here for a reason. He looks down on all our deliberations. I note that there are no Labor luminaries looking down in here: not Don Dunstan, not Mike Rann and not Jay Weatherill—none of them, not even the first Labor premier anywhere in the world. But there are Liberal premiers up here, looking down, arguing for a free market and arguing for aspiration. What have they got? They have the member for Dunstan and the member for Bragg. That is the best the modern Liberal Party can do.

What do they do? They are going to tax their way to prosperity. When has that ever worked? Never. The Liberal Party are making a strategic error here. They are hurting their base. Their base are turning to us, and we are ready to receive them with open arms.

*Members interjecting:*

**The SPEAKER:** Order! The member for Playford has the call.

**Mr BROWN (Playford) (20:06):** As difficult as it is to follow the robustness of the member for West Torrens, I shall attempt to make some contribution to this bill. I rise to express my opposition to this piece of legislation. In 2017, the then opposition leader, now the Premier, promised that 'a Liberal government will not impose sudden and discriminatory tax changes'. Well, it has taken the Premier 120 days to finally bring this bill to the parliament, so you cannot call it 'sudden', but this delay has no doubt been due to the extraordinary backlash from business, the public and a backbench built on very shaky foundations.

This is the result of the Premier and the Treasurer going back to the drawing board on their so-called land tax reform, not once, not twice, not three or four times but five times, by our count, to finally get this bill before this house. What could they have been doing in this time when they have been frantically redrafting their land tax reform? Could it be consulting the public? No. Could it be seeking advice from their backbench? Absolutely not. They were busy shouting down any opponents to these measures that they could find.

Who can forget the shameless way in which Dr Timothy Goh, a Liberal donor and supporter, was harassed by the very movement he has been so faithful to for all these years? I think it is worth bringing to the attention of the house an article that appeared in *The Australian* newspaper. The headline almost says it all: 'Bentley-driving dental surgeon at eye of Lib tax reform storm'. The article is by David Penberthy, who is a journalist of some note in South Australia. It says:

A dental surgeon with a passion for luxury cars has been thrust into the war between the South Australian Liberal government and its traditional conservative supporters over land tax reforms.

Despite attempts by Premier Steven Marshall this week to sell his compromise land tax package, which slashes the top rate but keeps a controversial blitz on the use of trusts to minimise tax bills, relations between the government and investors have hit a low, with the Property Council comparing Mr Marshall to former Labor leader Bill Shorten.

What an insult that must have been for the Premier. The article continues:

The blow-up came after it emerged one of the people enlisted for the campaign against the land tax changes—described repeatedly by Business SA and the Property Council as an attack on 'mum and dad investors'—is a dental surgeon who owns a Bentley worth almost \$300,000 and a private dental practice in the exclusive Adelaide suburb of Unley. Liberal sources believe Timothy Goh's affluence shatters the 'mum and dad' investor line and bolsters

their argument that the only people negatively affected by the changes are a minority of well-off South Australians who use trusts to minimise their land tax exposure.

They also say Dr Goh invited scrutiny on himself by using his Facebook page to mount personal attacks on Mr Marshall.

Dr Goh wrote on Facebook last month that the Premier was 'unfit for his role' when he downplayed the state's unemployment figures and has accused the Premier of 'screwing over' investors with the land tax reforms.

On the same Facebook page, Dr Goh appears in photographs driving some of the world's most expensive cars and drinking \$150 bottles of Penfolds RWT, known as the 'Baby Grange'.

It is incorrectly described in the article as Baby Grange. The article continues:

The photographs also include the moment he took ownership in 2017 of a Bentley Continental GT valued at almost \$300,000, with a salesman from the car dealership Chateau Moteur photographed handing the keys to a beaming Dr Goh.

A Liberal source said Dr Goh was 'hardly the ideal choice to front a campaign that's apparently about people doing it tough'. 'You can't knock a person for getting ahead but driving around town in a Bentley doesn't really sit with the whole 'mum and dad' investor line', one MP said.

Wouldn't it be nice to know which member of the government benches was happy to use that line to attack Dr Timothy Goh? The article continues:

A furious Dr Goh on Wednesday accused the Liberals of smearing him and knocking him for having gotten ahead through hard work. 'I have never hidden the fact that I have got a good income but I have worked very hard, I have three degrees, I have worked over 80 hours a week for the last 20 years,' he said. 'The fact that the Liberals, a party for which I have held fundraisers and made donations to in the past, would do this to me is abhorrent. They're trawling through my social media.'

He said he had taken a high-profile role on Facebook in attacking the government's changes because had been urged to do so by friends and associates who were going to be 'smashed'. These included an elderly Greek-Australian with a small portfolio of properties and a fellow medic whose land tax bill would increase by \$307,000 a year.

In the Business SA material denouncing the original land tax changes, Dr Goh appears as a case study—

**Mr PEDERICK:** Point of order.

**The Hon. A. Koutsantonis:** Really?

**Mr PEDERICK:** Yes, really.

**The SPEAKER:** Order! Member for Hammond.

**Mr PEDERICK:** I think people should be just paraphrasing anything out of a newspaper article. He is just reading direct quotes. It is out of order.

*The Hon. A. Koutsantonis interjecting:*

**Mr PEDERICK:** It is: you know that, Tom—but you have been here 22 years and perhaps you don't.

**The SPEAKER:** I do not uphold that point of order.

**Mr BROWN:** Thank you.

**The SPEAKER:** But I will listen carefully to the member for Playford's remarks. Thank you, member for Hammond.

**Mr BROWN:** I have almost finished, Mr Speaker.

**Mr Pederick:** I am crushed, Tom.

**The SPEAKER:** Order!

**Mr BROWN:** I will start again:

In the Business SA material denouncing the original land tax changes, Dr Goh appears as a case study saying he will be so badly affected that he will move his business interests interstate.

In a sign of how savage the debate is becoming, SA Property Council chief executive Daniel Gannon—who until recently was an adviser to Mr Marshall—took aim at his former boss. 'We're now seeing class-warfare language from Premier Steven Marshall, reminiscent of Bill Shorten and Chris Bowen,' he said.

Mr Marshall this week announced a compromise on land tax which slashes the maximum rate but maintains the controversial aggregation policy.

I will not read the rest, in deference to the member for Hammond.

Those opposite should take a leaf out of the book of the opposition leader on what consultation with the public actually is. The opposition leader and the opposition at large have held quite a number of community forums seeking feedback from the public and business. The majority of those taking the time to provide their views and circumstances were far from traditional Labor supporters.

I have also conducted some consultation in my electorate about this particular issue. In fact, I had a constituent in my office only a few weeks ago. He is a tradie who has worked and lived in Parafield Gardens for 30 years and has, through hard work and working usually six or seven days every single week, managed to build himself up a portfolio of four properties in Parafield Gardens. He has no superannuation; this is what he has done to save for his retirement, to have these properties.

He sat in my office and he said to me, 'I can't figure out why a Liberal government wants to do this to me after I have managed to build this portfolio. I am going to be absolutely smashed by these aggregation changes they are bringing in and I don't know what to do.' I had to say to him, 'I don't know. I also don't understand why a Liberal government would want to do this to you, but the fact is that that's what they want to do and the fact is that Labor has to look at how you might best be protected from these changes.'

So we have done the consultation. I have had people in my office. The forums have been conducted. I know many of my colleagues have also had people in their offices they have been talking to. This consultation has allowed the opposition to properly formulate a considered and fair position on the government's land tax changes. The government's position will be detrimental for not only mum-and-dad investors but also retirees who have built their nest eggs on the back of property investments and small business owners that may be renting a shopfront at a small shopping centre.

Thousands of South Australian families, retirees and business owners will be paying significantly more tax. One resident from the northern suburbs expressed in his online submission to the land tax reform website the following—and I must at the start say this gentleman is certainly not a long-term supporter of the Labor Party:

My wife & I have recently purchased a 3rd rental property as I am self employed & haven't got super to retire on & my wife is a low income earner & her super is just under \$90k...

He also goes on to say:

...we will go from paying a couple of hundred dollars of land tax a year to be paying at least \$6,000 per year...

This position which we have got ourselves in has come about by before I was self employed (20yrs now) I worked full time but also had at least 2 part time jobs, working in a bottle shop at night & weekends & working at footy pk at events. Now to do this my wife had to bring up our 2 boys by herself as I was never home.

He then goes on to talk about how he is certainly no supporter of the previous Labor government but cannot understand why this Liberal government is doing this to the small investor. He also says:

If your reforms do go ahead I will have to sell 2 of our properties...

And this is in a slightly depressed market, further depressing the market when people across the state have to sell properties en masse. This is someone who lives in the northern suburbs, of modest means, who spent years working hard, trying to save for their retirement, and what does the government do? It comes along and kicks them in the guts.

So you can see from this gentleman's experience the panic the Marshall government is causing right across South Australia. The Premier hit the nail on the head when he said, 'New taxes will only serve to undermine confidence and make the situation harder for families, business and employers.' I will just say that again. The Premier said, 'New taxes will only serve to undermine

confidence.' Well, what does the Property Council's director, Daniel Gannon, believe the Marshall government's land tax changes will do to business confidence? He said they are 'taking a bulldozer to business confidence'. Of course, this was before he became an impassioned believer in the government's land tax legislation.

While we are on the subject of business confidence, let us look at the ANZ Property Council survey from June to October. Between when the land tax changes were first uttered by this government in their disaster of a budget to now South Australia's business confidence index dropped by 43 points. This is staggering. Those opposite do not understand what that represents. This survey, which has been conducted since 2011, demonstrates the biggest drop in points that has ever been recorded, not just for South Australia but for any state.

This brings me to the number one reason why we on this side will be opposing the Marshall government's land tax hikes: it is due to the negative impact it will have on jobs. The potential for job losses should be ringing alarm bells for the government, who are already presiding over a very high unemployment rate, one that in opposition they declared unacceptably high. But are they listening to those people who actually know best? For example, this gentleman in his online submission talks about how:

...this huge imposition will affect our ability to keep our spending at the levels it has been and we will be forced to let staff go to cut costs.

This small business man understands the situation. According to ABS statistics there are more than 143,000 small businesses operating in South Australia. The damage these proposed land tax changes will make on them is immense, and that is why we on this side oppose this bill. But there is another thing that bears repeating in this place—that is that this bill represents one of the single largest attempts at wealth redistribution this state has seen.

Ordinarily you would say, 'Wealth redistribution? Isn't that the sort of thing the Labor Party is wholeheartedly in favour of?' Well, except in this case it is a wealth redistribution from thousands and thousands of small investors to 400 people at the top. That is what this particular bill does. It takes the savings and the investments from small investors, even medium investors, and gives them to 400 big fat cats at the top of the pyramid.

Who are these people? They are the people the government has deigned to actually engage with, the people the government has deigned to actually speak to, and that is their mates down at the Property Council, not the small investor, not the struggling person who owns one or two houses that they have saved for over the years, but the big end of town, the only people they are prepared to talk to.

We have seen that this bill is not only opposed by small business people but it is opposed by small investors. It will have an disproportionate impact on those people at the smaller end. Do not try to fool people into thinking that somehow it is some sort of major reform package because this bill does not do cuts at the bottom end. This bill does not increase the threshold at the bottom end. This bill just introduces aggregation and gives cuts to your mates at the top. That is what this bill does.

We have already legislated all the changes to the thresholds they did previously, announced in last year's budget. It has already been legislated. All this does is introduce aggregation and then spend some of it giving big tax cuts to the people at the top end. I am pleased to oppose this bill because it is absolutely the wrong thing to do. I urge everyone in this house, especially those opposite who claim that they have the guts to cross the floor whenever they need to, to do the right thing on this legislation.

**The Hon. V.A. CHAPMAN (Bragg—Deputy Premier, Attorney-General) (20:20):** I rise to speak on the Land Tax (Miscellaneous) Amendment Bill 2019. I start by indicating that I pay land tax. I have for nearly 30 years and I have hated paying it every year—to whatever government. I have waited a long time in this parliament to see some genuine land tax reform. It is something that I follow with some interest.

In terms of the history of land tax in South Australia, it was introduced in an attempt to ensure that those coming into the new colony bought town acres, did not land bank and buy more than one.

A tax was supplied for that purpose, and it was a worthy purpose because the whole migration experiment for South Australia relied on new people coming to South Australia and being prepared to invest here and set up their families and businesses and, even harder still, go out into the regions to make a living to ensure the prosperity of the state, in copper and wool in those days. I think the purpose of its establishment was a worthy one, and we seem to have lost sight of it.

I certainly am concerned—and this is why I am a member of the Liberal Party and not the Australian Labor Party—that the Labor Party have consistently maintained a view where they hate people—hate people—who are going to go out and earn and accumulate some asset. They are pretending at the moment as though they care about people who might be affected by tax reform, but this is the reality of it. The Australian Labor Party were so intent on ensuring that people did not aggregate property that they objected even to putting a central railway in South Australia through to the Northern Territory. It ended up having to give away the Northern Territory to the commonwealth. Why?

**Mr Brown:** That was a while ago.

**The Hon. V.A. CHAPMAN:** Yes, 100 years ago. Why? Because they could not bear the idea that there would be land speculation developed along the railway and stations throughout the Northern Territory, that the rich of the south were going to go up there and buy more land and speculate. Read your history books. These people hate people who have a go, who have a crack, who actually make provision for their families.

To be absolutely relevant to today, it irks me to come into this house to hear this pretend care for the people who have worked hard to aggregate some extra properties, that in some way we are going to destroy and demolish it on this side of the house. I was frankly insulted by the contribution from member for West Torrens, and not because he quite reasonably made a shout-out for the people who came here after the war to build a life, as though these men were giving up their soccer games with their children.

I lived through a generation where our families gave up a lot. Our fathers did not ever come to sports events. They were out there working lots of jobs. My mother worked in separate employment. My grandmother gave up her opportunity during the war to work extra jobs to be able to support her daughter, to be able to make sure that there was some future for them in the new Australia after the war—yes, great. Let's recognise that there were many people in that generation who—apart from sacrificing the lives of young men, mostly, in those families—also had to work hard. Let's not forget them. They have made a contribution.

I remember the previous Labor government, just in the time I have been here, under treasurer Foley. I remember minister Conlon at the rallies against land tax against the previous Labor government when they were going to make amendments to land tax, when they were going to abolish the rort of removing minority shareholding in companies of ownership of land when there was 5 per cent owned by mum or dad.

What did treasurer Foley say about that? He said that that was just a rort, that he was going to get rid of it, that it was no longer going to be recognised and that there was going to be a change. So please do not come into this place and start giving lectures to this side of the house when we say there must be comprehensive reform. We have some good runs on the ground in the Tonkin administration, which gave to South Australians—

*Mr Picton interjecting:*

**The SPEAKER:** Order! Member for Kaurana, be quiet!

**The Hon. V.A. CHAPMAN:** —the principal place of residence to be land tax free. The previous Labor government could not bring themselves to come in and actually put land tax back on the principal place of residence, so what did they do? They smashed it with ESL instead. They made you pay tax to live in your own house. What did we have to do when we came in? Give the \$90 million a year back to the people of South Australia to ensure that we had some remedy. The reality is that these people hate others getting ahead. They hate that, and they have demonstrated repeatedly throughout history their refusal to recognise the blood, sweat and tears of people who make a decision to invest in property.

I can tell you that after nearly 30 years of paying land tax I am very pleased that finally a government is prepared to comprehensively review the rate, the threshold, the obligations in relation to property development who utilise trusts who will have a surcharge and, most importantly, to be able to look at the question of aggregation, which has been with us for as long as land tax has existed, and be able to say, 'Fair crack of the whip. Those who own a portfolio of a number of properties versus those who own the same value in one property are going to share the load.' It is not easy because people have structured their financial arrangements. Sure, they have some time to restructure them.

I do not think the world is going to fall apart. I do not think the sky is going to fall in, but there will be some people who are hurt. There are many more who will be advantaged by these reforms, and for those reasons I will be supporting them. I would like to just indicate on the speculation, perpetuated first by the Property Council and then by others, including the Labor Party, about how this was going to be damaging to mum-and-dad investors who might have a small portfolio. A number of myths were immediately trotted out as though this was going to be the consequence of this legislation. Most of these myths have now been exposed publicly, but let me just list some of them:

myth 1: that a person's principal place residence would be liable for land tax. The fact is the principal place of residence remains exempt from land tax;

myth 2: that a person with a PPR and other investment property—i.e. a holiday home—will have those properties aggregated. False. The fact is that the PPR will not be aggregated with any investment properties;

myth 3: that self-managed superannuation funds will be affected by changes to aggregation rules and liable for trust surcharge. False. The facts are that SMSFs will be excluded from changes to aggregation rules and, if a property is held within an SMSF, it will not attract a trust surcharge. A property held in an SMSF will not be grouped with property owned by a taxpayer outside the SMSF;

myth 4: that a husband with a property in his main and a wife with a property in her name will have their properties aggregated. False. The facts are that the husband with a property in his name and a wife with a property in her name will not have their properties aggregated;

myth 5: that all trusts will be aggregated. False. The facts are that different trusts will not be aggregated if they pay the surcharge. The trustees of existing family trusts—discretionary trusts, most commonly—will have a choice of nominating a beneficiary or paying the surcharge of 0.5 per cent, capped, as we know, under the proposal. Similar rules will apply for fixed and unit trusts; and

myth 6: that individuals who hold property as natural persons, trusts and companies will have all of their properties aggregated. That is absolutely false. The facts are that individuals will be able to hold land as a natural person in a trust and in companies without the properties being aggregated into one single ownership. Property held as a natural person will not be aggregated with property owned in companies and will not be aggregated with property owned in trust if the trust pays the trust surcharge.

This was how it opened. I do not think for a moment (and I said this to the chair of the Property Council) that this opening shot over the bow, I suppose, in reaction to the aggregation proposals in this part of the package—because, of course, they love everything else, they just did not like bits of it—was to try to muddy the waters. The assertion that on this side of the house, the Liberal Party had not consulted with stakeholders was completely and utterly false. I put this on the record: we had been consulting with major stakeholders over a number of years prior to the election. We had discussions with them about land tax reform. They were begging for it and we agreed with them.

We said, 'A rate of 3.7 per cent is completely uncompetitive around the country and is not acceptable and we need to fix it and we will sit down and go through it,' and we did. So that assertion is completely false and, I suggest, mischievous. Then, allowing people to be frightened in a circumstance with an envelope of fear was completely unnecessary. Having said that, we made the commitment that there would be proposals to complement other initiatives we had made to be effective from 1 July 2020. We made a commitment over a period of a number of weeks.



Of course, we have to take the flak from those who want to argue for and against bits and pieces of these proposals; we accept that. But the alternative is to do it the Labor way and just simply announce and introduce and then beg forgiveness down the track. Announce and defend, announce and defend, announce and defend—I had 16 years of that in this place.

**Mr Brown:** Like in the budget?

**The SPEAKER:** Order!

**The Hon. V.A. CHAPMAN:** It is not a model which we accept or respect. We are prepared to do this. We are prepared to do the hard yards. There are still aspects of this that are not agreed, but there are three aspects which are going to be moved in this house in committee and I outline them as follows: firstly, that there will be amendments to the Land Tax (Miscellaneous) Amendment Bill to increase the threshold where the top 2.4 per cent land tax commences. The threshold of the top land tax rate will be increased by \$250,000, from around \$1.1 million to \$1.35 million in 2020-21. The threshold will then be increased by a further \$250,000 to \$1.6 million from 2022-23. The top rate will be indexed annually by site value growth post 2022-23, consistent with the existing practice.

Secondly, I will propose amendments to introduce a new marginal tax rate of 2 per cent between the previous top threshold of around \$1.1 million and the revised top threshold. Thirdly, I will propose amendments to introduce a requirement for an independent review of the impact of the total land tax reform package in 2023. This will include the amendments introduced in the 2018-19 and 2019-20 budget. I will not go into any detail of those at present because we will be canvassing them in committee if it is the will of the parliament to progress after second reading.

I am confident that, for all the pain that comes with genuine consultation with the public and the refreshment of the positive response we have had in relation to this from those who will actually benefit from the aspects of this package, there will be a significant number of South Australians who will benefit from the near \$90 million that comes with this package back to South Australians. That should be making the Hon. Mr Lucas of another place, our Treasurer, weep because of the extra revenue that he is going to have to hand back, but that is part of the deal here.

There will some who will be paying the price, as they will see it. There will be significant others who will get the benefit, and that near \$90 million returned to South Australians so that they can spend it in the Liberal way, as they choose, will be singularly the most important feature of why we go through the pain of these things, because people do need to be rewarded. They need to throw off the shackle of the previous Labor government. We need to get this state competitive and we are up for that fight.

**Ms MICHAELS (Enfield) (20:34):** I, too, rise to speak on the Land Tax (Miscellaneous) Amendment Bill 2019. I think it is important to look at the specific bill before us and I will highlight some of the basic features, including a shift to aggregation of an individual's ownership interest in every piece of land in South Australia rather than aggregating properties held in the same ownership structure.

The bill introduces provisions to aggregate properties held by two or more related companies. It introduces a surcharge on land held by trusts and it introduces new rates and thresholds. I think it is important when looking at such a significant reform in land tax to go into the history of land tax in this state. As a tax nerd, for me this is one of the more interesting parts of this debate. South Australia was in fact the first state to introduce land tax back in 1884. It was very quickly followed by all the other states and for some 40 years also by the commonwealth, which had a land tax at the same time as the states from 1910 to 1952.

In looking at what we do with land tax going forward, I think the rationale for introducing land tax is worth noting. Firstly, it was introduced to raise revenue to compensate for abolishing state tariffs. At the time, there were significant community pressures to tax wealthy property owners. There was a strong government desire to break up large estates, particularly in primary production. It was considered then, and it is still considered now by most economists, to be a highly efficient tax.

I said the commonwealth abolished it in 1952 and it is also worth noting why the treasurer at that time sought to abolish it. He gave four main reasons: firstly, it was not achieving the stated objective of breaking up big land banking. Looking at the numbers coming through from Treasury at

the moment, that is still an issue, with only hundreds in the top landholders compared with thousands at the bottom end. It was a tax on a capital asset and particularly for farmers, although now farmers are exempt at a state level. There were no similar taxes on other classes of assets and that was a concern for the then treasurer. Again, this is still an issue now.

The growth of revenue from other sources, particularly income tax at a federal level, was a push for abolishing land tax. That is not helpful at a state level right now. There was to be a significant reduction in administration costs by abolishing land tax. At a commonwealth level, compared with other taxes, it was administratively costly to collect for the commonwealth. Inevitably these aggregation changes, which are actually quite complex and deal with quite complex legal structures, will no doubt increase the collection costs to RevenueSA.

So let's go back to basics and look at what land tax is. Put simply, it is a tax on land owned by an owner in South Australia based on the ownership at midnight on every 30<sup>th</sup> of June. It is based on the taxable value, which in South Australia is site value, which is the value of the unimproved land. Let's assume it is an empty block of land with no buildings or other improvements. That is what we are basing it on.

In South Australia, we have a progressive rate structure with a tax-free threshold, as opposed to a flat uniform rate, so the more land you own, the more you pay per dollar of value. Of course, there are a number of exemptions that are floated through the system, including primary residence, primary production land and retirement villages, amongst others.

The fact that in South Australia we have a progressive rate structure was considered an issue at least as far back as a 1998 Productivity Commission report that I managed to dig out called 'Directions for state tax reform', in which the commission reflected that the existence of tax-free thresholds gives landowners in some states an incentive to subdivide their land into smaller parcels and to create different legal entities to own such properties. Until now, South Australia has only aggregated property values based on a per ownership basis, so if I own three properties in my own name, I would be assessed on the total site value of all three properties. That is how the current land tax system works.

Other states have already legislated to introduce grouping based on land values across related parties. In fact, this bill is based on similar legislation in Victoria and New South Wales. The aim is to group land owned by related corporations, so I cannot set up three new companies and have three properties in each of those and have three tax-free thresholds available to me and the lower rates that would apply.

It is also to group interest in land to a landowner so that if I own 100 per cent of one property with a site value of \$400,000, and I own 50 per cent of a property with my business partner with a site value of \$500,000, under these new rules I would get one land tax assessment based on a total site value of \$650,000. Again, the current system does not work in that way. I would currently receive a tax bill based on \$400,000 and the partnership, as a separate owner, would be assessed on \$500,000, with both ownerships accessing the tax-free threshold.

The other part of this bill is the surcharge on trusts. I have a particular objection to this part of the bill because it is a blanket penalty on the use of trusts. Under this bill, trusts will be forced to pay an additional 0.5 per cent simply because they are trusts, not because of multiple property ownerships. For example, if I had one rental property in a trust I could be paying nearly triple the land tax that I would have paid if I simply owned it in my own name. It has nothing to do with using trusts to split up property ownerships and nothing to do with aggregation, just one property that I might have chosen to put into a trust for asset protection, for family succession planning, for the perfectly valid use of the capital gains discount that is available at a federal level for trusts. I could choose a perfectly legitimate structure and, under this bill, I would be penalised, and not by a bit but a substantial amount.

I understand that the concept of the trust surcharge is really on the basis that it is considered easier to administer, and true grouping rules relating to trusts are considered much more challenging because they are complex. However, easy does not always mean good policy and we can see grouping rules working quite well with trusts in the payroll tax environment and in federal environments. Another alternative could have been to extend the ability to nominate a beneficiary as

the ultimate owner for land tax purposes beyond 30 June 2020, so that the grouping provisions would flow from that.

I also have concerns about some technical drafting in the bill, particularly around the treatment of fixed trusts and unit trusts, not necessarily the concept of tracing through to the unit holders but whether the drafting of the legislation and the definitions used for fixed trusts and unit trusts are such that almost no trust of that nature used in South Australia will actually satisfy these definitions. In my view, these provisions would therefore be ineffective.

I also have some other technical issues that I will no doubt have the opportunity to raise at the committee stage. However, my greatest concern with this bill is the way that it has been progressed from a budget announcement that took everyone by surprise, that is effectively retrospective and is, quite frankly, a broken promise by the Marshall Liberal government. They went to the election promising lower land tax. Their first budget was consistent with that promise but then this huge whack was brought upon the people of South Australia. Small businesses in South Australia and self-funded retirees in South Australia were all hit for a six by these changes.

Tax policy is too complex to be done on the run. As we have heard in this place today, we are now up to land tax version 5.0. I have been at our land tax forums and I have met with landowners in Enfield. I have a number of family and friends, largely the migrants the member for West Torrens mentioned in his contribution. I know the significant pain that will be felt by these people if this bill is passed in its current form.

If we go back to the basic premise of why land tax was introduced, it was introduced on the basis that landowners could afford to pay. But can they afford to pay? Can they actually afford to pay when they are going from a land tax bill of \$5,000 to a bill of \$15,000? No, they cannot if they are making no more money from their properties, or is the government accepting that residential rents are going to skyrocket, that small businesses are going to pay significantly higher rents to make up for this?

Unfortunately, it seems to me that, in order to get it through the Liberal party room, the Liberal backers and the Property Council, the cost of introducing aggregation and the trust threshold is being borne fairly and squarely by the smaller investor. The top end of town, by my calculations, is being looked after. They are the ones getting the tax cuts, not the small businesses and not the self-funded retirees. That is the problem with this bill: the smaller investors who have structured their affairs quite legitimately are now getting whacked without grandfathering and without any transitional relief, just a new tax hike off the back of a broken promise by the Premier.

That is why the Labor Party cannot support this bill. Can I say in closing that our community and our economy deserve better. It would be disingenuous of me to stand here and say that I have a fundamental objection to tax reform because I certainly do not. I strongly believe that we are best served by a review that encompasses a fulsome consideration of a tax system based on efficiency, equity and simplicity, a review that properly considers diverse views and brings people of this state together in such a process. That is not the process that has been followed by this bill.

**Mr PATTERSON (Morphett) (20:46):** Before I make my contribution, I would like to note that I am a beneficiary of a family trust that holds properties, but I advise that this legislation will not impact that significantly. I just put that on the record. It also gives me an understanding of the issue that we debate today. Overall, that issue is that South Australian investors are currently paying too much land tax, especially compared with other states. They are subjected to the highest marginal tax rate in the country at 3.7 per cent, and this has been the case for too long.

If this government is to be true to its goals of lowering costs and reducing taxes, then land tax is certainly an area that needs to be addressed by this government. That is what this land tax amendment bill sets out to do: to reduce the overall land tax burden collected by the state government from when we were elected in 2018. Lowering costs is not new territory for the government. Emergency services levy reform will return \$360 million over four years to South Australians. Payroll tax reforms have eliminated payroll tax for small businesses with payrolls of less than \$1.5 million.

We are also committed to reducing electricity costs and water bills and capping council rates so that people can get more of their money and spend it how they see fit, which then puts more

money into our economy. That helps grow the number of jobs, with 15,000 new jobs added in the last 18 months, and also helps to turn around net interstate migration. All these actions combined are setting up South Australia to be a growth state. Lowering taxes to give us a competitive advantage compared with other states is very important so that we can attract capital and in turn grow jobs.

As I said, the land tax rate in South Australia until these reforms was 3.7 per cent, the highest in the nation. If we compare that with other states, Queensland is at 2.75 per cent, Western Australia is at 2.67 per cent, Victoria is at 2.25 per cent and New South Wales is at 2 per cent, so the average of the mainland states is 2.4 per cent. What is the effect of this top rate in terms of being an attractive jurisdiction for investors? It certainly turns investors away from this state. It means that fewer investors are prepared to purchase properties here in South Australia, and that means there is less competition for each property that goes on the market.

We have been left with South Australia-based businesses that understand our state and certainly back it at every stage, but we also need to attract new investment into the state, whether that is from new South Australian investors or from interstate investors who see us as an attractive jurisdiction in which to invest. That is why this government is making this significant reform in regard to land tax. Obviously, this reform is hard; it is not easy. It has been met with opposition, but that should not be a reason to walk away from this important reform for the betterment of this state.

Before I jump into the detail of the bill, I would like to outline some of the factors that influence property investment: obviously, interest rates, which currently are at historic low levels, with the official cash rate set at 0.75 per cent. There are also outgoings: land tax is one that we discussed today, but also council rates, emergency services levies and water rates. There is also capital growth to be considered when investing in property. The lack of competition for properties means that prices are less than they otherwise would be if more competition was involved.

Finally, there is the availability of tenants to whom to lease your property, and to have tenants you need to have businesses that can operate within a strong economy to keep those tenants viable, or, if you are running your own business and want to set up your own premises to operate from, a strong economy so that your business can return profits. One can see that that reinforces that, while land tax certainly is a component in regard to property and the considerations, it is certainly not the only factor regarding the property market, as some would lead you to believe.

Returning to the bill, it is part of a reform package that seeks to reduce the overall land tax paid by South Australians to \$90 million. There are four elements to the reform: the first is that we are increasing the tax-free threshold from \$391,000 to \$450,000 from 1 July 2020, which will provide relief to all taxpayers. In fact, 9,300 current taxpayers will no longer pay any land tax. Another element is an immediate reduction from 1 July 2020 in the top tax rate from 3.7 to 2.4 per cent, which will be equal to the average rate for all mainland states, which I outlined before.

Another element is to introduce a new marginal rate of 2 per cent between the previous top threshold, which was \$1.1 million, and a revised top threshold of \$1.35 million, starting in 2020-21, running through 2021-22 and then in 2022-23 moving up to \$1.6 million. Finally, there is changing the aggregation rules to be similar to New South Wales and Victoria, to now bring in line land that is held in trusts and group companies.

We talked before about who this affects, and, yes, it does affect different companies, individuals, trusts, in various ways, but in terms of numbers, 47,800 individuals will look to pay less land tax. In terms of companies, 7,900 companies, or 75 per cent, will pay less land tax. I should mention that, in terms of individuals, that number of 47,800 is approximately 92 per cent of individuals who pay land tax. This certainly reinforces that the \$90 million overall reduction in land tax will be felt across the overall number of taxpayers with regard to land tax.

The government's land tax reform package will certainly help release the handbrake currently on investment attraction. It will boost business and consumer confidence, and in so doing help to create jobs and put more money back into the pockets of hardworking South Australians.

*The Hon. A. Koutsantonis interjecting:*

**Mr PATTERSON:** Ninety-two per cent, as I said before. When we talk about aggregation for land tax purposes, we know that it is already in place in South Australia.

*The Hon. A. Koutsantonis interjecting:*

**The SPEAKER:** Order!

**Mr PATTERSON:** Because the principle of aggregation has been in place since the act began, where if an individual owns \$1 million of property, whether it is in one property or multiple properties with the combined value of \$1 million, then the same amount of land tax should be paid.

To reiterate, the government is not introducing aggregation of properties, as aggregation rules already exist. Therefore, the same principle behind the proposed amended aggregation rules is that two investors who own \$1 million of property should be taxed equally, regardless of whether one investor has only one property and the other has multiple properties to the value of \$1 million, no matter if the investor owns the property directly as an individual or indirectly via trusts or controlling interests in related group of companies.

**The Hon. A. Koutsantonis:** It's a different structure.

**The SPEAKER:** Order! Member for West Torrens, please.

**Mr PATTERSON:** New South Wales and Victoria, as you know, member for West Torrens, already have aggregation rules in place, and South Australia is seeking to introduce a simplified version of these rules. So landholders' interests would be aggregated across joint and individual ownerships. Joint ownerships will still receive a land tax bill but, if the joint owners own other properties in their own right, they will receive a separate bill that takes into account their total landholdings, which includes the share of joint ownership. The bill also takes into account land tax that has already been paid in jointly owned property so as to not allow double taxation.

The bill also aggregates property held in related companies—again, in line with the current arrangements in New South Wales and Victoria—so that two or more companies will be grouped where there is an established control, for example, where the owner has a 50 per cent or more issued share capital for each of those companies. If you look at South Australia, we already have a similar provision for related companies in regard to payroll tax. We do not let companies set up multiple smaller companies to employ a small subset of their staff so as to make use of multiple payroll tax-free thresholds for payroll tax. That is what the aggregation amendments are aimed at addressing.

In terms of trusts, the design of trusts means that there can be multiple beneficiaries of land held in trust, so there needs to be some flexibility around distributions and sale proceeds to beneficiaries. As such, a trust surcharge of 0.5 per cent will apply for land held in trust with a value greater than \$25,000 and it would be levied on the full value of the land. The surcharge will be capped such that the land held in trust will not pay a marginal tax rate greater than the top rate, which in this case would be 2.4 per cent.

There are transitional provisions for discretionary trusts to voluntarily nominate a beneficiary and, in this case, the trust would no longer be liable for the surcharge, if a beneficiary was nominated. The nomination of a beneficiary must be provided before 30 June 2020 and any trust established after the introduction of this bill to parliament, or any land acquired within an existing trust, would no longer allow for this.

Going forward, it is important that trustees of a trust, but also the broader accounting industry across these proposed changes and the time lines regarding nominating a beneficiary, take action before 30 June 2020. Of course, it would be too late if they start preparing their tax returns after 1 July 2020 and then turn their attention to this aspect of the amendment bill, so I think that is something worth alerting people to, certainly within my electorate and that of other members.

Since the June budget, the government has consulted widely and listened to concerns expressed about aspects of this reform. I have had inquiries in my office regarding land tax. A number of them have been from investors who have one property, so no aggregation applies to them. I have also had inquiries from people who own multiple investment properties in their own name, so again they are already subject to aggregation, if the value of their property means that land tax is applicable. They will only benefit from the increased threshold that we are proposing to be put through.

Also, exclusions from land tax for applicable properties that are currently protected are certainly still in place. The principal place of residence would not be subject to land tax nor would it be used to aggregate with other investment properties, so that is important and is a question that has been asked. Property held in self-managed super funds will also not be affected by these reforms, nor will charitable trusts. Land tax used for primary production will also not be subject to land tax.

Additionally, aggregation of properties that are held individually by partners will not be aggregated. By way of an example, a husband and wife can each own a property individually in their own name and not have that combined together as part of aggregation. It is further worth pointing out that land tax is to be applied on the unimproved value of land, so it does not include the value of any building or any capital improvements that have been made to that property.

If I can touch on the numbers of people who are affected, at present 22,300 property ownerships comprise individuals, companies and trusts that own multiple properties and are currently paying land tax on aggregated land value. That is in place at the moment. In fact, there are 16,300 individual ownerships who own multiple properties, either by themselves or jointly with another individual, who clearly receive a sufficient enough return from their rental income to justify continued investment in multiple properties. The tax changes that we are proposing, with a decrease in the top tax rate and an increase in the tax-free threshold, certainly would look to benefit many of those properties as well.

In terms of a proportion of investors who control properties via multiple trusts or companies, there are varying and valid reasons for doing so. Those reasons include asset protection and allowing for multiple parties to have joint ownership of properties. During this consultation, I was presented with examples of owners who have two sizeable parcels of land that have been commercial premises, that are leased out and are held in different companies. So, if one company gets into financial trouble, that would not impact on the other company's operations on the other parcel of land, which may be running quite well and which would, at the same time, protect the tenants who are operating out of that other company as well.

However, as a consequence of this arrangement, the land is not currently aggregated. As I said, it was set up for reasons to assist with asset protection, but for land tax purposes they are not aggregated. However, this was not the primary driver for the set-up. Yes, the new aggregation measures that come into force would then result in aggregation potentially; however, the offset is that the top rate that was applicable to some of the land value has been slashed from 3.7 per cent to 2.4 per cent.

Alternatively, in a proportion of cases there have been trusts or company structures that have been set up so that each tax trust can receive the land tax-free threshold multiple times rather than in the case of an individual owning the same properties outright. Where the properties are all less than or equal to the land tax-free threshold, it does become apparent that, while an individual would be aggregated and subject to land tax, the complex structures of trusts or companies can in some cases pay no land tax. Certainly, with the present land tax law this is legal. Throughout the debates and the proposals that the government has put in regard to aggregation, opponents to the reforms relating to aggregation have really failed to defend the inequity of the current laws that allow this to happen.

Another issue brought up in discussions with people in my electoral office has been around grandfathering for existing investors. If we did proceed with grandfathering, it would create what could be considered a two-tiered system, which would encourage those who would be worse off under any proposed changes before us to hold onto their existing properties and shy away from purchasing new investments in property. This is not what we are trying to do. It could well distort the market and reduce market activity as well at the same time. As I said, it is the opposite to what this reform sets out to do, which is to reduce the overall land tax burden and encourage investment into the market.

While not grandfathering, the trust surcharge proposed to be put in place does provide some median ground as it does allow properties currently held in trusts to determine if, from a tax planning perspective, it is better to nominate a beneficiary and then that beneficiary be subject to aggregation with any other properties held in their name or accept a 0.5 per cent surcharge on the land held in a particular trust. In effect, the 0.5 per cent surcharge does put a cap on any increase to the land tax

applied across those landholdings held in multiple trusts. I also note again that this surcharge does cut out when the rate gets to the 2.4 per cent.

Another argument raised against the aggregation was to delay the introduction because of the revaluation process that is currently underway. One of my constituents and their family have certainly worked hard and built up a portfolio that has been set up in trust structures. We did talk through the current market conditions, which are tough at the moment—we understand that—with online commerce and the outgoings continually increasing. The great thing is that they reinvest into their properties with capital upgrades, which does help employ tradespeople.

Some of their commercial properties have not been revalued for up to 20 years, so they certainly are bracing for a big jump in property valuations across their portfolio. Surely the blame for that delay in the revaluation rests entirely with the former Labor government and their mismanagement to allow this to occur. Any real big jump in property valuations could see these family landholdings moving into the top rate of 3.7 per cent, so we sat down and compared the proposed suite of land tax measures, which included the aggregation measures for trusts and surcharges, with the land tax status quo—

*The Hon. A. Koutsantonis interjecting:*

**Mr PATTERSON:** After the revaluation we looked at it, we looked through things, and they were looking at paying less land tax overall under the new measures. With this in mind, it is certainly imperative to drop the top tax rate to 2.4 per cent to help reduce the impact of any of these larger revaluations. That has been missed in the argument around revaluations.

I will just conclude by saying that it is imperative this bill is passed swiftly to provide certainty for businesses and property investors associated with these pending changes. This is the largest reform land tax package contemplated here in South Australia, and it moves us more in line with the Eastern States to become nationally competitive. We will see the top tax rate slashed from 3.7 per cent down to 2.4 per cent, and significant overall land tax revenue reduction in the state by \$90 million over three years.

This government's land tax reform package will release the handbrake on investment property, it will boost business confidence and it will create jobs and put more money back into the pockets of hardworking South Australians.

**Mr PICTON (Karna) (21:06):** I rise to speak on and oppose the Land Tax (Miscellaneous) Amendment Bill 2019. It is an interesting name, the miscellaneous amendment bill, and covers all manner of sins and what they are trying to do here. They did not call it the 'aggregation bill', they did not call it the 'increasing land tax bill', they did not call it the 'we're breaking our election promise bill', but they would all have been more accurate than to describe it as the miscellaneous amendment bill.

This is a broken promise. This is a government that went to the election and that was voted in on the basis of a policy of reducing land tax. That is their policy in black and white. It is still available on their website, where they talk about the need to reduce land tax and the land tax that is impacting supposed mums and dads. However, not even 18 months into office and, in their second budget, we have a significant whack of increased land tax hitting South Australians in this aggregation measure. There is no other way to describe it other than a significant increase in tax.

As the Treasurer outlined this morning, his costings on this are that it would be an additional \$60 million worth of revenue that this bill is seeking to bring in. That is net, once you take into account the lowering of other rates that is \$60 million extra in this bill that they are seeking to legislate here tonight. That is a complete broken promise from what was said before the election. There was no discussion before the election about aggregation, there was no message to the community in the Speaker's electorate of Hartley, in the Minister for Education's electorate of Morialta, the member for Newland's electorate, the member for Adelaide's electorate, the Minister for Child Protection's electorate.

No-one went and knocked on doors and said, 'We're going to introduce land tax aggregation measures.' The reason they did not do that is that they know that their own supporters are the ones who are outraged by this. They know they cannot take this to the next election, they know they cannot

save this policy up and face the people, because they know they would face the punishment of their own supporters on this.

We had Christopher Pyne comparing this to the GST. Well, my recollection is that John Howard proposed the GST and then took it to an election and got the endorsement of the people for that policy. He did not try to sneak it in between the electoral cycle. He did not try to sneak it in after he had won the election. He actually took it to the people. That is the complete opposite of what this government is seeking to do.

We all remember—they were on corflutes and they were on ads on TV—the promises Steven Marshall made before the election: better services, lower costs, more jobs. What have we had since then? Well, we have had worse services: take my portfolio of health, for example, where ramping has doubled. We have had the unemployment rate going up. We have gone from being about the national average to being the second highest state. We were the highest state until last month. Now we have higher costs, not just higher costs here but across the whole of this budget that was brought in, some half a billion dollars worth of higher costs that are being inflicted upon South Australians in a whole range of different measures.

If they go to register their car or their boat, if they pay to park their car at a public hospital, such as in the member for Cheltenham's electorate at The QEH, where they are abolishing two hours' free parking at that hospital any day now. If you are a nurse or a cleaner earning not very much money working at a hospital, you are going to get a pay cut because your increased costs of car parking are going up, not by 2 per cent, not by 5 per cent, not by 10 per cent, but by 129 per cent, in one go. An extra \$725 a year is being whacked on those people. Charges across the board are going up.

Ambulance fees are going up. Despite the fact that ramping has doubled and response times are down, you are being charged more—much more than inflation, \$1,000 now at least a trip to get an ambulance to a hospital. Everywhere they can, they are hitting people and this is one of those measures. It was sneaked into the budget, it was not discussed very much at all on budget day. I think the reporting is that maybe Tom Richardson from InDaily asked one question pointing it out in the budget lock-up and the Treasurer batted it away saying, 'Oh, it is just a minor adjustment, just dealing with some minor technical matters.' You know, 'Nothing to see here,' sort of thing. Well, pretty quickly people realised what was being planned here by the government.

**The Hon. A. Koutsantonis:** \$40 million only.

**Mr PICTON:** That's right. They said this would only be \$40 million in the budget and pretty quickly people realised how far off the mark that was, how much more than \$40 million a year this was going to take out of the pockets of hardworking South Australians, to the order of three times as much as what was said in the budget.

So they put it in the budget, they did not do any work beforehand, they did not do any modelling beforehand, they did not have any idea how much money they were making, they did not have any discussion with anybody beforehand about it, they did not even discuss it with their own backbench before they put it in the budget. For all we know it was not even properly discussed at cabinet. The Treasurer, who of course really runs this government, and everybody in South Australia realises this now, put it in the budget; maybe the Premier did not even know. It is highly likely. Probably he was perusing the arts pages, probably perusing what was in it for Lot Fourteen, but probably not looking in the back of the budget.

**The Hon. A. Koutsantonis:** Mykonos traveller's guide.

**Mr PICTON:** The 'Mykonos traveller's guide' might be a private joke of the member for West Torrens. The Premier perhaps did not even know that this was in there. What we have seen since then is that people have realised, and we have heard business group after business group, investor after investor and industry groups out there saying what an impact this is going to have.

As our leader, the member for Croydon, pointed out today, the basis upon which we have looked at this legislation is the test that we have for our party. How is this going to impact on jobs and how is this going to impact on fairness? This is going to fail in both regards. There is clearly an



impact on jobs obviously. We have already seen a significant drop in confidence in our economy since this was released by the government.

We have already seen investment drying up, particularly in our building and construction sector, and no doubt there will be an impact on housing from that. We have already seen unemployment going up since this measure was announced. There is also clearly an issue of fairness because what this bill is proposing to do in its supposed miscellaneous way is it is aggregating funding, significantly hitting a lot of people—more modest investors—but giving a big tax cut to the biggest property investors in South Australia, the couple of hundred or so people who have millions of dollars worth of land tax liabilities, the people who own shopping centres, the people who own Westfield. I am sure Frank Lowy would do very nicely out of what is being proposed here in this bill.

There are thousands of people across South Australia who will be hit. We know that more money is going to be raised from the aggregation, less money than that is going to be given out to the top investors and we know that the government is getting more money. So the government wins and the big property investors win. Who is going to lose? Paying both of those people are those who are caught in the middle.

We know that there are a huge number of people in this state who have worked very hard for a very long time to build up their businesses, to build up their retirement nest eggs, to build up their investments, to look after themselves in retirement and to pass on to the next generations of their family. They have organised themselves to protect their families and to distribute assets to family members, and they are the ones who will be hit by this. A lot of them do not have a significant amount of assets, but their taxes are going to go up very significantly in this process. A lot of them do not have significant ability to change their asset mix without significant other tax liabilities, so they are trapped. The government knows that they are trapped, and they know that they will be able to get this money out of them.

As members have already said, this will hit a number of communities, particularly a large number of communities who are in the category of people who are postwar migrants to South Australia and who have worked hard. A lot of people came here with just their suitcases; they built up businesses and investments and worked their guts out since coming to South Australia. A large number of those people will be the hardest hit. How do we know this? We know because we have actually consulted, unlike the government who brought this in without telling anybody. We actually did the hard work and went out and consulted with communities.

The first meeting was held at the Marche Club in the member for Hartley's—the Speaker's—electorate. There was an outpouring of concern, an outpouring of stress and an outpouring of anger from the people of that community about what the impact is going to be. We heard from people in Lockleys who have a similar issue in the western suburbs. There was a similar forum in the inner southern suburbs as well. We know that the member for Adelaide held one forum, but she kicked everybody out: the media were not allowed in and no Labor Party people were allowed in. As soon as the people who were concerned about this started to hear and registered for the forum, suddenly subscriptions for the forum ended.

There is such anger about this measure in the community and in many communities across this state, including in the member for Adelaide's community, because this was not taken to the election. If it had been, no doubt there would have been a different result in the election. Of course, this is a retrospective measure. This is not something where people are being grandfathered. This is not something where they are saying, 'From 1 July, if you buy a property, if you set up a trust in this manner, then this will apply to you.' This is being set up to apply to those people who have had their properties and their arrangements for perhaps decades and decades. It is a retrospective measure, which is another reason why people are so angry about it.

We also know that this is version No. 5. This bill that was introduced was version No. 4. Today, we had amendments introduced that were printed, according to parliamentary counsel, at 9.56am this morning, which were version No. 5. How can you trust a government that changes its tune so quickly? Version No. 5 did not come about because of any process of public consultation—it was version 4 that came out of the public consultation, supposedly. Version No. 5 came out of a backroom deal between the Treasurer and his former staff member Daniel Gannon—who is a former

staff member of the Premier as well, and a current aspirant for any preselection he can get his hands on in the Liberal Party—to win over the Property Council.

We know that the Property Council's membership represents the largest property investors in South Australia and that the reduction in the top rate for very large investments in property will probably help a lot of people who have a lot of massive investments, but it is not going to help those people who have more moderate investments. They are the ones who will be stuck with this. The Liberal Party claimed that they are the party for small business, but time and time again what we actually see in how they vote, in how they draft legislation and in how they behave in this place is that they are the party for big business, not the party for small business. They are the party for the largest corporations, not the party for people who want to have a go. The Prime Minister talks about, 'Have a go, get a go.' The exact opposite is happening in this legislation.

Have a look at how they have treated some of their supporters during this debate. Have a look at how they treated Adelaide dentist Dr Timothy Goh, who was, I think it is fair to say, one of the former government's sharpest critics when we were in government—there was certainly no love lost there—and one of the Liberal Party's greatest supporters. He has been attacked, he has been singled out and this government has tried to embarrass him. We know that there was a leak of his personal information to try to embarrass him. People were trawling through his Facebook page, sending that to a journalist at *The Australian*, and trying to embarrass Dr Timothy Goh because he has had some success as a dentist and he has bought a number of assets.

I do not think that that is what people were expecting when they elected the Liberal Party into government. I do not think a lot of Liberal Party supporters were expecting that sort of attitude, and that is why we are seeing so many people saying they are now going to desert the Liberal Party. That is why we are now seeing people talking about setting up 'real' Liberal parties or 'true' Liberal parties to rival the Liberal Party at the next election because they are so outraged about what is happening here.

That is why we have heard all this discussion about how people might cross the floor and how people are secretly upset about this in the Liberal Party. I have to say that there will be a test for that, if people do cross the floor or not. I suspect that they will not. I suspect that this is all chatter behind the scenes. I suspect that we will not see people having the guts to do that. They just want to please their sub-branches or their electoral councils, who are very angry about this, by saying, 'Well, yes, this is all Rob Lucas, but I am totally supportive of you. I didn't really want to do this. I am really worried about it. I am raising concerns about it.' They are not actually going to do anything about it. They are not going to take that stand here in the parliament, but maybe I will be surprised. I guess we will see very soon.

We consulted on this measure. We did the hard work in actually talking to people. I think if the Liberal Party had done the same they would have got the same reaction. I think if the Liberal Party persist with this policy, they will see the impact over the next 2½ years leading to the election. I think we are already seeing talk of some members of the Liberal Party either leaving the party, pulling their donations, or a lot of people saying, 'We want to stay in the Liberal Party, but we are going to try to recruit other people who are offended by this measure to try to change the preselections of a number of people who are in this parliament.'

The member for Unley has been mentioned as one person who might lose their preselection due to a revolt over this measure. I am sure we would all be disappointed to see the back of the member for Unley. He is an asset to our side.

**An honourable member:** Save David.

**Mr PICTON:** That's right: 'Save David' would be the measure from us. The government say, 'We've got modelling that shows that this is all a good idea. We've worked this all out.' Of course, they did not have it before the budget. They did not have it immediately after the budget. They have done some since, but they are refusing to release it. They are refusing to show people what the modelling is. We will go through this in some detail in the questioning at the committee stage of this, and I hope that the Premier, who introduced this measure, actually fronts up and takes the questions at the committee stage. I hope that he does not handball this down the line to the Deputy Premier. I

could not imagine that he would chicken out so much as to not be able to deal with it, but we will see very shortly.

We will be asking them, 'Where is the modelling of this? What is the economic modelling on what this is going to do to our state in terms of jobs? What is the economic modelling? What is this going to do to our state in terms of business investment or housing or confidence?' All the evidence so far, all the industry groups and all the commentators who have commented are all pointing to this being bad news for the economy and bad news for jobs, and ultimately that is central to our concerns about this legislation.

The Leader of the Opposition talked about some of the small businesses that he has visited. He visited mechanics who have set up their business in a way that is now going to be stung by this measure. I have spoken to an investor in the south who said that he has pulled a building site where he was going to build. It was actually near the member for Mawson's electorate office.

There was a plan to build a significant property development there, but that investor has now pulled that and is planning to invest that money into Queensland instead because of his concern and the impact he is going to face because of this measure. So there are real-world impacts of this happening right now.

We have heard from the childcare industry of the impact it is going to have on childcare centres, which are going to be stung by this new tax. We have heard from GP clinics about the impact on GP clinics, many of which have multiple sites, many of which have trust arrangements. It might mean that a number of GP clinics—if this was to go through—do not offer bulk billing in the future, or offer less bulk billing than they do at the moment, because they are going to be stung so much by this.

We know that there are a number of businesses, as the Leader of the Opposition outlined, which have said they are going to be impacted and not be able to hire as many apprentices as they would have otherwise planned to do. So area after area is going to be hit, and of course central to the concern is: what does this mean for housing developments, what does this mean for housing supply and what does this mean for rental stock in South Australia if we do not see investments continuing, if we see that building supply and building confidence plummeting and further impacts down the line?

We oppose this bill on the basis of its impact on jobs, of its impact on fairness, of the fact that it is yet another broken promise that this Liberal government did not take to the election. In fact, they took a completely opposite policy to the election, and now they are stinging people with this bill, which represents a \$60 million hit overall to tax and is only going to seek to weaken our state and weaken our state's economy.

**Mr SZAKACS (Cheltenham) (21:26):** This is a bill about choice, and I rise tonight to talk about the choices ahead of us, the choice before us as a house, and to explain why I have had some ease, with my colleagues on this side of the house, coming to the decision to oppose this bill. This is about fact over fiction. It is about policy on the run, deals and coffee dates between old friends, and it is also about a fundamental mischaracterisation of the role that Treasury has in the expedition towards a progressive taxation system. It is a bill which I rise to oppose and which we are considering tonight, almost to the minute, 12 hours since the printing of the most recent version, the most recent iteration of the government's pitch when it comes to increasing land tax for South Australians—12 hours since the government decided what to do.

It is a position that has changed not once, not twice, but five times—five separate times that the backbench of those opposite have had the opportunity to stand up in the face of a fundamental change in their ideological disposition around tax. But this evening they are nowhere to be seen, nowhere to be heard. I have some faith that in the hours that are to come some of the true rigour of that ideology will be tested and be on show, I am sure.

It is an utter shambles by any measure, surpassed potentially—maybe—by the chaos that is the Treasurer and Premier effectively fighting it out amongst themselves in the media as to who has the most contemporary facts to furnish the state in respect of this bill. Is it the Treasurer today? Is it the Premier today? I am sure that whoever has carriage of this bill through committee may give

us some more detail that we still have not had. If it is the Premier, who I trust it will be, whose bill it is, then I expect we are going to have a fantastic examination of some of this detail.

The pitch from government has been pretty clear—except from their own side, but from our side it has been pretty clear. The government have been as clear as mud in their pitch for these changes. Their very first argument was that this would be a \$40 million revenue raiser. Very quickly and, sadly, only upon the inquiry of those on this side of the house, that escalated to \$118 million, a threefold increase on their original estimates. Even now, it is only this government that can try, as desperately as they are, to couch a \$86 million revenue stream for the budget as a tax cut for investors and a tax cut for mums and dads—\$86 million additionally in the coffers of the Treasurer every single year thanks to the decision of those on the other side of the house.

It is an enormous miscalculation by those opposite and it is a betrayal. Not a single word of this was uttered before the 2018 election. Just as with privatisation, not a single word was uttered by this government. It is the same one-line, three-phrase pitch that we heard: more jobs, lower costs, better services. It sounds good. It sounds really good from opposition, but it is a really different story. Not only is it a different story being an executive government but it is a different story because there is nothing about Liberal DNA that has anything to do with more jobs, lower costs and better services. Of course, if you listen to those opposite, this is a great set of reforms. It is the reform that we need and the freedom for those trying to undertake business in this state to finally have the shackles removed.

I said this is about choice, but it is about a quick response to ill-informed choices. It is also a bill that reminds us about what is at the core, what is in the gut, of those opposite: the deep-rooted and fundamental connection that the Liberal Party have to big business. It is this support, in an almost evangelical way, of big capital and big money, overtly and clearly, over the interests of small business and medium family businesses, over mum-and-dad investors and over working families—big capital, big money over mum-and-dad investors—because that is what this bill has done.

It is a friendly deal with the Liberal Party's friends at the Property Council. We heard from a previous speaker, the member for Kaurna, the ambitions of the leader of the Property Council. I will not speak too much about the individual involved because the greatest judgement for that individual involved and the Property Council itself will come from Property Council members. We have already heard it.

We have already heard the rumblings, we have already heard the outrage from members of the Property Council. The question to ask is: are they part of this deal? Is this a deal between the Treasurer and Daniel Gannon, or is this a deal and a settlement between the government and the Property Council? The Property Council is bigger than Daniel Gannon, and I think time will tell where this sits.

This bill demonstrably harms small and family businesses but, as I said, what would you expect from a government that is so set on supporting big capital? They are the same set of individuals who in opposition were quick—in fact, you could not hold them back—to support the big banks, rushing to defend their integrity and the moral standing of our big banks. Well, haven't the big banks returned the favour? Moral failure, a complete and utter disregard for their customers, barely on the fringes of legality, and the royal commission has shone a light on that sort of behaviour. Those opposite were desperate—desperate—to protect the integrity of banks when those on this side of the government sought to impose a fair and reasonable tax on the profits of those banks.

There have been countless representations made to me and to those on this side about the impact of these changes. The thing that strikes me is that over and over again those I am speaking to—the individuals, the mums and dads, those in vastly different situations—are talking to me about the fairness of them making a decision, entirely legal, entirely within the legal frameworks that are presented to them, for a variety of reasons and then waking up to the will of the government's decision to backdate and change structures that have been often and in many cases decades in the making.

These are not legal or financial arrangements that can be unwound, as I am sure all in this chamber who have turned their mind to these reforms would acknowledge. They cannot be changed, they cannot be fixed in a matter of days or a matter weeks, pending the outcome of this debate. They will equally take years to change.

There are also people who have invested in properties who have commercial tenants. They also have residential tenants. In a moment I will talk about two examples that have really struck me about the arrangements that different people have found themselves in. They have challenged me in my own thinking, my own assumptions around some of those arrangements in property investing.

We have also heard very loudly and clearly from peak bodies, from those representing industry and from a vast variety of people from across the state about the impact of these changes. I quote, far from an activist or bolshie body, the Law Council of Australia's Taxation Committee. Their submission to the public call for submissions is, 'The Land Tax (Miscellaneous) Amendment Bill also appears to favour the big end of town.'

Make no mistake, the Law Council of Australia's Taxation Committee know the big end of town. These are their clients. They have also been providing advice, representation and advocacy for the 'big end of town'. If it is good enough for the Taxation Committee to cast a judgement on where this is focused, then surely it is good enough for this house to reflect on that as well. This reform, given the slightest of chances and the slightest of opportunities, has shone a light on exactly where the government sits with their priorities.

I would also like to talk about small business, and a small business that operates in my electorate of Cheltenham. It is a business by the name of Core Physiotherapy and Pilates Studio, which operates in Beverley, as I said, in my electorate of Cheltenham. The partner of Core Physiotherapy and Pilates Studio, Nick Lagos, had this to say:

We have taken out large loans over the years to allow us to do this and made these decisions based on the regulations and tax laws at that time.

Our businesses [and business] have been struggling over the last couple of years due to a slowing down economy in SA and an exodus from private health cover—factors also under the control of the liberal party both federal and state.

As a result of the proposed changes myself and my partners will be up for a large increase in our land tax bill while we are struggling to make ends meet in our business—this will definitely impact our business and without doubt reduce our spending and ability to employ staff and keep the staff on that we have—I can foresee that we will need to reduce costs which will mean letting staff go directly as a result of this large increase in land tax.

These stories from Nick and others who run businesses are all too similar. At a time when we are facing a jobs crisis in South Australia, and nationally, where we see the quality of work diminish, the security of employment diminish and the idea that people now can only hope for a job they can count on, it is desperately scary to be contemplating this bill at such a time.

Another thing that strikes me is the impact that this will have, in an almost perverse way, on migrant communities across South Australia. My local electorate of Cheltenham is an incredibly diverse electorate. We have the United Nations represented, and I have spoken about that at length at various times in this house. What is clear is that the financial decisions and the financial literacy of new Australians—as they were called back in the day, those of a culturally and linguistically diverse background—are different from those who might tinker in the Stock Market, those who might make investments in bonds, those who might buy annuities, or those who might have a comprehensive and equally complex self-managed superannuation fund.

These men and women have invested in property that they will liquidate and draw down on in their older years and in retirement. As I said earlier, these are decisions that have been decades in the making. While we know that those on the conservative side of politics continue to tinker with retirement income in the federal parliament such as superannuation, we would have thought that those in South Australia would at the very least be more respectful of the fact that this does have an incredibly disproportionate impact on migrant communities. It is those people from migrant communities who come and see me and in a loud voice urge and plead with me at times to think about them and about the decisions that they have made legally and justly to secure adequacy and decency in their older years and in retirement.

They are people like Vito who has come to see me, and particularly Rita and George, two local residents from Albert Park. Rita and George spoke to me at length about the small number of properties they own, which are rented by low-income earners. They told me the story about one gentleman in particular who is months and months behind in rent. He is an older gentleman with a

complex set of disabilities. They said to me, 'We have never been able to face asking him to move on. The least we can do is try to help and support him with the small amount of advantage that we have.' But with a heavy heart they said to me, 'We can't do that if these changes go through.'

What will happen to people like that older gentleman who are in these arrangements? These arrangements will need to change based upon the outcome of this debate and the outcome of the government's decision. As I said, this is the wrong bill, the wrong reform at the wrong time, for our state. In the face of rising unemployment, more people are looking for work and more people are struggling just to make ends meet. More people are struggling to find a secure and decent-paying job—or even just a well paying job—just to live above the poverty line. When faced with this important but unremarkable challenge, what was the Premier's response? When asked whether South Australia was grappling with an employment problem, the Premier smirked, gave his well-known Cheshire grin and remarked that there was no problem.

The men and women I meet and speak to whom I represent and I was put here to represent are telling the Premier there is a big problem, and it is those men and women who live in the houses of the families of the owners of small business who have pleaded with us on this side to do the right thing—not the easy thing or the expedient thing but the right thing, and that is what we are doing.

We are not deaf. We are not tin eared. We are not waving this through as the easy thing to do, as was suggested earlier by the opposition leader. We are doing the right thing. We are standing in the face of unfairness and we are proud to do that on this side of the house.

**Ms BEDFORD (Florey) (21:45):** There are two aspects of this issue, and therefore this bill, on which I would initially like to comment. Firstly, we all know that there are limited ways states can raise revenue and there are revenue constraints that the state government faces, but we cannot keep cutting revenue that funds critical public services.

Secondly, the taxes the state collects should be as fair, progressive and competitive as possible. Where there is room for reform, taxes like land tax should be up for change, but the devil is in the detail. There have been and will be many long, detailed and fulsome contributions during this debate, so there is no need for me to add a great deal to the record, except to say that no-one here hates good news for this state, but we all know politics can sometimes get in the way of debate and, in the end, a good outcome. That is why I placed a contingency motion on file to refer the bill to a select committee for review free of the politics.

This review need not take forever. It can embrace the opportunity to have the full and broad conversation needed and will negate the notions that it is better to have something, even if it is imperfect, rather than nothing because we cannot afford to leave the state in this situation; or that no government will ever go near or touch land tax reform again in the foreseeable future.

As we are now onto our third version of this legislation, although some people have said our fifth version—I do not know how I missed two of them—it does seem inevitable for people to think that this is policy on the run or a quick fix to balance the books masquerading as reform. There are many aspects to consider and I believe that, if you cannot explain something reasonably concisely in a way that is likely to be understood by most people, there is something not quite right.

This is not an issue that has prompted debate within and for the residents of Florey to the point where they have made the effort to contact me. In fact, to date, I believe there is still only one directly affected constituent who has contacted our office by email. While I have read detailed communications to the office and spoken with people with particular views for and against, I did seek a meeting with SACOSS as I wanted to better understand why they were so prepared to back this measure.

Despite all I have heard, I still believe there will inevitably be unintended consequences and impacts for those unprepared for these changes, such as needing to amend or abandon development or investment plans, and those unable to weather any additional unintended consequences or costs, such as increases to rental property costs and a reduction in the number of medical practices that offer bulk billing.

These are real examples I have been given that, on the one hand, will impact state growth and employment, but on the other increase day-to-day costs, which in turn will make a big difference

to people and families already finding it very hard to make ends meet, particularly those relying on low fixed incomes. These are the people who will not benefit from any of the sweeteners in this legislation.

Nevertheless, should we get to the committee stage, I will be moving amendments in line with those requested by SACOSS to ensure that some of the revenue raised goes directly back into social housing. SACOSS has made representations and believes it has taken:

...account of all the issues in relation to interstate competitiveness, the need for revenue for direct investment in public and social housing and the limited impact of the Trust surcharge.

In representations to all members in this place, they have provided detailed tables and calculations, notwithstanding the fact that SACOSS does not have the resources to model the revenue impact of the tax changes they are proposing. In fact, as I understand it, no-one here has seen any modelling. SACOSS believes the share they are asking of the proposed revenue the bill will raise for government could provide a substantial investment in public housing while still delivering a tax cut. They say:

...the question for government and legislators is one of basic fairness: which end of the housing market is the priority—the big landowners wanting a bigger tax cut or those in need of a roof who support wanting a restoration of public housing?

I believe that accommodation, affordable public and social housing, is one of the most important issues any parliament faces, and I will do my best to ensure, should this bill successfully pass in this chamber, that it reflects the requirements of those in need of a roof.

**Dr CLOSE (Port Adelaide—Deputy Leader of the Opposition) (21:49):** I appreciate the opportunity to speak on this bill. I want to go on a bit of a journey about the way this bill appears to have been constructed over time and the way the opposition has, over time, formulated its single position on this bill that we received—I do not know—about 18 hours ago now, maybe as long as that.

To start with, I think what we are seeing is an act of hypocrisy on the part of the government. The government went to the election with a pretty clear mantra, and it was an attractive and persuasive sounding mantra, which was that there would be better services, lower costs and more jobs. At no point in hearing that mantra, particularly the lower costs, would anyone have had a clue that the government was proposing to increase a number of charges, a number of taxes and, in particular, to suddenly, in its second year and in its second budget, launch a dramatic change to the way in which land tax is managed and raise an additional amount of revenue from it.

There are other examples, though. The bin tax is one, the solid waste levy increase that was not anticipated and yet suddenly became part of the second budget of this government, an increase that does not appear to be directly attached in any way to an outcome of lowering the amount of solid waste going to landfill. One would think that that would be the correlation, yet there appears to be, on my questioning in estimates, no assessment or estimation made of a relationship between the increase in the bin tax and the expected decrease in the amount of waste going into landfill. In fact, what we have seen is that the bin tax was essentially a way of raising a lot of money largely to move sand around the metropolitan beaches. I may return to that subject in due course.

We have seen numerous other charges increase unexpectedly for people, unanticipated and certainly not signalled by the election mantra of lower costs. We know that better services is a hard argument to sustain in the face of the cuts to public transport, which I will return to, and the closure of Service SA and the closure of TAFE campuses. I think that in an election it is always attractive to come up with an easy mantra, particularly in an election coming from a long period in opposition when it must seem very easy just to promise whatever is necessary before confronting the infinite complexity of being in government.

What was the process that this government undertook in determining this policy? It certainly did not undertake a process that began before the election, or if it did then it is guilty of greater hypocrisy than even I would charge it with. It was not part of the much-vaunted lowering of the land tax rates that appeared in the budget last year. Yet we have been treated in question time, time after time, to the Premier answering questions about this piece of policy that has come out this year and trying to cast it as if it was part of a long thought of, carefully sculptured reform package.

I understand that is necessary for the Premier if he is to sustain the argument that this is of some benefit to the people of South Australia, if he is to sustain the argument that this is not an increase in the tax, because if he allows that the great benefit to people who were paying land tax occurred last year and is law and locked away, then he would have to acknowledge that this round is all about raising more money. He does not want to do that; it was obvious even in question time today. He does not want to talk about this bill as being a revenue raiser, even though his Treasurer is quite happy to be completely frank about the \$86 million that will be raised from this.

What we have is not a reform package, a carefully sculpted consideration of the best way to structure land tax: what we have is an election commitment delivered last year to lower the rates and a turn, a pivot, this year to saying, 'We'd better take some of that money back. How will we do that?' That 'how' has been almost entertaining, if you were a dispassionate viewer, because we have had a delightful dramatic contrast in the constantly evolving package as released to the media over the course of a few months versus the Premier's performance in question time.

He is constantly saying that on this side we are wishy-washy and do not have the ticker for reform but on that side they are clear, hard and know exactly what they are doing. That was particularly amusing today, I must say, when we thought we were really clear about what bill we were going to be debating, it having been introduced into this chamber already, but suddenly we discovered that there is yet another accommodation, a desperate attempt by this government to dig itself out of the very unpopular hole into which it has placed itself.

What I have seen in the course of that journey, watching each shift and change, is that the group of property owners being most assuaged are those with the most. I heard my leader earlier today talking about the woman at the forum who spoke about the sandwich and that she was one of the many in the middle of that sandwich. I think no-one can complain about the people below them, but she is watching the people above her increasingly benefiting out of the changes, which means that, given it is a revenue measure, she and her like are going to be the ones who will pay more.

The government could have gone to the election last year and said, 'We think it's time to reform land tax, and this is what that is going to look like. We don't know all the detail because we are in opposition. It is hard in opposition to be definitive, but we can be definitive about our principles. We may not know all the figures, although we may, but we are very clear on the foundation principles on which we believe land tax should be raised.' Had the then opposition then won the election, it would be much more difficult on this side of the parliament to mount an argument that they had no right to do this.

But in no way has the chaotic and constantly shifting policy that evolved from the budget last year, which was reflective of the election campaign, and where we are today with what we imagine might be not only the most recent but the last of the changes—but by no means are we assured of that—made it easy for us to take seriously that this is in any sense a reform package that the government has planned. It is a nonsense.

Added to our concerns and those of so many other South Australians is a complete absence of revealing the modelling. How is it that the government seriously expects the people of South Australia to understand and form a judgement about what this tax is doing, who it is affecting and how it will play out in the economy and with jobs if we do not have access to the modelling? Why is it a secret? Why is it a secret to know which categories of property owners are affected by which of these changes and how many there are?

In fact, I suspect that early on the government did not know because it seems that the government shifted what it thinks it is getting from this over the time when it similarly shifted the package and bill itself. I noticed today that the Premier got caught being a little behind the shift in the policy and the bill versus the modelling by quoting the modelling in reference to the latest version, which simply cannot be accurate because the modelling was done on an earlier version.

Even the Premier appears to have been slightly out of sync with this rapidly shifting, highly political, highly transactional change. It does not appear to be based in any way on principle and on understanding the real impact of this. No-one will believe me if I say that I feel sorry for the Liberal party room, but it must be quite difficult to be in the Liberal party room. It was said to me when I was a backbencher, with the member for Ramsay for those first two years, that the most difficult job in



this chamber is that of a government backbencher, because you are required to own and sell all the policies and you are scarcely involved in the decision that creates those policies.

That can be no more true than in this situation, where a somewhat bemused and probably alarmed party room must have seen this parade of changes before it, initially going from the budget position, which was the election position, to suddenly, 'Well, actually, we're going to start raising a lot more revenue from land tax, and then this series of ways in which we are going to do it, but try not to upset people who are getting angry with us too much.' It must have been a lesson in the way that politics really should not work, particularly for some of the people who came in at the last election, who probably rather hoped that it is done with more logic, with more reason and probably with more respect for the party room.

I recall, again, one of our question times when the Premier assured us that his party room was unanimously supportive of one of the versions—I cannot remember whether it was the last one or the one before—unanimous support. I am not sure that is true. I am not sure that it was unanimous. I certainly feel for those who felt that it would be a good idea perhaps for their career, or perhaps they were genuinely sold, that they went out with one of the earlier versions and backed it in hard and said, 'This is right, this is what we should do, this is the land tax reform that South Australia needs,' and then suddenly it was not because it shifted again.

Then they are left, having presumably had a lot of the kind of feedback we have had on this side from the people who are very unhappy, scared and stressed, and those people are suddenly left looking like they wanted something that was different from the one that the government now appears to be putting in. But, as I said, I am personally not convinced that it is the end of the story. I think that there is at least one more chapter in this story.

That was a fascinating process, to try to put forward what is a very, very serious piece of legislation. It is true that my political heart belongs to those who do not own probably even their own home, certainly not other properties. It is true that the vast majority of my political energy is put into advocating for the people who are doing it toughest—that is my job. I am a Labor member of parliament; I represent a very mixed area, but an area with very high levels of disadvantage.

I was an education minister who was desperately concerned about the lack of graduation rates the lower down the socio-economic scale you go. However, I am enough of a broad politician to understand that you do not muck around with tax and you do not muck around with tax on people's investments. I was not listening carefully to all the interactions after the dinner break, but I gather there was a bit of an interaction over migrant people, largely from communities who came post war, who saw property as the place in which they felt comfortable investing, and whether they were the only people who worked hard or the only people who sacrificed in order to make investments.

There are always exceptions and we should always be wary of generalities, but it is true that there are a lot of people without very much money who worked hard and saw property as the way that they could secure their retirement and a chance of their children having a step on the ladder of having property of their own, and we mess with that at our peril.

What we have seen in the feedback we have received on this side—often from Italian and Greek communities, sometimes from Vietnamese communities, but also from Anglo-Saxon and all the rest of the beautiful diaspora of humanity living in this country—has been stress and fear and a concern that led people to tears trying to articulate that they do not feel they have been rorters. They obeyed the law and followed a path that naturally led to holding property in different ownerships, perhaps because they owned a house and then they set up a business and the business owned the property ultimately that it was operating in.

That level of emotional reaction is completely legitimate. For this government to taunt this side for appearing to care—and, in fact, perhaps the allegation is pretending to care—is very unfair. We all represent people who are highly stressed, highly upset and will probably never forgive the government for what it has proposed, whether or not it goes through. What is the larger impact, though, of what is being proposed?

There is the personal impact, the terror, the fear, the anxiety, the worry about how you dispose of a property that you can no longer afford to keep in the context of being amongst many

who are likely to be trying to dispose of their properties at the same time. What is the wider effect, though, on the economy? What happens when you have a lot of people who own property, who own businesses, who are employing people, who suddenly need to shift and change the way in which they make their arrangements? What happens is you see a drop in confidence. What happens is that you see an increase in unemployment and you see people unwilling to trust the government that they elected to look after their interests.

None of that is good for South Australia. If we all share one view in this chamber, it is that we all want people to be employed in this state. As a former child protection minister, I know more acutely perhaps than some, that one person having a job in a house makes all the difference to the functionality of that household. One person having a job means that the children are more likely to go to school and finish school, that the family is less likely to fall into the child protection system, that the family's health outcomes will be better.

Yet what we are doing is threatening one of the planks of the way in which our economy is structured, which is the way in which small businesses and investors own and arrange their property. That cannot be good. It might be defensible in the context of a reform package that was taken to an election and everyone understood up-front. It might be understandable in the context of the reform package which we have taken to the election, which everybody understands we have researched, and we have shown the modelling, and we can defend and explain exactly who is affected and how they are affected and how they will have time to make their arrangements, and this is how we are going to spend the money.

As a result of this, we are going to make sure that South Australia has an industry policy again that is going to make sure that the areas that can grow and employ will do so. It might be that the money will be spent properly educating our students at school, having been robbed by the end of Gonski, having had the public schools robbed by the hardwiring by the federal government in an agreement signed by this government that they will always be poorer than non-government schools. That could have been addressed as part of this package.

It could be that the government would say that not only are we going to spend the money that we are raising on economic growth, on industry policy and on making sure that our education system works well so that everyone has a chance to be part of this, we are also going to stop wasting money. We are also not only going to put it on small business that they have to tighten their belt, pay a bit more—it is okay, it is for the good of the government and it is for the good of the state—maybe we would not waste money on such things as cancelling the Port rail spur, spending \$5 million not doing it, maybe we would not give eight rangers packages to stop working when we are recruiting rangers and maybe we would put the state first instead of the internal politics that seem to be driving this government apart.

**The Hon. Z.L. BETTISON (Ramsay) (22:10):** I rise to speak in opposition to the bill. Labor is opposing these Liberal land tax hikes for three reasons: the tax hikes will hurt local jobs, the tax hikes are unfair to small business and small investors and the tax hikes will drive up commercial and residential rents.

When he was in opposition, the Premier promised the South Australian people that he would, that they would, reduce land tax. In fact, the Premier was very, very clear about this, saying that he would 'take the axe to land tax in South Australia'. He said that a Liberal government would not impose sudden and discriminatory tax changes. Now that they are in government, they want to use land tax to generate additional revenue. Initially, it was \$40 million, then \$118 million and now \$80 million. This is just another broken promise by the government.

It is important to remember that this proposal was not taken to the people of South Australia. What the people of South Australia heard was that land tax was going to be reduced. They were going to take an axe to land tax. If this reform was so important and going to be part of this term of government, why was this proposal not taken to the people? Be transparent, be clear to the people of South Australia. If this is so important to reform in this government, make sure that you are clear, make sure that you tell them what you intend to do.

Let's look at this Marshall Liberal government. They have had two budgets since being in power. They have already increased fees and charges. In fact, government fees went up 5 per cent

this financial year—5 per cent—on everyday activities and services to South Australians. It is really interesting because we have fairly flat wages at the moment, so a 5 per cent increase is way off the mark. That is an incredible increase.

Let's not forget giving local government a bit of a kick in the guts to say, 'Yeah, I know we talked about you lowering rates.' You know what? Most of them tried very, very hard to relook at their budgets and do that, and then, surprise, surprise: bin tax. For all the good work that local government did, for all the listening local government did while they were being attacked, this last budget whacked them around the head and made every taxpayer pay additional money for this bin tax. Services have been slashed and, of course, the first budget announced the shutdown of Service SA centres. Not actually in this budget but soon after there was the privatisation of trains and trams announcement, despite the overwhelming evidence that it is not in the public interest to do so.

These are all decisions that make life more difficult for South Australians. What is even more galling is that not only did the government not take it to the election but it continues to refuse to release its modelling of these proposed changes to land tax. So all the cuts, first budget, second budget, plans to privatise, the biggest reform of all and they will not release the modelling. How can we believe them? How do South Australians feel about that? We have here before us a government that have broken their promise on the key things in their election platform, and we are being asked to listen and take their word for it that they have the modelling right.

The people of South Australia have every right to feel betrayed. They have every right to feel angry about the behaviour of this government. We know that these changes are driving up the everyday cost of living for South Australians but, more importantly, it is the stakeholders out there who are not being listened to. They are going to see the immediate impact of this land tax. The Master Builders Association of South Australia has said, 'We are concerned about the impact this will have on housing affordability and therefore job opportunities for tradies, apprentices and suppliers.' We know that the construction industry is doing it tough. I think the count is 10 construction companies that are no longer with us, that are bankrupt or that have gone into liquidation.

Business SA has said, 'The state government only introduced the land tax aggregation changes to fill a budget shortfall caused by lower GST growth.' There is no doubt that the land tax aggregation changes have caused a significant amount of uncertainty within the South Australian business community, and all this has been going on while we have shot up the leader board to have the highest unemployment across the nation. Is that really the time to bring increased uncertainty to our business community?

Those probably at the heart of it include people like the Real Estate Institute of South Australia, who say that this land tax increase will be crippling and devastating. They predict the reforms will bring a statewide devaluing of properties, a considerable increase in time on market and a massive upswing in vendor discounting and increasing rents, which will put undue financial and social pressures on tenants and renters.

Colliers, which is involved in commercial properties, says that 'any increases have a real potential to impact debt/equity positions, debt serviceability and short-term market liquidity, particularly for those assets that are lower yielding'. The MTA (the Motor Trade Association) says, 'Should the changes to land tax go through, it is likely to increase costs for your business, if you own multiple sites.'

If passed, this bill will increase costs for residents, businesses and investors. I heard from a senior real estate expert in my electorate who spoke about his concern with this bill. He said that already he sees potential purchasers of property stepping away from the market. They are concerned about the uncertainty. He is a senior person involved long term in real estate in South Australia who predominately sells in the north.

He says that the median rent in my electorate in the northern area is lower compared with other areas in metropolitan Adelaide. If the land tax burden goes up, those increasing costs will end up being passed on to renters. Once again, at a time of wage restraint you have already increased the cost of services to South Australians by 5 per cent when, in my constituency, they are still doing it tough. There is no discussion about the Northern Economic Plan because it is dead, and now they are going to put something in that will increase rent in the north as well.

I have also spoken to families who have worked hard together over many years so that they can save up to buy a second property. We know that these changes are going to impact on them, and no more so than the changes to land tax that will negatively impact many of the state's 22,000 self-funded retirees. Many of these South Australians are self-funded by superannuation based heavily on property ownership. I am particularly concerned about the impact on South Australians who have invested for their retirement through buying property.

It is easy to forget sitting here—and people of my age and younger may not remember—a time when we did not have compulsory super. It has not always been available for workers, so it is easy for us to forget how important building that nest egg, building that investment was for people planning for their retirement, planning for their future. In order for people to secure their future, they worked hard, and we know from our forums on land tax that people talked about how they missed out on time with their families to build a secure future. They missed out on taking them to sport and they missed out on time for holidays because they wanted to build an investment for the future.

Many people have touched on the particular impact on some of our World War II migrants. These people are part of our community and they came to Australia after a time of war. Many of them lost everything and from the time they came they worked hard—they worked hard for their families and they worked to build that property and build that security. I see this repeated again and again with new migrants who have chosen to make a life in our country. Whether they came here for safety, or because we needed their skills or for the lifestyle, I have seen this desire to make wealth and investment for their family's security over and over again.

In my own electorate, after 18 years in refugee camps the Bhutanese community have come here and established their lives, and many have chosen Salisbury as their home. It completely blew me away that in the less than 10 years they have been in South Australia the Bhutanese community, partnering with HomeStart, have purchased more than 100 homes. They purchased those homes because they wanted to set down roots here, they wanted stability and they wanted security. Property gives us that. Property is very important for that stability for our family.

But ultimately it is certainty that is at the core of every financial decision. Whenever an individual, a family or a business takes that leap to borrow, to build, to expand, they do so working within the taxation, planning and legal structures that exist. The retrospectivity of this bill destroys the very basis of the future that those mum-and-dad investors have made for themselves. They have not done anything wrong. They have not broken any laws, but you have made them feel like they are not pulling their weight and now you are making them pay.

The Marshall Liberal government is making all South Australians pay more. If you have invested in houses, the rent for your tenants will have to go up. If you rent, your rent will go up. If you are a business, how will you pay for this increase in land tax? Do you cut expenses? Do you cut workers? Do you cut apprentices? We hear the Premier say that many will be better off, but how do we know that if he has not released the modelling? The reality for many families who have invested in property is that they do not know how much more they will have to pay because this is policy on the run.

You have just heard the member for Port Adelaide talk about the concerns, the very real concerns, that were expressed. It is stress and it is fear. My very dear concern is about people who have focused on this as their way to secure their future. They know that cash flow is an issue for them. They are very proud of the fact that they have funded their own retirement.

The biggest question that I often used to hear from people was, 'I don't know how long I will live, so I don't know how much money I will need,' but they were very proud and very focused that they had saved hard, worked hard and invested for their future. What we have now, with this proposal, is stress and fear. Are they going to have to sell at a loss so that they can afford to pay the bill, or are they going to have to make the changes that they believed they would not have to make because they believed that they had invested for their future?

This government had five goes to get it right, but without the courtesy of talking to the Master Builders Association, Business SA, the Motor Trade Association or the Urban Development Institute of Australia before they announced their final change. Only the Property Council was privy to this

change before they took it to the party room. What was the final agreement given, that only a moment ago the Property Council was saying that aggregation was a bulldozer to business confidence?

Last week, let us not forget that the Property Council suggested that perhaps it is best that that all property owners in South Australia pay for land tax: 'Let's broaden it out. Let everyone pay the same amount.' How is it that they flipped from this very strong position to suddenly doing a deal? These are questions that are unanswered. Let me tell you that, for the stakeholders I mentioned, the lack of courtesy to them will not be forgotten. How is it that you only chose to have an agreement with one group of stakeholders? How is that good government? How is that good decision-making?

The Marshall Liberal government, as we know, has changed its position on land tax about five times so far. Will it change again? Are we going to see some changes as it goes forward? It is this change, this uncertainty, that is doing harm. It is making investors nervous. A fairly senior person from one of the community groups said to me, 'We were just about to embark on a major redevelopment, and we've stopped because we don't know what the outcome will be.' If they have made that decision, how many other companies, how many other investors, have made the decision that South Australia is too risky to invest in because this government does not know what it is doing? It is making policy on the run.

Let's not forget that this government already has a bad record on the economy. Unemployment is now the second highest in Australia, at 6.3 per cent. State final demand has gone backwards for two consecutive quarters. South Australia has recorded the biggest fall in retail trade, and our national share of merchandise exports is at 30-year lows. Now the government is threatening to increase costs yet again.

Labor will oppose the Marshall Liberal government's unfair land tax hikes, which will hurt local jobs, hurt small business and drive up rents. We know that not everyone is in full agreement about this, because I am sure that people share my concern that certainty is the most important thing that a government can give when it is seeking security, seeking the desire for people to invest in our state. If you keep changing, it is too risky to invest in our state. You must give people certainty, and you must give them the courtesy of admitting that they have not done anything wrong and they do not have to continue to live in fear about this change.

**The Hon. L.W.K. BIGNELL (Mawson) (22:30):** I rise to oppose the Land Tax (Miscellaneous) Amendment Bill 2019. One of the things that we should all endeavour to do in this place is to make sure that people are treated fairly. When we look at what people have done in South Australia for decades, probably going back half a century, in the investment choices they have made they have acted fully within the law and within the rules that have been laid down over those many decades. So a government coming in and trying to retrospectively punish those people and bring about a huge impost—and we are talking about increases of 465 per cent, 2,352 per cent, 662 per cent, 1,065 per cent on their land tax rate charges—has to be seen as being totally unfair.

The Treasurer came with this package. Although he changed it five times himself, he would not allow anyone else to change it or, having removed the pin out of the hand grenade, he was going to let it go off and say that he would not accept any amendments, but there must have been a case for grandfathering people and small businesses that have made decisions about their investments over the past half century or so.

We have so many small family-operated businesses that have always acted within the law and acted on the best advice that they have received about the way they have invested for their future and their life after work. We have seen people, many of whom have been migrants who came to Australia after World War II, who have also made similar investment decisions based on the rules of the day. We have a Treasurer who has total disregard for those people and for those decisions that were made by them over these past few decades, and yet this same Treasurer did not think it would be a good idea to change the system of parliamentary superannuation and pension scheme that he is on, and we have had two changes to that scheme since he has been in here.

I note that he has been here since four years before the Speaker was born. He came in here the year the member for Cheltenham was born. He came in here six years before the member for Colton was born, another MP whose constituents are not happy with this government decision. How can it be fair for a Treasurer who has his superannuation, his pension, all lined up, to keep that in

place but think it is okay just to rip the rug out from other people who have made a similar decision, maybe back in 1982, which was the year that the Treasurer came into parliament?

That is the thing that I think most people are aggrieved by in this: there was no suggestion of grandfathering this in any way. There was no suggestion of being fair to these small businesses or these people who have made choices—as I said, perfectly legal choices—to set up their financial security for after the day they stop working. These people have worked very, very hard. Day in, day out they have sacrificed time with their families. They have sacrificed lots of things that they could have done, because they wanted to make sure that they could guarantee their future and their life after work.

So the Treasurer has racked his up; he is all good. He has a fantastic pension scheme. We have an okay pension scheme, but do you know what? Before I came in here in 2006, the rules had been changed in 2004. Everyone who has come in since 2004 knew what the rules were, and we are never complaining about what we are getting compared with what happened in the past because that is what the rules are when you put your hand up to come into a place. Okay, some people might be complaining. I see some raised eyebrows. We knew what the rules were, and we made a decision based on what the rules of the day were.

If you wanted to bring this in and say, 'This applies to everyone after 2019,' that might be fair enough, but to hit all these people who made decisions in 1982 or before or after 1982 based on what they were lawfully allowed to do is totally unfair. We have seen a pattern of things that are unfair from this government. We have seen a government that has taken away the concession for people on Kangaroo Island that they have on their motor vehicle registration. The Liberal government have taken half of the 50 per cent reduction away this year, and they will take the full concession away next year. That is hitting farmers, tourism operators and individuals very hard.

There are other examples. The road safety group on Kangaroo Island used to get a \$500 a year administration grant, and that was taken away. If you look at all these road safety groups around South Australia, I think it added up to about \$14,000 or \$15,000. I wrote to the Premier, and thankfully he reversed that, and I am very grateful, as are the road safety committee members on Kangaroo Island. But, at the end of the day, you cannot just keep cutting, cutting, cutting and hurting people. You actually have to care for people as well for so many different reasons. I think that this proposal is just going to hurt another group of South Australians.

It is almost like the Liberal Party do not mind who they hurt and who they offend and who they upset. They do not mind if they are upsetting and hurting the Liberal supporters, the Labor supporters, the big people, the small people. These people would start a fight in an empty room. In fact, the cabinet have started a fight in their own party room. Instead of listening to what their backbench has been telling them—because I am sure the backbenchers in the Liberal Party are hearing the same thing as we backbenchers in the Labor Party, who are out there and on the ground—it is, 'No, we know better. We're going to crash through.' They have tweaked it five times, but when have they been out to talk to the public, like our leader, the member for Croydon, who has held forums and actually listened to what South Australians think about this?

It is very easy to be sitting around the cabinet table and looking at very harsh black and white figures, but at the end of the day we are the representatives of the people and we need to listen to what it is that those people want. I congratulate the leader and I congratulate our shadow treasurer and all the other members of our shadow cabinet who have taken the time and put in the effort to go out and have these forums.

I know they have been out in the Speaker's patch, I know they have been down in the member for Colton's patch, and I have to say there are a lot of unhappy people there. The feedback that we have been getting from people in Liberal-held seats and Labor-held seats is that this is a government that is out of touch and just wants to hurt all South Australians by cutting and not caring.

The member for Hammond mentioned before that there should be an equitable system across the state. I am not suggesting the member for Hammond put it this way, but if we wanted to have an equitable system across the state for land tax—and I am not proposing this, and I know the member for Hammond did not—

*An honourable member interjecting:*

**The Hon. L.W.K. BIGNELL:** I am not going to misquote you, member for Hammond, but if you are going to have an equitable system, none of our farmers pay land tax. There are already different rules for different cohorts within our society when it comes to land tax. I am not advocating for farmers to pay land tax—I want to put that on the record—and nor was the member for Hammond advocating that. It is easy to say we need an equitable system, but we already have a lot of differences out there because people, like farmers, are playing by the rules. For people like self-funded retirees and small business people who have made very legal, very proper decisions on their investment priorities over many decades, that is their choice.

For those of us who were lucky enough to be of a generation post Paul Keating and Bob Hawke, we have pretty good superannuation. We should all be very grateful that we can have a reasonably—

**The Hon. D.C. van Holst Pellekaan:** It's not about your superannuation.

**The Hon. L.W.K. BIGNELL:** I am not talking about my superannuation; I am talking about all South Australians' superannuation because of the compulsory contribution that came in, and I think that is a great thing. However, people made decisions before those changes were made and they have continued to make those sorts of decisions.

Retrospective changes are never popular. I think the Labor Party learned at the last federal election. It seems the leadership of the Liberal Party has a tin ear when it comes to listening to what the people want. Where has all the money from the state budget gone? We had \$20 million in there for fishers. That was meant to come in from 1 July this year to buy back one-third, or about 100 commercial fishing licences. That money just evaporated into thin air. Instead of having \$20 million to buy back commercial fishing licences, it has been taken; it has gone into general revenue somewhere.

We do not know where it has gone. It certainly has not gone into the fishing sector. What do we get instead of that? From this week, we will have a three-year ban on fishing for snapper. I tell you what, that is having a huge impact on people at Cape Jervis, Rapid Bay, Aldinga and all around Kangaroo Island. It is just another example of the cruel cuts we are seeing from this Liberal government.

As I said before, people are wondering what group the government has not attacked because it seems that everyone is being hurt by this government. Governments have a role to nurture, to care for and to look after the people they are elected to represent. I think it is a pretty sad day when cuts are so severe that a person in McLaren Vale having very big difficulties breathing rings 000 and says, 'I can't breathe,' is told they will have to wait 23 minutes for an ambulance to be dispatched. No-one has seen the sort of ramping that we have in South Australia. It is unprecedented and it is unacceptable.

Here we have a government that is hurting all these people and at the same time delivering nothing, delivering no better services to anyone. People in McLaren Vale, Aldinga, Kangaroo Island and Rapid Bay are having a hard time grappling with what it is that this government is meant to be doing for them. It came in with lots of promises, such as, 'There are going to be no tax increases. We're going to reduce the taxes.' Well, they have not; they have brought this huge impost. As I said before, some people are paying 465 per cent more. Some will pay 2,352 per cent more, some will pay 662 per cent more and some will pay 1,065 per cent more. That is a crazy impost on people who have made choices under a system that has been legal for as long as most people in this place have been alive.

This government's motto should be 'all cuts and no care'. I think the front bench of the Liberal Party should start listening to the backbench of the Liberal Party because I know there are a lot of people over there who are quite concerned and they are passing on the feedback that they are getting from their electorates, just like we are here. We embarked on a listening exercise. We went out to find what people thought about these changes. The overwhelming response was that they were totally unfair.

As I said, we are seeing people being hit in all sorts of different ways. In the search for whatever it is that this Treasurer is seeking, he hurts people; he hurts South Australians. My plea to

this government is to stop the hurt and start the listening. They need to get out there and talk to people, and not break their promises like they did on this one about not increasing any taxes, because what they are doing is hitting and hurting small businesses and families.

Small businesses employ a lot more people than the big banks in South Australia, yet we saw in the last parliament when we tried to introduce a bank tax that would have resulted in \$91 million coming into our coffers—\$91 million that we could have spent wisely on caring, supporting and nurturing the people of South Australia. That \$91 million would have perhaps helped with some of these issues that the present government is now creating. But instead of siding with the people of South Australia, the Liberal Party sided with the five big banks. It is a pretty deplorable thing when a government turns its back on the people it is elected to represent and actually looks after banks that are all based in Sydney and Melbourne.

People in my area who still cannot get bank loans to expand their small business or to start their small business are still outraged that that bank tax was thwarted by the Liberal Party of South Australia. But they are happy to go and pick on the small business people who have made legal investments over the years. They want to call them 'rorters' and say they are using loopholes. No, they have just been investing, as they have been able to do for at least 50 years.

We stand side by side with small businesses in South Australia, and we always have. We stand side by side with that cohort of people who have made investment decisions to buy multiple properties to look after themselves and their families in retirement so that they are not drawing on a pension from the government. They do not want to be a burden. They think that they should look after themselves, and they have very proudly set up their financial affairs for post-work or post-business so that they can do that. The Treasurer, who has never contemplated changing the system so his pension goes to our pension system, is happy to take away their rights and penalise them for something that they have lawfully been able to do.

To the small businesses in my area, to those people who have made investments in my area, we, the Labor Party, have listened to what you have told us, and we are in here opposing this measure by the Liberal Party. It is a measure that I know a number of Liberal Party members in here and in the wider community also oppose. You may have appeased Daniel Gannon at the Property Council, but I am not sure you have appeased everyone within the Property Council. This state has a population of over 1½ million people, so you should not actually be dictated to by Daniel Gannon.

You should actually get out there and listen to what all the people in this state have to say—people who perhaps voted for Liberal candidates and who said that they would be better off with the land tax reductions that the Liberal Party promised at the last election. I have to say that all of the feedback we are getting from our seats—that is, the Labor seats and the Liberal seats, and particularly some of the Liberal seats where there is a high concentration of people and families who have made big investments in a couple of properties to make sure that they are okay after their working life—is red-hot anger against the Liberal Party of South Australia.

The Premier and the Treasurer and his front bench have a tin ear; they do not care. They are all cuts and no care. We will stand up for the people of South Australia. We will make sure that if people have lawfully made an investment in something in South Australia then we are not going to punish them because people are not there to be punished, they are there to be supported, they are there to be nurtured. As I said at the outset, I oppose this bill, the Land Tax (Miscellaneous) Amendment Bill 2019.

**Mr ODENWALDER (Elizabeth) (22:50):** I rise to oppose the Land Tax (Miscellaneous) Amendment Bill 2019. As the member for Kaurua pointed out, it is quite a benignly named bill, really, considering the angst it has caused out there in the community. I should start by declaring my own interests. Others have declared interests in their various landholdings. I note the member for—help me out—

**Mr Pederick:** Hammond.

**Mr ODENWALDER:** —Hammond, made a contribution to that effect.

**Mr Pederick:** So you are a land magnate?



**Mr ODENWALDER:** Well, no—quite the opposite, in fact. You want to check my register, member for Hammond. Others have—

**Mr PICTON:** Sorry to interrupt. I draw your attention to the state of the house.

*A quorum having been formed:*

**Mr ODENWALDER:** It is nice to have an audience.

**Mr Pederick:** It's not going to last!

**Mr ODENWALDER:** It's not going to last. I thought I would declare my interests, or lack thereof, in land. As far as I am aware, as far as history tells us, the Odenwalders have owned very little land of any value over the years, and indeed I do not know of any Odenwalders who have owned more than one property at one time. I stand to be corrected, but I believe my parents are the first Odenwalders in recorded history to have owned any interest in land at all in the house that they still live in in Elizabeth Downs, which they bought in 1982 for around \$30,000. Having declared my interests, as others have, I will continue with my contribution to this debate.

After months and months of confusion and delay, here we are, finally debating the Land Tax (Miscellaneous) Amendment Bill. Today, on this side of the house we witnessed the extraordinary scene of the Premier of this state accusing our leader, the member for Croydon, Leader of the Opposition, of only just arriving at a position on this bill. He was accused of sitting on the fence. We were accused of sitting on the fence, of being afraid of reform. As other members have outlined, this bill has been through at least five iterations over the last several months, since it first peeked its head out from the budget speech of the Treasurer in this place several months ago. The hypocrisy is breathtaking.

I do not make a habit of commenting on our party room discussions, our shadow cabinet discussions, but it is fair to say that we have discussed this measure many, many times in various different ways. However, unlike the government, we discussed it publicly. We held public forums that were open to the media, the public and Liberal Party apparatchiks, if they chose to turn up, and I believe that on various occasions they did.

We all remember the forlorn figure of the member for West Torrens outside the Liberal Party's own land tax forum, hoping to get in, like the media, but of course it was closed. It was closed. The members opposite did not want a public discussion. They certainly did not want the member for West Torrens there, although I can hardly blame them for that, but they did not want the media there. They did not want members of the public there to genuinely express their opinions.

Unlike the government, during the course of our consultations we listened. It is worth going back on the history of the Labor Party in opposition over the last year and a half or so. We have listened and we have made a point of listening. The leader has made a point of visiting all 47 seats across our state. We have held various shadow country cabinets and we have listened and we have engaged. I have been at various shadow country cabinets and on various visits to electorates throughout the state. There has been a genuine desire to engage and listen to the electorate, and we have not seen that from those members opposite.

We did listen and the leader, the member for Lee and others went through in quite a lot of detail what those people said at the forums that were held throughout the metropolitan area in the lead-up to this debate in a genuine attempt to hear what people had to say and to hear what their concerns were. These were what we colloquially call mum-and-dad investors. There were people who were angry. They were livid.

We heard a bit about migrants from the member for West Torrens, the member for Lee and others. I thought the member for Port Adelaide made a good contribution. These are people who see property as real estate. They see it as something they can touch, something they can pass on to their children, something that is very difficult, one would have thought, for the government to take off them, and they are seeing that promise evaporate under this government.

Of course, there are small business people whom the Liberal Party often purport to represent. These are people who have hitherto legitimately organised their affairs to minimise the amount of tax that Rob Lucas can take off them. They are legitimately concerned and appalled. As the member for

Lee and others have pointed out, these people are natural Liberal voters. There is nothing wrong with that. People vote according to what they believe. People vote for the people who they think will advocate for them most successfully. Many of these people are natural Liberal voters. Whether they continue to vote Liberal or not remains to be seen, and in many ways that is not the important point, but they are natural Liberal voters.

Here we have the member for Croydon, the leader of the Australian Labor Party in South Australia, with the member for Lee, sitting down with these people and listening to them and deciding to represent them and advocate for them as real people with real concerns. These are people who are expressing that they are caught up in an unfair and retrospective tax grab brought to them by the political party that purports to represent them and went to the election purporting to represent them. But first and foremost, Mr Speaker—I forgot your name there, sir—this is a broken promise.

**Ms Hildyard:** It's late. It's very late.

**Mr ODENWALDER:** It is late. This is a broken promise and, as I said, the scale of this broken promise was revealed in the Treasurer's budget speech earlier this year.

**The Hon. V.A. Chapman:** Have you all got the same speech notes?

**Mr ODENWALDER:** Me and who?

*Members interjecting:*

**The SPEAKER:** The member for Waite will not interject from the Premier's seat.

**Mr ODENWALDER:** The member for Waite admits that he started listening. You should have listened before. You should have started listening before.

**Mr Duluk:** Why are you responding to my interjections? I'm not even in my seat.

**Mr ODENWALDER:** It's your time, sir! It was not front page in the budget, it was not loudly announced, there were no balloons and streamers when the Treasurer announced this measure because he knew that it was a broken promise. It was hidden away as an afterthought towards the back end of the Treasurer's speech. However, he made no bones about what the intention was. He said these were targeted measures to crack down on individuals and companies who have reduced their land tax bills. These were not tax cuts, as the Premier promised. This was a crackdown on individuals and companies who had reduced their land tax bills.

These were fighting words, and these words were heard loud and clear in the eastern suburbs, in Campbelltown, in Norwood, in St Peters and Walkerville, in Burnside and in Unley Park. They were also heard in Adelaide and the inner west and also in seats like Colton along our beautiful coast. We know they were heard because they told us. They told us at these forums, these mums and dads we talked about, these migrants, these small business people—they told us—and, unlike those opposite, we listened. But what is surprising is that there are those on that side of the house who purport to represent a lot of these people who have not only refused to listen but have stayed largely silent in the face of their leadership.

What is the view of the member for Adelaide? The member for Adelaide has been silent throughout this debate, yet she represents a community, a state district with the largest number of small businesses, I would assume, in the state. Has she spoken to her small business community? Has she spoken to the traders in the city? Has she spoken to the O'Connell Street association or the Melbourne Street traders' association? Has she spoken to the people who are investing in the property markets in places like Walkerville, North Adelaide, Prospect and Gilberton? These are the highest growth places in metropolitan Adelaide, with median prices well into seven figures. Has she consulted with these people at all? If she has, what has she told her party room, what has she told the parliament, what has she said publicly? Nothing, I would assume—nothing—certainly not publicly.

We can say the same things about the member for Colton, the member for Morialta, the member for Gibson and even the Premier. I know that the Minister for Education and, indeed, you, sir, represent a seat with a high number of Italian constituents. In your favour, I would say that you are deeply embedded in the Italian community, as the member for Morialta claims to be. You must be hearing what I am hearing. I am not embedded in the Italian community. My constituents are in

the northern suburbs. You must be hearing what I am hearing. You must be hearing it and the Minister for Education must be hearing it. I do not know why nobody on your side is listening.

I talk about my constituency in Elizabeth and in the surrounding suburbs, in Ramsay, in Taylor and in parts of Light. We have a very high rate of rental properties up there. There are many people who cannot afford to even begin to enter the housing market at all and they are forced into the rental market. As a result, these suburbs represent an opportunity for investors. There is nothing wrong with that. Sometimes there are significant numbers of rental properties in one portfolio, whether or not it is aggregated. One can assume that many of these investors have arranged their affairs so as to minimise their tax. Again, this is perfectly legitimate and perfectly legal.

Those investors will look at these measures and they will make again perfectly reasonable, legal, legitimate decisions to arrange their affairs such that their incomes do not drop significantly. They cannot do that in any other way than to raise the rents for my constituents who are forced, as I said, onto the property market. They will jack up the rents. They have no choice, they will jack up the rents. In order to continue to realise their investments they will jack up the rents. There is no doubt about it. They will pass on the pain to people in my constituency, to people in Ramsay, to people in Light and, I can only assume, to people in places like Kurna and Reynell where there are similar situations.

The Housing Trust, as we know, is stretched to the point that getting onto category 1 is a distant dream. We all know that in electorates like mine, where Housing Trust tenancy is very high, it is a distant dream for many people to be even considered for a Housing Trust property to get onto category 1. I have people in my office every day trying to get onto category 1, and we have to be honest with them that there are just not enough places for people. They are being forced onto private rental and, if these measures pass, we will see those private rental properties significantly increase in rent.

A constituent, Jack, comes to mind. He contacts me fairly regularly. I believe he was briefly a media star. He witnessed a murder in his block of units in Elizabeth not so long ago. He has a new baby and lives in a unit with his elderly mum. He wants to be moved. He wants to be put on category 1 in the Housing Trust so he can move, but he cannot move. He simply cannot move. There simply are no category 1 places to fulfil the need. Everyone who deals with the Housing Trust knows this.

These people are forced to either live where they do and put up with circumstances that they find inadequate or else move on to private rental. There is assistance for private rental, but it is often inadequate. I believe that the measures we are discussing here today will, in the ways that I have discussed, force up the rents in private rental properties across the northern suburbs, where there is a significant amount of rental property. The rental returns are very good, and that is why people have chosen to invest there.

People have chosen to have quite significant portfolios up there because there is a need and the rental returns are good. As I said, this will force those rents to be jacked up, and the Marshall Liberal government clearly does not care. This is a broken promise in every sense. The Premier went to the election promising lower costs, but tell that to Jack, who I just discussed. Tell that to a single mum in Elizabeth Downs struggling to make ends meet. She now has to find an extra \$10, \$20 or \$30 a week just to pay the rent, just to pay for this tax, but they do not care.

We will oppose this bill for the reasons outlined by the member for Lee, the leader and others, not because it is convenient politically. It is quite the opposite: we will oppose it because it is the right thing to do. Unlike those opposite, we are driven by a set of values. One of those values is that when you say you are going to do something, you do it, and when you say you are not going to do something, you do not do it. Another value, as outlined by the leader, is a belief in the dignity and value of work. This bill punishes that. It punishes small business. As we have heard at these forums, it will force people either to lay people off or reconsider their decisions to hire more people. It will damage jobs in the state at the very time we do not need that sort of damage.

If we find ourselves in government in 2½ years' time—and I believe that we can and we will—it is my view, and I know it is the view of the leader, the shadow cabinet and our whole party room, that we will govern for all South Australians. This is what Steven Marshall promised and what the Liberals promised. This is what governments often promise in opposition, but we have demonstrated,

throughout our year and a half of opposition so far, that we are listening in the ways that I have outlined. It is also demonstrated today by our opposition to this bill, which is not politically expedient: it is the right thing to do.

We will govern guided by values, not by ideology, unlike those opposite. We know that they cannot keep a promise. For instance, we know the promise that they did not have a privatisation agenda. We have all seen the footage of the Premier promising that they did not have a privatisation agenda. That did not last very long. The first big broken promise in that area was in my own portfolio area with the sale of the Adelaide Remand Centre to Serco, which the government in their press release coyly referred to as a 'justice service provider'. They are in fact a huge multinational company with interests in many areas, including detention centres and prisons. Their track record in corrections and detention centres is well documented and very far from inspiring.

I will not go over the detail here, but we saw, for instance in Queensland, Serco's performance was so bad, so suspect, that following a damning independent report the government decided to rip up the contract it had with Serco for prison services and renationalise the site. Not only is this government breaking promises, they are breaking them very badly.

As to the trains and trams, again, there was no mention of this before the election—indeed, there was a promise not to have a privatisation agenda. I lived through my dad losing his job with the state transport authority in the late 90s when that was privatised by the then Liberal government. He still tells stories of his friends, young men, mostly men, with young families who went on the dole or tried to find another job somewhere else or accepted the lower working conditions, the lower wages, that the private companies that took over from the state transport authority were offering at the time—not a very pretty story for a lot of those people.

So this is what Liberals do. This is what they do. This time they tried to hide it. This time they said, 'We don't have a privatisation agenda, we will lower costs, we will lower the land tax rate.' All of those things proved not to be true. After months of confusion and delay we find ourselves here, we find ourselves quite late at night still debating this bill. I hope that it does not pass. I hope that some of those members opposite who represent constituencies with some of the people that we have spoken to and heard their stories will see the error of their ways and will join us in opposing this bill and exposing it for the farce that it is.

**Ms HILDYARD (Reynell) (23:11):** I rise to speak to this Land Tax (Miscellaneous) Amendment Bill 2019. Our democracy is fundamentally built on and relies on people in this place, and people wanting to represent their community in this place, articulating and taking a transparent and comprehensive platform to the South Australian people at a general election. When they are privileged enough to receive the public's endorsement for that platform and to be sworn in to serve our South Australian community as a government, it is utterly incumbent upon them to do their best to take that platform and to bring the vision within it to life, to ensure that it underpins all that they do. That is the right and the fair thing to do, it is at the core of our democracy.

What brings this government into disrepute is their lack of transparency, their portrayal of their platform in a particular way before the election and then doing both the opposite to what they articulated in that platform and also introducing a range of measures, including this one, never taken to last year's election at all.

We can all remember the so-called platform that those opposite did take to the last election. Alarming, there was not much to it after 16 years of opposition. It was more of a mantra, a very clear mantra and message plastered all over leaflets, corflutes, TV ads, T-shirts and any place they could get their hands and stickers on, sent to South Australian people. It was more jobs, lower costs, better services. 'More jobs, lower costs, better services,' they said, repeatedly everywhere they could.

This bill, and so many of the measures that they have heartlessly introduced since coming into office, fail on all three counts. This government has comprehensively broken all those promises. They have utterly failed to deliver on their mantra, and they have failed the people of South Australia. More jobs? We have had unprecedented rates of unemployment since this government took office. We have watched in horror as job creation programs have been slashed.

We have seen, as our leader articulated earlier, an utter disregard for the dignity that comes with working hard and being adequately rewarded for that work, and now we have this measure, a

measure that will drive down investment and further reduce jobs in the property sector and in other sectors—a measure which has the potential to hit those South Australians on low or stagnant incomes, employed in insecure work, who are already struggling with the cost of living with higher rent costs.

It is a situation and a measure that sit alongside an unprecedented and heartless hike in fees and charges by those opposite. It is a hike in fees, levies and charges which flies in the face of their lower cost promise, which demonstrates their cruel disregard for just how tough it is for so many families. It is a hike in fees and charges that will be felt by cleaners, nurses and administrators arriving for work at one of our hospitals, local tradespeople, families heading to the footy or The Fringe on the train or the bus for a day out. It is a hike which will be felt by a family buying their school-age children a new Metrocard to get to school, to their part-time job, wherever they need to go.

It is a measure which also sits alongside their broken promise in relation to better services, as South Australians listen in horror to the plans of those opposite to close Service SA centres, to sell off our train and tram network, to slash hundreds of SA Health jobs. It is a measure that threatens to have investors bailing at a time of economic uncertainty and flagging confidence, at a time when we need those investors the most.

Sadly, I and many South Australians do not expect anything better from this government because they just keep letting people down over and over again. They just keep acting in a way that is bereft of any concept of fairness, any concept of just how hard people work to make ends meet and to build a future for themselves, bereft of understanding the day-to-day lives of South Australians and what matters to them, what they work towards and aspire to, what makes a difference to them and what enables them to live their best life, a decent life.

How should the people who voted for this government feel now, having believed that they would produce better quality services, reduce the cost to them and their families and communities and create economic stimulus and jobs? They have been completely let down by this government. How should South Australians feel now that they have been told one thing, only to find out that in reality this government is doing the exact opposite? It is breaking their flimsy off-repeated promises, or should I say slogans, to them. They have every right to feel disappointed, let down and to feel as if they were not told the truth before the election. They were deceived.

Did those opposite develop and produce this land tax plan prior to the 2018 election? Was this tax increase lurking in the back of the Treasurer's mind—

*Mr Duluk interjecting:*

**The SPEAKER:** The member for Waite will cease interjecting out of his seat.

*Mr Brown interjecting:*

**The SPEAKER:** Member for Playford, be quiet!

**Ms HILDYARD:** —in the mind of the Treasurer who seems to be running this government? Was it lurking in the recesses of his mind, waiting to be unleashed on an unsuspecting South Australian public? Was it written down the bottom of a document somewhere, perhaps marked with an asterisk saying, 'Subject this to massive land tax hikes'? Maybe it was. I am not sure exactly which version may have been dreamed up and when—version 1, 2, 3, 4 or 5—but they absolutely did not ever openly share these thoughts and plans, not any of their multiple versions of them, with the South Australian people. Through their lack of transparency, they have let hardworking South Australian families down.

These are families who work hard and have invested in property, who have planned their future retirement and their family's future around that investment. They are families who also work incredibly hard and rent properties from them. They are families who may not be able to afford the increase in rents that those who will face the brunt of this measure have indicated they may need to pass on.

They are families I know, families I deeply care about, who are friends, who I am proud to represent, who devote their time and energy to local sporting clubs, music groups, volunteering at their kids' schools. They are families who struggle to pay the rent, buy the groceries, the nappies,

the school uniform, the birthday gift. They are families whose budgets are so carefully, strategically and tightly planned that they will suffer with even the smallest of increases to their rent.

Recently, I had the pleasure of speaking with a lovely family in Hartley, a couple who, on moving to South Australia, invested in a fruit and vegetable shop, not a huge shop but a shop from which they earned their living for many, many years. They worked hard, very hard, to make that shop successful. They also invested in residential property, not a huge portfolio, but property to see them through until their retirement, during their retirement and to provide for their three adult daughters, (two of whom I had the pleasure of speaking with also) to help them get a start in life, women who were very deeply worried about their parents and about the stress that this measure had caused to them and their future.

How is it fair to change the rules on these people—people who worked so hard all their lives to make ends meet, to save for their retirement through property investment, who made decisions according to the law and who planned for a future based on those rules that they fastidiously adhered to? They chose to build their family's future via property, rather than through superannuation and other savings. This was a sound and reasonable decision made by them many years ago as they started their working lives and started their family in our state—a decision that they and their daughters relied on, a decision that they planned their future around that meant they could proudly fund their own retirement.

Through my work as a shadow minister, I have had the deep privilege of constantly meeting and getting to know people from a variety of backgrounds who chose to do this, and I have had the privilege of many of them sharing their stories with me. In fact, it is very fair to say that many of them have absolutely been busting to share their stories with me, crossing rooms, running across rooms and calling me—people who have scrimped, saved and undertaken backbreaking work to purchase and keep assets and property for security and for safety, people who have worked hard towards their dream of owning property and enjoying a secure retirement and towards the pleasure of being able to contribute to the lives of their children and grandchildren and their future.

These people made their plans over many years, believing in the security that comes with bricks and mortar, making personal and business decisions according to the rules of the day. They will now be paying thousands and thousands of dollars more in taxes to this government. This hurts them, this hurts their future and they feel utterly betrayed.

Can the Premier explain why these families have to wear this budget measure that was never, never explained to them, that will punish them, not the big end of town, not those who own the whole shopping centre, but those who own the local fruit and vegetable shop taking up just a small corner of that shopping centre, people who had an aspiration and arranged their affairs to achieve that aspiration? Can those opposite explain why, despite receiving multiple representations from South Australians about how this measure will hurt them, their family and their business, they refused to listen? I have heard—

*Members interjecting:*

**The SPEAKER:** Order! Members on my left and right, be quiet! This has nothing to do with the member for West Torrens. The member for Reynell has the call.

**Ms HILDYARD:** Thank you very much, Mr Speaker. I have heard many members opposite speak about having had representations from people about this measure. Instead of these members listening and standing up for them, these members have chosen not to fight but to acquiesce to a strategy that is all about this government coming after these people and those who may rent a property from them. Submission after submission from South Australians on the government's own website sets out the incredibly negative impact that this measure will have on them and on our state for decades.

In those submissions, some people talk about being enraged by its introduction and others lament that their contribution to our state over many years seems to be sadly and cruelly dismissed and disregarded. Many include very well thought-through and prepared tables that very clearly set out how much more they will have to pay, and those figures, those tables, are both compelling and alarming.

Many who have made submissions rightly decry the fact that their hard work and their playing by the rules seem to be disregarded, and others speak about the risks to employment of young people and others and to the economic and social future of our state that will come about as a result of this measure. However, they are not being heard. Those opposite are not listening, and they are certainly not fighting for these people.

I expected more and I expected better, not from those on the front bench but definitely from some of those on the backbench, who I thought might think differently from what is articulated in any one of the many versions of this policy, who might actually care about those this impacts, those this hurts. It is shameful, and this is from a party that goes on a lot and often about supporting small business owners, supporting family businesses and supporting people wanting to have a go. Frankly, at first glance it is bizarre.

Given the track record of those opposite and their very cosy relationship with particular sections of the very, very big end of town, which may benefit from this measure, perhaps it is not just bizarre but also a very direct reflection of who this government values and who they do not, who they will protect and who they will not, who they are interested in and who they are not, who they will listen to and who they do not listen to, who they will fight for and who they will not fight for.

So many families, both property owners and renters of those properties, will, because of this government, have no choice but to struggle further and reduce any spending they can often ill afford in our already struggling retail, hospitality and other small business sectors. Those who own the properties face increased costs from a few hundred dollars per annum to thousands and thousands, and those who rent their properties face an even harder battle, a harder struggle, to make ends meet.

This government can never explain away nor justify their lack of honesty and transparency in bringing in this legislation. They did not take it to an election; in fact, just before the last election they promised not to increase taxes and spoke about the risks to confidence in our state of doing so. They lied. This bill represents another broken promise. This bill is unfair. It fundamentally treats people unfairly. This bill disregards the rules that people have diligently followed over many years to build their future. This bill hurts people, and that is why I do not and cannot support it.

**Ms COOK (Hurtle Vale) (23:28):** I rise to speak—I am sure it will be no surprise to the house—in opposition to this bill. This bill has been complete chaos and a shemozzle since the outset.

I might have let the cat out of the bag about knowing a little bit more about a few things when we took out the quiz night a few weeks ago, the Eastern Domestic Violence quiz night, when I ably led my table to victory. However, members might be surprised that I am now an expert in land tax, so strap yourselves in and get your Milo or your cup of tea, away I go.

To be completely transparent, I remind members that I do have one investment property, which does have a mortgage attached. Because I own this particular investment property, under the Lucas land tax version 5 still, I think, I would be approximately \$300 a year better off. I do not take my personal situation into account at all in making this contribution, but I feel it is right to make it clear that potentially I am a beneficiary.

In the 2018-19 state budget, we saw changes made initially that increased the tax-free threshold for land tax to \$450,000—seemingly fair for mum-and-dad investors, for modest investors. We also saw a reduction in the top marginal tax rate of 3.7 per cent to 2.9 per cent and setting a new lower tax threshold meant investors with much bigger portfolios could access the lower tax rate sooner. This benefits those with bigger portfolios, bigger end of town investors.

We heard that the changes were going to cost the budget some \$47.2 million from the next financial year 2020-21 when the changes were slated to come into effect, then around \$48.7 million the following year. On balance, however, given how awful a Liberal government potentially could be to average South Australians, we felt it was acceptable. This land tax deal was then stamped as delivered in respect of the election commitment to lower land tax, all part of the more jobs, lower costs and better services promises seen throughout the 2018 election campaign.

Then, just like all good cheap rubbish deals, there was more. We saw only nine months later, in this year's budget, more changes: aggregation. What is this? Well, for decades, mum-and-dad investors, working families and hardworking small businesses have worked to the rules in terms of

their investments. It was the done thing that people with land interests across different ownerships in name, in company or in family trust would see their properties now aggregated—judged and tax as a group—not the same conditions as these hardworking Australians had set up themselves.

There was now going to be a difference: land tax could now be levied on the combined value of their portfolios, their landholdings. Ouch! No retrospective acknowledgement, no grandfathering. That is the zinger right there, right between the eyes. The Treasurer did not care. Just to be clear, these people who set up their arrangements under previous rules would not get anywhere near these tax rates. Land tax was applied separately to each ownership. The valuation did not occur with the holdings grouped together. Remember folks, this is all part of the more jobs, lower costs and better services promises made by the Liberal opposition leading up to the March 2018 election.

We then find out that these aggregation measures were estimated to raise \$40 million, nearly as much as the revenue that was given back to taxpayers in the 2018-19 budget. What the Liberals giveth, the Liberals taketh away so it seems. It seems that to offset some of the increased tax burden, we then saw the budget further reduce the top marginal rate over time, a little 0.1 per cent per annum, I think it was over seven years from memory.

'Celebrate,' they say. 'Be thankful,' they say. Well, yes, if you are a big investor you will be getting a little bit extra in your pocket money. But hang on, we hear noise, big noise from a wide range of people, mostly about aggregation. And wait, surely these fine financial managers, these fiscal geniuses—the Liberal Party—could not have made a calculation error, could they? Well, yes they could. We saw a revised revenue forecast for the aggregation measure to \$118 million. 'Nothing to see here,' they said. 'Oops, only \$78 million more than the estimated \$40 million.'

We heard there would be far more than the estimated 4,300 individuals and something like 2,500 companies initially claimed as being impacted by the government. Then there was more. I think we are up to version 3. In early September, we saw the release of a draft bill. Finally we had something to take to the people for consultation. There were more changes to aggregation, more changes to how companies could be grouped together for land tax purposes and the introduction of surcharges.

What on earth was happening? There was confusion, chaos, a shemozzle. We saw changes again to top thresholds, changes to the top marginal land tax rates, etc. I am not sure whether it was around this time that we were reassured by the Premier that there would be no more changes, that the entire Liberal Party room was in lockstep behind the Premier and the Treasurer. I cannot quite recall when these wild statements were made, but remember: we were talking about version 3, I think, and I reckon that we are up to version 5, so somewhere in there were changes.

Whatever the end result of the consultations with people in their electorates and whatever the end result of the consultation with stakeholders, it is interesting that we have really only seen a shift in the attitude of one of the major opponents to the land tax reforms. The Property Council—Daniel Gannon—has suddenly gone from being the government's public enemy number one to being besties again. The boss is back, being chummy with his old boss.

We heard that the Property Council had explored a whole range of alternatives in its submission to the government. Many made sense, of course. They talked about postponing the changes until the statewide revaluation of land values is complete. I do not think we really know the full extent of these revaluations. What sort of a hit to punters is this going to be? Strap in, I say.

The Property Council openly floated the idea of grandfathering the land tax arrangements for existing taxpayers, as well as also discussing flattened-out tax structures. Business SA also wanted the process to be halted until the revaluation was complete. I think they predict a nice, big sugar hit coming to the government so that the grandfathering arrangement of land tax changes could then perhaps be put into place. This is clearly more affordable, maybe?

The Real Estate Institute were very vocal in their opposition to the bill, also calling for a delay in the process while the revaluation initiative was completed. We heard words like 'crippling' and 'devastating' being used in relation to the effect on the South Australian real estate market. It is pretty shocking language, to be honest. Given the terrible rate of collapse of local builders, it is really no surprise that the Master Builders are also not supportive of changes of this magnitude.



It is worth noting, though, that many people in the social sector do support the notion of this tax reform, given the magnitude of the revenue potential. I have had many conversations about the value that this revenue could bring if invested back into public and community housing. Sadly, I do not see a Liberal government investing it in this way. We have a federal Liberal government that barely has a housing policy. Who is their housing minister? Does anyone know? Do we ever hear from him or her? No.

I commend the member for Florey for bringing some amendments to the house on behalf of SACOSS. I have not had time to have a good look at them yet, but I understand the intent is to bind the government to invest the added revenue back into public and community housing. At some point between Lucas's land tax version 2 and version 5, I believe he threw the toys out of the pram and stated that there would be no amendments accepted to the land tax. I also doubt very much that this government would allow itself to be bound in any way such as this. Remember that this is the party led by a Premier who did not enter politics for social issues.

This legislation is unfair and unbalanced, and it hits those who can least afford it. Just like Lucas's lacklustre budgets over the past two years, this legislation seeks to hit the hip pockets of everyone in some way—more tax increases. Remember that this is the Treasurer who was penny pinching a few bucks a week out of the pockets of Housing Trust residents just to increase revenue by a few million dollars a year. These are vulnerable renters, mums and dads and small business owners, including the builders who build the much-needed housing for those who have no choice but to rent—builders who have been going belly up at the rate of knots since those opposite took a hands-off approach to government in regard to building and the industry.

It has not been an easy decision because of the complex legislation, the ever-changing parameters from the government, the fierce opposition at community forums that have been held by the Labor Party and discussions with my local constituents—people in the southern area who come up to me to speak to me about this. I have been listening to them to help them make these decisions.

As we have already heard from our leader, the Labor Party is a party that at its heart is about fairness. To be honest, though, there are many in my electorate who are under mortgage stress. I did try to find the article that points to Woodcroft. I remember reading it is a suburb that has the highest degree of mortgage stress in South Australia. My electorate contains the whole of Woodcroft and I live in Woodcroft, so I do understand what is going on there.

Many in the electorate around those suburbs are utilising food banks and generally struggling to keep their heads above water financially. Most of them are not even sure what land tax is, let alone why it is taking this government so long to do anything with it, changing every few weeks and fighting with each other about it. There are, however, some people in my electorate of Hurtle Vale who would genuinely be affected by this retrospective land change.

Firstly, in my electorate there are those who rent. Around 29 per cent of households in my electorate are renters. What will this legislation do to rental rates? I do not think anybody can be absolutely sure, but I have spoken to landlords who have reached out to me. I will not say his name, but a self-declared Liberal donor, whom I know, rang me and said, 'Nat, I'm not going to wear these costs. I will pass them on. I will pass them on to your people. I'm not stupid.' He is not going to suffer a loss out of this. He knows that aggregation is going to cost him tens of thousands of dollars, so he will jack up the rents. That is how he will recoup his land tax.

I would bet that residential rents will most certainly rise. We know they will. We have seen it elsewhere when land tax is increased. This happened not long ago in the ACT. Many residential tenancies are six or 12 months. We know that property owners can increase rents at the break in those tenancy agreements. Property owners will no doubt seek to raise rents to try to pass on the extra land tax burden. It is how the free market system works. Passing on the cost to these families who are struggling already will clearly be a disaster.

This Premier promised to take an axe to land tax. What he is in fact doing is taking an axe to renters, low-income earners, mum-and-dad investors, migrants, and small business owners who have set up their retirements in modest property investments ahead of superannuation. It is not just renters who will be hit. There is the potential for this tax to seriously affect people who have compiled their property as their retirement funds. I do not mean multimillionaire property collectors, some of

whom might be in this chamber. I mean mum-and-dad small business owners who simply do not have retirement savings.

The other day, I met with a couple from my electorate who own a small business located in the inner south. They own that property, not freehold. They live in my electorate. They also have a small, hardly lavish shack in the south of the state. They do not own the properties outright. They are mortgaged; they are still paying for them. This couple, as small business owners, do not have superannuation. Instead, they opted to invest in their small properties and hold them in a family trust, like many small business owners. They use these properties to run their business, raise their families and have at least some quality downtime at the family shack together. They are hardly hiding amassing multimillion dollar investments in the name of a trust.

Importantly, they rely on their small collection of properties for their retirement. This is their superannuation, the thing they will need to use in retirement to continue living. They were promised over the past five years by the now Premier and those opposite that they would be better off. These people were in tears. They will have to sell properties. Those opposite promised a reduction in land tax. After being elected, they have changed their minds and they have introduced land tax aggregation, increasing this tax for many.

This goes to show that it affects not only mum-and-dad investors in the community but small businesses and families. It will have a flow-on effect on construction and therefore jobs. This will therefore increase the welfare burden. It will put people out on the streets. It will reduce housing availability—and we already have a lack of that.

I concur with my colleagues on this side of the house: this bill does not have the support of the community. I am sure it does not have the support of the majority of this parliament. It has been very difficult for us to work through this, considering all the changes and the uncertainty. I cannot imagine what it is like for the community to watch on while this is going on, particularly that part of the community that, as I said before, does not have land tax in their usual vocabulary. This is something that simply worries them. They just see this as another impost. It is another barrier to business. It is another barrier to success for South Aussies.

We heard about doctors' groups that were going to have to stop bulk billing in order to be able to pay their land tax bills. I am not sure if members are aware, but that could mean between \$30 and \$50 per trip to the doctor. When you lose your bulk-billing capacity, that is how much you would have to pay to go to the doctor.

There are people in my electorate who are renting, people in my electorate who do not understand land tax, people in my electorate who rely on the support of organisations for their groceries every week, and some people in my electorate who have already had their Housing Trust rents jacked up by \$10 or \$15 a week by this government. There is no way that those people can afford not to be bulk billed when they go to the doctor. Those people cannot afford any of those increased costs. The people in private rental certainly cannot afford to have an extra \$20 or \$30 a week added onto their rent by landlords who are way too smart not to put the rent up when their land tax bills are going up in the tens of thousands of dollars per year.

That will be commonplace for people under aggregation. It is for that reason that I support our party room in the decision to oppose this bill, and I would expect that it is because of this that this bill will not pass through the parliament.

**Mr HUGHES (Giles) (23:47):** At this late hour I also rise to oppose the Land Tax (Miscellaneous) Amendment Bill 2019. It has been a long day, a day full of colour and movement. It has been a day that I am sure was quite challenging for some of those opposite, maybe some of the backbenchers opposite. The process that we have followed over recent weeks has been an incredibly interesting process. It is an example of how not to do things when it comes to introducing a bill into this place.

I note earlier tonight that the member for Bragg indicated that there had been extensive consultation around land tax going back way before the election. That would have come as a complete surprise to the backbenchers, who were clearly not happy when the budget flagged the initial changes. We all say 'the initial changes'; this has not been an evolutionary process. This has been a chaotic process, with five changes—and here we are with the fifth change here tonight.

At least on this side of the house we had the decency to go out and consult with the broader community. That was a very difficult thing to do, given this was a moving feast. It kept changing: you looked away one minute, you looked back the next minute and yet another change. I have a lot of sympathy for the backbenchers opposite who are trying to keep up with what has gone on. Clearly, the Treasurer did throw a cat amongst the pigeons.

When you look at it, it is a retrospective grab-all. A whole bunch of people, many people, who have structured their holdings in accordance with the existing rules will now have the rug pulled out from under them. It has been said tonight time and time again that we are talking about mum-and-dad investors, we are talking about independent retirees, we are talking about small businesses, and we are also talking about the impact that it will potentially have on renters, which is something incredibly important to me given the make-up of some of the communities that I represent.

This \$60 million hit on mum-and-dad investors, on independent retirees, on small businesses, has come courtesy of the gift that has been handed to the Property Council. It looks like they are the only ones who will win from these changes. A whole range of other bodies that you would think are instinctively Liberal supporting bodies are clearly not happy and clearly believe that far more work needs to be done. But here we are with chaotic policy on the run, a long-running saga, just to get this bill before the house tonight.

It is actually amazing when you think about it. There have been five goes at it, and because there have been five goes at it and because of the nature of these changes, these reactive changes, these changes in response largely to the Property Council, the really interesting thing about it will be the unintended consequences. What are the consequences that are not immediately apparent? I am sure they will come to the fore as time goes on. The devil is always in the detail and I think there will be a lot of devil in the detail of this bill, and it is a devil that will have a serious impact on a lot of people.

When it comes to investment, uncertainty is poison. This bill is generating a significant degree of uncertainty out there in voter land, at least amongst that section of the population that have invested under the current rules. Not only is that uncertainty poison, but in addition we have the unquantified factor at the moment with the revaluation that is to come. In all likelihood, that will have a major impact. This has the real potential to come back and bite those opposite on the bum—assuming that is not unparliamentary language.

Earlier tonight, the member for Waite made a contribution to the debate. I am always happy to listen to the member for Waite. I know that he is eager to get on the front bench. He evoked Thomas Playford, and I think he might have even referred to the portrait on the wall looking down on us. He talked about Thomas Playford and the fact that South Australia was a low-cost jurisdiction. When you go back into the forties, fifties and probably the early sixties there was a low-cost regime in South Australia. Deputy Speaker, I draw your attention to the state of the house.

*A quorum having been formed:*

**Mr HUGHES:** I seek leave to continue my remarks.

Leave granted; debate adjourned.

At 23:56 the house adjourned until Wednesday 30 October 2019 at 10:30.

*Answers to Questions***MOTOR ACCIDENT COMMISSION**

**1316 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). With regard to Berkshire Hathaway:

(a) Was there an up-front fee received from Berkshire Hathaway for the right to manage the Motor Accident Commission 'back book' of insurance claims?

(b) Is there any ongoing payment or fee required from Berkshire Hathaway as part of the arrangement entered into?

(c) What are the other terms of the arrangement reached with Berkshire Hathaway?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

(a) There was no up-front fee received from Berkshire Hathaway.

The transaction resulted in the transfer of outstanding claims' liabilities to Berkshire Hathaway's reinsurance arm, National Indemnity Company (NICO), such that all the ongoing risk of these liabilities is now managed by Berkshire Hathaway.

A reinsurance premium of \$717.7 million was paid to NICO, comprising an initial provisional payment of \$715.2 million calculated in December 2018, and a subsequent \$2.5 million true-up payment made on 10 April 2019.

The true-up payment reflects the claims outcomes, management expenses, and other calculations per the terms of the reinsurance deed with NICO, which is available online.

(b) There are no ongoing payments or fees required from Berkshire Hathaway as part of the arrangement.

(c) The terms of the arrangement reached with Berkshire Hathaway are detailed within the reinsurance deed, which is available online via the SA Tenders and Contracts website.

**GOVERNMENT INTEREST COSTS**

**1322 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). In the general government sector, how much did interest costs reduce across the forward estimates as a result of lower interest rates?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

The Department of Treasury and Finance estimates the decrease in net interest cost as a result of lower interest rates on Treasurer's deposit balances and borrowings since 2018-19 MYBR is \$7.0 million in 2019-20, \$27 million in 2020-21, \$44 million in 2021-22 and \$41 million in 2022-23.

Interest revenue and expenditure estimates are based on interest rate assumptions as at the 2019-20 budget.

**GOVERNMENT INTEREST COSTS**

**1323 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). In the general government sector, how much did interest costs increase across the forward estimates as a result of higher debt levels?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

The Department of Treasury and Finance estimates the increase in net interest cost in the general government sector as a result of higher debt levels for 2019-20 is \$20.0 million, \$43 million for 2020-21, \$56 million for 2021-22 and \$75 million for 2022-23.

This is an estimate of the impact of higher debt at expected interest rates.

Interest revenue and expenditure estimates are based on interest rate assumptions as at the 2019-20 budget.

**GOVERNMENT INTEREST COSTS**

**1324 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). In the non-financial public sector, how much did interest costs reduce across the forward estimates as a result of lower interest rates?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

The Department of Treasury and Finance estimates the reduction in net interest costs in the non-financial public sector since the 2018-19 MYBR is \$25.0 million in 2019-20, \$46.0 million in 2020-21, \$61 million in 2021-22 and \$53 million in 2022-23.

Interest revenue and expenditure estimates are based on interest rate assumptions as at the 2019-20 budget.

**GOVERNMENT INTEREST COSTS**

**1325 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). In the non-financial public sector, how much did interest costs increase across the forward estimates as a result of higher debt levels?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

Since the 2018-19 MYBR there has been an increase in net debt in the non-financial public sector in 2019-20 entirely due to the introduction of Australian Accounting Standard (AASB 16) 16 leases. Abstracting from that there is no increase in interest costs due to higher debt in 2019-20. Across the forward estimates, there is a forecast increase in net interest costs due to estimated higher net debt levels, aside from the AASB 16 impact, of \$24 million in 2020-21, \$37 million in 2021-22 and \$56 million in 2022-23.

Interest revenue and expenditure estimates are based on interest rate assumptions as at the 2019-20 budget.

#### LAND TAX

**1326 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). How much revenue is forecast to be collected in 2019-20 from land tax payers in each land tax threshold:

- (a) \$391,000 to \$716,000
- (b) \$716,001 to \$1,042,000
- (c) \$1,042,001 to \$1,302,000
- (d) \$1,302,001 and above?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

The estimated distribution of private land tax revenue across the 2019-20 land tax brackets, consistent with information available at the time of the 2019-20 budget, is summarised in the table below.

2019-20 thresholds			Revenue (\$m)*
0	to	391,000	0
391,001	to	716,000	22
716,001	to	1,042,000	36
1,042,001	to	1,302,000	27
1,302,000	Over		318
		Total	403

\*Distribution based on information available at the time of the 2019-20 Budget.'

#### LAND TAX

**1327 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). How many land tax payers are there estimated to be in the 2019-20 year with taxable land values between each of the land tax thresholds?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

2019-20 thresholds			Number of ownerships*
0	to	391,000	212,800
391,001	to	716,000	35,900
716,001	to	1,042,000	9,400
1,042,001	to	1,302,000	2,800
1,302,000	Over		4,500
		Total	265,400

The estimated distribution of private land tax ownerships across the 2019-20 land tax brackets, consistent with information available at the time of the 2019-20 budget, is summarised in the table below.

\*Distribution based on information available at the time of the 2019-20 budget.

**LAND TAX**

**1328 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). How much revenue is forecast to be collected in 2020-21 from land tax payers in each of the land tax thresholds to apply in that financial year?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

The distribution of revenue and number of land tax payers across the land tax brackets from 2020-21 to 2022-23 will depend on the land tax scales that apply in those years.

The land tax scales and the distribution of taxpayers and collections will depend on whether the legislative amendments for the government's proposed land tax reform package are passed in parliament and whether there are any changes to the current proposal as detailed in the Land Tax (Miscellaneous) Amendment Bill 2019.

The actual land tax scales to apply from 2020-21 will also be impacted by the annual indexation of land tax thresholds in line with average site value growth as determined by the Valuer-General.

**LAND TAX**

**1329 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). How many land tax payers are there estimated to be in the 2020-21 financial year in each of the land tax thresholds to apply in that financial year?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

This question has been addressed in the response provided to the question on notice 1328.

**LAND TAX**

**1330 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). How much revenue is forecast to be collected in 2021-22 from land tax payers in each of the land tax thresholds to apply in that financial year?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

This question has been addressed in the response provided to the question on notice 1328.

**LAND TAX**

**1331 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). How many land tax payers are there estimated to be in the 2021-22 financial year in each of the land tax thresholds to apply in that financial year?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

This question has been addressed in the response provided to the question on notice 1328.

**LAND TAX**

**1332 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). How much revenue is forecast to be collected in 2022-23 from land tax payers in each of the land tax thresholds to apply in that financial year?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

This question has been addressed in the response provided to the question on notice 1328.

**LAND TAX**

**1333 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). How many land tax payers are there estimated to be in the 2022/23 financial year in each of the land tax thresholds to apply in that financial year?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

This question has been addressed in the response provided to the question on notice 1328.

**LAND TAX**

**1334 The Hon. S.C. MULLIGHAN (Lee)** (11 September 2019). What is the estimated cost for each 0.1 percentage point reduction in the top tax rate for land tax by year, beyond the forward estimates?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

The 2019-20 budget included a phased reduction in the top land tax rate of 3.7 per cent to 2.9 per cent from 1 July 2020. The details of this measure were presented on page 5 of the 2019-20 Budget Measures Statement.

As part of the measure the top land tax rate for the value of ownerships above \$5 million was to be progressively reduced by 0.1 percentage point each year from 3.7 per cent in 2019-20 to 2.9 per cent from 1 July 2027.

The announced measure extended existing reforms to land tax which introduced a new lower marginal tax rate for the value of ownerships between around \$1.3 million and \$5 million from 1 July 2020.

The cost of this measure as contained in the 2019-20 Budget Measures Statement is outlined in the table below. The further 0.1 percentage point reductions in the top tax rate in years beyond the forward estimates (to

2027-28) were estimated to reduce forecast land tax collections by around an additional \$3 million per annum (indexed).

Budget Impact – Land tax phased reduction in the top marginal tax rate*					
	2018-19	2019-20	2020-21	2021-22	2022-23
	\$m	\$m	\$m	\$m	\$m
Operating revenue	—	—	-2.7	-5.6	-8.6

\*Based on information available at the time of the 2019-20 budget.

The Land Tax (Miscellaneous) Amendment Bill 2019 includes a proposed immediate reduction in the top land tax rate to 2.4 per cent on the value ownerships above around \$1.1 million from 2020-21. The cost of a 0.1 reduction in the top land tax rate (e.g. below 2.4 per cent) will be higher if the Land Tax (Miscellaneous) Amendment Bill 2019 is passed by parliament.

#### HOMESTART FINANCE

**1386 The Hon. A. PICCOLO (Light)** (24 September 2019). With reference to HomeStart Finance's interest free deposit gap loan scheme, according to the scheme, eligible customers will receive an interest free loan of up to \$10,000 for five years. Does this mean that the deposit gap loan period lasts for up to five years?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

The interest free deposit gap loan is being communicated to the public under the name 'Starter Loan'. The Starter Loan has a five-year term, with no repayments required or interest charged during those five years. Voluntary repayments may be made at any time.

At the end of the five years, if the Starter Loan is not paid in full, the customer's circumstances will be reviewed and all or part may be transferred to the customer's primary HomeStart loan balance. Depending on individual circumstances, all or part of the Starter Loan may be extended by HomeStart.

#### HOMESTART FINANCE

**1387 The Hon. A. PICCOLO (Light)** (24 September 2019). Will loan recipients of HomeStart Finance's interest free deposit gap loan scheme be required to take out mortgage insurance?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

HomeStart does not require any customers to take out lender's mortgage insurance (LMI). Instead, HomeStart has a loan provision charge (LPC) which is significantly cheaper.

Using an example \$400,000 home purchase, HomeStart's LPC is more than \$10,000 cheaper than LMI.

#### HOMESTART FINANCE

**1388 The Hon. A. PICCOLO (Light)** (24 September 2019). Initially the eligibility criteria for HomeStart Finance's interest free deposit gap loan scheme will include borrowers with a net household income of up to \$60,000 for couples and \$52,000 for singles. Has modelling been conducted on the likely income spread of loan recipients, and if so, which income quintiles will loan recipients most prominently derive from?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

Income eligibility limits for the deposit gap loan, which is being marketed as the Starter Loan, are based on factors including:

- HomeStart's long experience working with low-moderate income households who aspire to buy their own home
- The Wyatt loan program, which HomeStart has undertaken in partnership with The Wyatt Trust.
- Housing market factors, including median house prices and price points available across various parts of South Australia.

It is expected that the actual average income for households receiving the Starter Loan will vary substantially by household type, location, and nature of property purchased, and that the average income will be less than the limits imposed.

**HOMESTART FINANCE**

**1389 The Hon. A. PICCOLO (Light)** (24 September 2019). The government will review the size of the Affordable Housing Fund if demand for the HomeStart Finance interest free deposit gap loan scheme exceeds expectations. What criteria or objectives will be used to review the scheme, other than demand?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

The primary criterion to evaluate the success of the scheme is the number of housing outcomes, which would mean more South Australian households will have achieved their dream of owning their own home.

The review may also consider:

- whether the scheme has successfully helped households who need assistance
- the rate of take up from program applicants to settled loans,
- qualitative feedback from the market about the program's effectiveness,
- rates of customer arrears or defaults, and
- the overall cost effectiveness of the scheme.

**HOMESTART FINANCE**

**1390 The Hon. A. PICCOLO (Light)** (24 September 2019). Public financial corporations such as HomeStart Finance will from 2019-20 be required to increase their dividend payout ratio to 100 per cent of profit after tax. Will this policy effect HomeStart Finance's ability to reinvest in its services, programs, internal systems and infrastructure?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

In May 2019, HomeStart Finance provided advice as to the implications of increasing the dividend payout ratio from the current 60 per cent of after-tax earnings to 100 per cent, commencing with financial year 2020. The implications considered were financial viability, capital structure, financial targets and cash flow management as well as any other material issues.

HomeStart Finance did not identify any impact on its ability to reinvest in its services, programs, internal systems and infrastructure.

**HOMESTART FINANCE**

**1391 The Hon. A. PICCOLO (Light)** (24 September 2019). Can you advise whether HomeStart Finance's low deposit loan program is expected to expand its book over the forward estimates?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

HomeStart has two options for customers to obtain a home loan with a low 3 per cent deposit (less than HomeStart's standard 5 per cent deposit) – the graduate loan and the low deposit loan. Since 2015 the graduate loan has been accessible to a much larger number of South Australians with 693 loans settled in 2019 compared to 203 in 2015.

HomeStart's experience over many years shows that graduate loan customers, who possess at least a certificate III qualification, represent far stronger credit risks than customers who do not, such as low deposit loan customers.

HomeStart's innovation in linking home finance credit criteria to education has been recognised by the World Bank as a leading global innovation in affordable housing finance.

Accordingly, HomeStart sees the graduate loan product as a far more prudent approach to delivering lower deposit loans to the market than the low deposit loan program which does not have educational qualification requirements. The low deposit loan program is therefore in run-off and the graduate loan program is growing strongly, and has now resulted in more than \$1.5 billion in lending, assisting over 5,000 South Australian households to buy an affordable home.

**HOMESTART FINANCE**

**1392 The Hon. A. PICCOLO (Light)** (24 September 2019). What in your view, are some of the major benefits to homebuyers of HomeStart Finance's low deposit loan scheme?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

Both of HomeStart's low deposit loan options (the graduate loan and the low deposit loan) provide the opportunity for homebuyers to purchase a home with as little as 3 per cent deposit, plus fees and charges, and without



lenders mortgage insurance (LMI). This compares with a typical minimum of 5 per cent through most mainstream lenders, which will typically also require LMI. Customers who take either product are therefore able to purchase a home with less money up-front than if they purchased using a typical mortgage.

#### HOMESTART FINANCE

**1393 The Hon. A. PICCOLO (Light)** (24 September 2019). Can you advise what the upper loan limit is for HomeStart Finance's low deposit loan scheme?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

HomeStart does not have an upper limit for its low deposit loan product specifically, however it should be noted that the graduate loan product is the primary vehicle for delivering low deposit loans to the market as it represents a more prudent approach to credit risk.

#### HOMESTART FINANCE

**1394 The Hon. A. PICCOLO (Light)** (24 September 2019). Can you advise what the difference in basis points tends to be between interest rates charged under HomeStart Finance's low deposit loan scheme and commercial interest rates?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

HomeStart adopts a prudent approach to credit risk and market positioning which is reflected in its interest rates.

As advised under question 1391 the low deposit loan carries higher credit risk than the graduate loan due to the difference in eligibility criteria. The graduate loan enables customers who have achieved at least a certificate III qualification to purchase a home with a deposit from 3 per cent compared to the usual 5 per cent.

The low deposit loan enables customers who meet other criteria, but lack at least a certificate III qualification to also purchase a home with a 3 per cent deposit. Consequently, there is a distinctive difference in credit risk between the two products, and in recognition of the higher risk attached to customers without a minimum level of education the low deposit loan carries a 1 per cent interest premium for the first 12 months only. After this time, the low deposit loan interest rate reverts to HomeStart's standard variable interest rate which also applies to the graduate loan.

To HomeStart's knowledge, no other mainstream lenders are offering mortgages with a deposit of only 3 per cent. Consequently, comparisons between the interest rate on HomeStart's graduate loan or low deposit loan and 'commercial interest rates' cannot be made, as there are no comparable products.

#### HOMESTART FINANCE

**1395 The Hon. A. PICCOLO (Light)** (24 September 2019). Has any consideration been given to lowering the interest rate charged on HomeStart Finance's low deposit loans through government subsidy to assist with increasing home ownership levels?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

HomeStart's primary mechanism for delivering lower deposit loans to the market is via the graduate loan which carries less credit risk than the low deposit loan product. Lower income customers may also be eligible for a portion of their mortgage to be available at subsidised rates via the advantage loan or other products. HomeStart does not currently have any plans to reduce the rate on the low deposit loan given the risk attached to it.

#### HOMESTART FINANCE

**1396 The Hon. A. PICCOLO (Light)** (24 September 2019). The explanation provided in 2019-20 Budget Paper No. 3, p. 85 and footnote (a) under the table, explains that community service obligation payments made to HomeStart Finance for non-commercial activities such as acceptance of non-commercial credit risk and other social programs will now be made from the South Australian Housing Authority. Can you confirm that these payments have not been reduced in real terms as a result of this administrative change?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised by HomeStart Finance:

There has been no change to its capacity to deliver these programs.

#### INVESTING EXPENDITURE PROJECTS

**1404 The Hon. A. PICCOLO (Light)** (24 September 2019). With reference to the investing expenditure summary in the table found in 2019-20 Budget Paper No. 4, Vol. 3, p. 141, can you explain why the 2018-19 budgeted figure of \$11.926 million for planning reform implementation was not invested in full, and why the estimated result for that year was almost \$2 million short of this figure, at \$7.941 million?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

The variance between the 2018-19 budget and 2018-19 estimated result should equate to \$3.985 million.

During 2018-19, the budget of \$4.4 million for the planning reform implementation was reprofiled across the forward estimates in response to the approval of a three phase deployment strategy for the new system (Phase 1—Outback Areas, Phase 2—Rural Areas and Phase 3—Urban Areas). Further, \$0.9 million of unused funds from 2017-18 was carried over into 2018-19 and a budget of \$0.5 million was reclassified to operating. This funding was to support a more extensive program of community engagement and change management compared to what was initially expected.

#### STATE PLANNING SYSTEM

**1405 The Hon. A. PICCOLO (Light)** (24 September 2019). With reference to the table found in 2019-20 Budget Paper No. 4, Vol. 3, p. 163, can you explain why amidst both the development and implementation of the most important changes to the state's planning system in a generation, the land use planning program is shedding almost 25 FTEs this financial year, after having already had its staff numbers cut the previous year?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

The Land Use Planning Program is broader than planning and includes land boundaries, the Office of Design and Architecture (ODASA) and Office of Local Government.

The 2019-20 budgeted FTE figure has not been reprofiled to reflect the FTE resourcing consistent with the 2018-19 budget for the planning reform project. A submission to adjust the FTE for the program will be submitted to Department of Treasury and Finance for consideration.

#### STATE PLANNING SYSTEM

**1406 The Hon. A. PICCOLO (Light)** (24 September 2019). How many contractors are employed to support the state's planning system or the design and implementation of the various planning reform projects?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

Currently, 48 contractors are employed to support the development and delivery of the planning reform program. The majority of these contractors are allocated to the delivery of the ePlanning project (38) with the remaining 10 covering change management, consultation and engagement, as well as reform policy delivery.

#### STATE PLANNING SYSTEM

**1410 The Hon. A. PICCOLO (Light)** (24 September 2019). Will a 'People and Neighbourhoods' discussion paper be released for public consultation, and if yes, when will this occur?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

The State Planning Commission released the People and Neighbourhoods policy discussion paper on 23 September 2019.

#### HERITAGE PROTECTION

**1415 The Hon. A. PICCOLO (Light)** (24 September 2019). In the State Planning Commission's document, 'Heritage and character in the new planning system: a snapshot for practitioners', under the criteria listed for demolition approval in local heritage area overlays, is consideration for:

- Contextual analysis outcomes.
- How well the theme is represented.

Can you provide an explanation of what is meant by these criteria?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

Contextual analysis is used to assess the way new development fits in to the existing streetscape, and may be provided by an applicant to support new development proposed in a character area overlay. Contextual analysis should outline how the development addresses matters such as streetscape, having consideration to the valued characteristics of the area—for example, built form (heights, roof pitch and style), land division, landscaping, public realm etc. The draft State Planning Commission Practice Guideline (Interpretation of the Local Heritage Places Overlay, Historic Area Overlay and Character Area Overlay) 2019, has been released for public consultation with the code and seeks to provide further guidance on this matter.

Representation of a theme is a tool already used by heritage experts to assess heritage value. It is used to identify key events and stories that are of importance to a particular area (e.g. the development of a port, or a particular

wave of migration), and is often used as a means of a) establishing whether a building/place is individually important or uncommon, and b) identifying gaps within existing heritage lists (e.g. a list may have lots of places representing one important theme and none representing another). However, based on feedback from councils, heritage experts and community, I am advised that the commission has responded to these concerns by not including this as a test for demolition in the draft code for public consultation.

#### HERITAGE PROTECTION

**1416 The Hon. A. PICCOLO (Light)** (24 September 2019). Will existing demolition protections for contributory items, applicable under the state's development plans, be retained in the transition to the Planning and Design Code?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

Of the 68 councils across the state, 25 have contributory items; however, there are vast differences in demolition and public notification policies. There are also an additional 14 councils with historic areas which do not have contributory items within them. Under the current system only two councils identify demolition of a contributory item as noncomplying being The Town of Gawler and Clare and Gilbert Valleys Council—noting also this is not applicable to all contributory items in either development plan. All other councils (23 of 25) assess applications for demolition of contributory items on merit.

While contributory items are not proposed in the new system as individual listings, it does not mean they will have no protection. Demolition in the proposed historic area overlay will be performance assessed development, which is akin to the on merit assessment process in the current system. As such, demolition cannot be approved without proper assessment. The historic area overlay will ensure existing historic areas and contributory items within are subject to a consistent assessment process and the same level of protection, ensuring equity and fairness for land owners regardless of where they live.

Applications proposing to demolish a building/structure will be assessed using a single set of criteria including:

- the building's historic characteristics
- the contribution the building makes to the historic character of the streetscape
- the structural integrity/condition and the ability to economically restore.

The overlay will also help to ensure places which are not currently contributory items are redeveloped over time in a way which is sympathetic to the area they are located in, having consideration to heritage values and streetscape characteristics.

#### HERITAGE PROTECTION

**1417 The Hon. A. PICCOLO (Light)** (24 September 2019). What considerations were given to the pressure the DPA process—involved in transitioning contributory items to the local heritage place classification—will likely place upon council resources, particularly amidst their wider obligations in the transition to the state's new planning system?

1. Are sufficient heritage architects available, particularly in rural and regional areas, to produce the heritage DPAs necessary for this process?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

It is considered that heritage DPAs are not necessary to secure protection, as protection is provided through the new draft policy overlays. Notwithstanding this, councils have been given the opportunity to undertake a heritage DPA to elevate contributory items to Local Heritage Place status where it can be demonstrated they meet the heritage criteria as set out in section 23(4) of the Development Act 1993 (these criteria are carried into section 67(1) of the Planning, Development and Infrastructure Act 2016).

A significant amount of investigation and consultation is required in preparing heritage DPAs. Recognising this, transitional regulations will enable local heritage DPAs to be finalised within a 6-month period post-implementation of the phase 3 code (effectively up to December 2020) without the need to initiate a code amendment. This time frame applies to all councils seeking to undertake a Heritage DPA, regardless of what phase they fall into. Heritage DPAs not lodged for approval by December 2020 will cease, and a code amendment process will need to be undertaken.

There are a number of heritage experts available to undertake this work, many of whom would likely be willing to assist regional areas. It should be noted there are only seven councils in regional areas with contributory items.

#### HERITAGE PROTECTION

**1418 The Hon. A. PICCOLO (Light)** (24 September 2019). Do you agree with the recommendation, contained in the first report of the Environment, Resources and Development Committee's inquiry into heritage reform, which advocates: 'initially transferring all items that are registered on existing heritage and planning databases to the Planning and Design Code', as this statement applies to contributory items?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

The introduction of a new planning and development system provides the opportunity to provide a consistent policy approach to heritage and character within South Australia. The commission has commenced a conversation with the South Australian community about consistent and fair development controls in relation to heritage and character in this state.

This builds on the work of the expert panel for planning reform from 2014 that found confusion between heritage and character, including the rise of various quasi-heritage terms, such as contributory items and historic conservation zones, showing how these issues may be confused.

Specifically, both our current planning legislation and new planning legislation set up a scheme for heritage. The scheme recognises:

- state heritage places under the Heritage Places Act
- Local Heritage Places – being 'places of local heritage value', which must satisfy one or more of the listed criteria in section 23 of the Development Act 1993 or section 67 of the Planning, Development and Infrastructure Act 2016.

To be listed, both state and local heritage places must go through a process of assessment against legislated review. They must be assessed by experts in the field of heritage. Under the new planning legislation, landowners have the right to be consulted of the proposed listing and have a right of appeal against the decision to designate a place as a place of local heritage value.

It is neither practical nor appropriate to establish a scheme that has the same effect as the legislative process but does not afford the owners with the same rights. There must be a material difference between the policy controls for places of local heritage value listed through a statutory process under the Planning, Development and Infrastructure Act 2016 (PDI Act), and the policy controls for other places which do not satisfy heritage criteria set out in section 67 of the PDI Act.

#### PLANNING AND DESIGN CODE

**1419 The Hon. A. PICCOLO (Light)** (24 September 2019). What considerations have been given to the development and inclusion of infill development masterplans to assist those involved in urban development to plan and tailor their investments?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

The Planning and Design Code has a range of zones, including a master planned suburban neighbourhood zone which can be applied to land where a master planned approach is envisaged.

#### PLANNING AND DEVELOPMENT FUND

**1420 The Hon. A. PICCOLO (Light)** (24 September 2019). 2019-20 Budget Paper No. 4, Vol. 3, p. 163 contains a reference to a \$5.2 million contribution from the Planning and Development Fund to the state's planning system in 2018-19. Can you explain this contribution?

1. Was this intergovernmental transfer used to finance Glenthorne Park?
2. Does this inter-governmental transfer of funds adhere to the guidelines which govern appropriate use of the Planning and Development Fund?

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised the following:

The \$5.2 million was used to offset the cost of the planning reform implementation.

#### COUNTRY FIRE SERVICE CHIEF OFFICER

**1460 Mr ODENWALDER (Elizabeth)** (25 September 2019).

1. Is the minister satisfied that the appointment of Mark Jones as chief officer of the CFS was made in compliance with the requirements of the Public Sector Act?
2. When will Mark Jones take up his post as chief officer of the CFS?

**The Hon. C.L. WINGARD (Gibson—Minister for Police, Emergency Services and Correctional Services, Minister for Recreation, Sport and Racing):**

1. Yes.
2. 11 October 2019.

**COUNTRY FIRE SERVICE**

**1461 Mr ODENWALDER (Elizabeth)** (25 September 2019). Will the minister tell the house who ordered the ban on the CFS Volunteers Association from using the government volunteers portal to communicate with volunteers in August of this year?

1. Why was the ban on the CFS Volunteers Association from using the government volunteers portal to communicate with volunteers put in place?

2. Has the minister asked his chief officer to investigate the reasons for volunteer portal ban, and has that investigation taken place? Will that report be made public? If not, why not?

**The Hon. C.L. WINGARD (Gibson—Minister for Police, Emergency Services and Correctional Services, Minister for Recreation, Sport and Racing):**

1. There is no ban on the CFS Volunteers Association accessing the volunteer portal to communicate with volunteers.

2. The information the CFS Volunteers Association intended to distribute was deemed to be not in line with the emergency services sector internet and email use policy. All members of the CFS, staff and volunteers must adhere to this policy when using the volunteer portal which includes the use of CFS email accounts.

3. There is no ongoing ban on the CFS Volunteers Association utilising the distribution list to email CFS volunteers or using the volunteer portal. If at any time a member of the CFS uses these communication channels and the moderator deems the content inappropriate for distribution, the information will not be approved and reasons why will be provided to the author. Since this time, correspondence from the CFS Volunteers Association has been distributed to volunteers through the volunteer portal.

**SOUTH AUSTRALIAN GOVERNMENT FINANCING AUTHORITY**

**1462 The Hon. S.C. MULLIGHAN (Lee)** (25 September 2019). What is the amount of SAFA's free reserves in respect to its insurance business, as at the following dates:

- (a) 30 November 2018?
- (b) 31 December 2018?
- (c) 31 January 2019?
- (d) 28 February 2019?
- (e) 31 March 2019?
- (f) 30 April 2019?
- (g) 31 May 2019?
- (h) 30 June 2019?
- (i) 31 July 2019?
- (j) 31 August 2019?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

As at the following dates, the amount of free reserves in respect of SAicorp's Insurance Fund 1 was:

(a)	30 November 2018	\$223.7 million
(b)	31 December 2018	\$216.6 million
(c)	31 January 2019	\$225.9 million
(d)	28 February 2019	\$238.0 million
(e)	31 March 2019	\$229.4 million
(f)	30 April 2019	\$229.9 million
(g)	31 May 2019	\$223.2 million
(h)	30 June 2019	\$244.6 million
(i)	31 July 2019	\$242.5 million
(j)	31 August 2019	\$239.9 million

**MOTOR ACCIDENT COMMISSION**

**1463 The Hon. S.C. MULLIGHAN (Lee)** (25 September 2019). What are the total transition costs for the dissolution of the Motor Accident Commission?

**The Hon. S.S. MARSHALL (Dunstan—Premier):** I have been advised:

In December 2018, the state and Berkshire Hathaway's subsidiary national indemnity company (NICO) executed a deed of reinsurance and agency, operational deed and transitional services agreement which give effect to the transfer of MAC's back book to NICO.

From 1 July 2019 the South Australia Police and the Department of Planning, Transport and Infrastructure will be responsible for road safety activities.

From 1 July 2019 the management of MAC's residual functions has been transferred to the South Australian Government Financing Authority.

MAC's ongoing costs over the financial years 2019-20 to 2022-23 have been estimated at \$2.607 million covering contract governance and ongoing actuarial and financial reporting obligations.

#### **SOUTH AUSTRALIA POLICE**

In reply to **Ms BEDFORD (Florey)** (12 September 2019).

**The Hon. C.L. WINGARD (Gibson—Minister for Police, Emergency Services and Correctional Services, Minister for Recreation, Sport and Racing):** I have been advised:

In 2012, the police regulations 1999 was the legislative authority to dispose of exhibit property. Regulation 57 states that if property is no longer required for use in connection with any legal proceedings or official investigations the property can be released.

Items that were released in 2012 were items taken from the home address of Dr George Duncan in 1972 and it is believed they were not considered to be of evidentiary value to the current investigation.

In 2013 general order deaths and death in custody was amended to reflect property seized cannot be released until three months after the State Coroner has issued a finding as to the cause of death.

#### *Estimates Replies*

#### **RETURN TOWORKSA**

In reply to **the Hon. S.C. MULLIGHAN (Lee)** (24 July 2019). (Estimates Committee B)

**The Hon. R.I. LUCAS (Treasurer):** I have been advised the following:

While lower interest rates have assisted investment performance, this is offset by the related reduction in the discount rate, which has resulted in a material increase to the outstanding claims liability.

Further information will be made publicly available in ReturnToWorkSA's annual report 2018-19 once it is tabled in parliament.

#### **MINISTERIAL EXPENDITURE**

In reply to **the Hon. A. KOUTSANTONIS (West Torrens)** (30 July 2019). (Estimates Committee A)

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have not sought reimbursement for alcohol.

#### **GOVERNMENT ADVERTISING**

In reply to **the Hon. A. PICCOLO (Light)** (30 July 2019). (Estimates Committee A)

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised that for:

Adelaide Cemeteries Authority

- At 30 June 2019, 2.5 FTEs were allocated to communication and promotion functions, costing \$238,041.
- The table below outlines the budgeted FTEs and estimated employment costs:

Year	No of FTEs budgeted to provide Communication and Promotion Activities	Estimated Employment Expense
2019-20	2.5	\$245,000
2020-21	2.5	\$253,000
2021-22	2.5	\$261,000
2022-23	2.5	\$270,000

West Beach Trust

- At 30 June 2019, 1.5 FTEs were allocated to communication and promotion functions, costing \$160,000.

- The table below outlines the budgeted FTEs and estimated employment costs:

Year	No of FTEs budgeted to provide Communication and Promotion Activities	Estimated Employment Expense
2019-20	1.5	\$163,000
2020-21	1.5	\$166,000
2021-22	1.5	\$168,000
2022-23	1.5	\$171,000

#### HomeStart

- At 30 June 2019, 6 FTEs were allocated to communication and promotion functions, costing \$601,263. A slightly higher cost was incurred in the year due to coverage of an employee on paid maternity leave.
- The table below outlines the budgeted FTEs and estimated employment costs:

Year	No of FTEs budgeted to provide Communication and Promotion Activities	Estimated Employment Expense
2019-20	6	\$592,800
2020-21	6	\$610,600
2021-22	6	\$628,900
2022-23	6	\$647,800

#### DPTI

- At 30 June 2019, 10 FTEs were allocated to communication and promotion functions, costing \$1.057 million.
- The table below outlines the budgeted FTEs and estimated employment costs:

Year	No of FTEs budgeted to provide Communication and Promotion Activities	Estimated Employment Expense
2019-20	10	\$1.073m

- The number of FTE's for the financial periods 2020-21, 2021-22 and 2022-23 will be determined as part of the budget setting process in those years.

#### Renewal SA

- At 30 June 2019, 9.2 FTEs were allocated to communication and promotion functions, costing \$853,647.
- The table below outlines the budgeted FTEs and estimated employment costs:

Year	No of FTEs budgeted to provide Communication and Promotion Activities	Estimated Employment Expense
2019-20	10.2	\$961,519
2020-21	10.2	\$975,942
2021-22	10.2	\$990,581
2022-23	10.2	\$1,005,440

As an open and transparent government, marketing communications activity reports and annual media expenditure details are proactively disclosed. The reports list all marketing campaigns over the cost of \$50,000 and are disclosed on the DPC website: <https://www.dpc.sa.gov.au/about-the-department/accountability/government-marketing-advertising-expenditure>.

#### PUBLIC SECTOR EXECUTIVES

In reply to **the Hon. A. PICCOLO (Light)** (30 July 2019). (Estimates Committee A)

**The Hon. S.K. KNOLL (Schubert—Minister for Transport, Infrastructure and Local Government, Minister for Planning):** I have been advised of the following:

Adelaide Cemeteries Authority

Since 1 July 2018, the following new executive appointments were made within the Adelaide Cemeteries Authority.

POSITION TITLE	SAES LEVEL
Chief Financial Officer	N/A

## West Beach Trust

Since 1 July 2018, the following new executive appointments were made within the West Beach Trust

POSITION TITLE	SAES LEVEL
General Manager, Corporate Services (to replace a resignation)	N/A

## HomeStart

Since 1 July 2018, the following new executive appointments were made within HomeStart Finance:

POSITION TITLE	SAES LEVEL
Head of Risk and Lending	N/A

\*Please note Adelaide Cemeteries, West Beach Trust and HomeStart use a different executive level payment structure. Individual executive total remuneration package values as detailed in schedule 2 of an executive employee's contract will not be disclosed as it is deemed to be unreasonable disclosure of personal affairs.

## DPTI

Since 1 July 2018, the following new executive appointments were made within DPTI.

POSITION TITLE	SAES LEVEL
Director, Aboriginal Engagement and Inclusion	SAES1
Director, Office of Outback Communities Authority	SAES1
Director, Office of the Chief Executive	SAES1
Program Director, Planning Reform	SAES1
Director, Commercial and Legal	SAES2

The total employment cost for these executive appointments was \$806,266.

## Renewal SA

Since 1 July 2018, no new executive appointments were made within Renewal SA.