# LEGISLATIVE COUNCIL

**Tuesday 31 July 2007**

**The PRESIDENT (Hon. R.K. Sneath)** took the chair at 2.18 p.m. and read prayers.

## PAPERS TABLED

The following papers were laid on the table:
By the President—

Reports, 2004-05—
District Councils—
Coober Pedy
Coorong
Franklin Harbour.

# QUESTION TIME

## GRANT DISTRICT COUNCIL

**The Hon. D.W. RIDGWAY (Leader of the Opposition):** I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about the District Council of Grant—Industry, Commercial and Bulky Goods Plan Amendment Report.

Leave granted.

**The Hon. D.W. RIDGWAY:** On about 11 February 2004, the plan amendment report process for the District Council of Grant—Industry, Commercial and Bulky Goods Plan was commenced. A public consultation process was held from 13 October to 15 December 2005, and it concluded with a public hearing strategically timed four days before Christmas, on 21 December 2005. Some 61 public submissions were received during this consultation period, 48 of which opposed the rezoning of a couple of the sites in the PAR. Nine of the submissions particularly related to the bulky goods zone, only five of which supported the proposal. My question is: did the minister have any contact or discussion with the local member, Hon. Rory McEwen (Minister for Agriculture, Food and Fisheries and Minister for Forests) in relation to this PAR?

**The Hon. P. HOLLOWAY (Minister for Urban Development and Planning):** In fact, as a member of the ERD Committee, the honourable member would know that, as part of the process, when we send them through to the committee, there is a question about whether the local member has been consulted, because input from local members of parliament is a standard part of changes to the development plan.

**The Hon. D.W. RIDGWAY:** I have a supplementary question. Did the minister have any discussion about this PAR at country cabinet meetings or the rural sitting of the state parliament with any prospective real estate agents, who apparently now have the property listed for sale?

**The PRESIDENT:** Order! I cannot remember anything about real estate agents in the original question or answer.

**The Hon. P. HOLLOWAY:** Indeed, Mr President, nor do I remember the Legislative Council ever having had a rural sitting. I know the House of Assembly did, but we were actually meeting here in Adelaide. As I have said, consultation with local members about PARs is the practice, and so it ought to be. Local members should, if they are doing their job, understand the issues in their local electorate, and they should have an input into the process.

## CANE TOADS

**The Hon. J.M.A. LENSINK:** I seek leave to make an explanation before asking the Minister for Environment and Conservation a question about cane toads.

Leave granted.

**The Hon. J.M.A. LENSINK:** Last week, I asked the minister a supplementary question, as follows:

> Given that Professor Tyler [that is, Mike Tyler] has 50 years' research experience in this area, will the minister or one of her officers agree to meet with him?

The minister's response was as follows:

> I am not aware of his approach to my office, nor am I aware of his credentials.

In response to an article in *The Advertiser* last week relating to this matter, Professor Tyler wrote a letter to the editor in which he contradicts advice that was provided by the minister. He said:

> The cane toad is in the Thompson River south of Long Ridge, and the minister is in error in stating that it will be many years before it reaches South Australia. In reality, one good flood will be enough to introduce it.

Professor Tyler has been good enough to forward to me some correspondence he sent to the minister on 6 October, in which he said:

> A couple of months ago I attended a national workshop in Brisbane which addressed the topic of control of the Cane Toad. The move westwards of this pest species is a matter of great concern because it will soon enter South Australia.
>
> The entry of the Cane Toad into South Australia will occur at two sites: firstly, via the floodplains of the north-east because it is already in the Thomson River in Queensland which feeds this area and secondly, via the Murray/Darling Rivers.
>
> I would appreciate an opportunity to meet with you and inform you of the nature of the threat posed by this species—

and so forth. I also have a response from the minister to Professor Tyler in which she suggested that he meet with one of the officers of the Department of Water, Land, Biodiversity and Conservation. Professor Tyler has explained as follows:

> After having received her letter but having not heard from Mr Mark Ramsay I eventually set up a meeting with him myself, although I was suddenly admitted to hospital at that time and had to defer the meeting. I had hoped that her staff would take the initiative and arrange another date for the meeting, but I have heard nothing more from her department to this date.

My questions to the minister are as follows:

1. Will she admit that she has misled the council in stating last week that she was not aware of this correspondence or of Professor Tyler's credentials?

2. Will she undertake to meet with him so that he can discuss this important matter with her?

**The Hon. G.E. GAGO (Minister for Environment and Conservation):** It is truly disappointing that we have a lazy opposition that keeps bringing back the same old questions day in, day out. I said that I was not aware at that time. I receive hundreds and thousands of pieces of correspondence and I said, at that time, that I was not aware of it. However, it is quite dreary that members opposite really cannot think up an original question to bring to the chamber. Nevertheless, we soldier on with what we are given. Since I last spoke on this issue, my office has gone through the files (the hundreds and hundreds of pieces of correspondence) and have identified that Mr Tyler did, in fact, correspond with my office.

*Members interjecting:*

**The PRESIDENT:** Order! We all know there is a camera in the gallery today, so you do not have to change your behaviour just because of that.

**The Hon. G.E. GAGO:** They are just so lazy. However, I have been made aware, since then, that he wrote to me about 12 months ago. He did request that I meet with him and I arranged a meeting on 13 December with him and my officers (because I was not available at that date), and he cancelled that meeting due to ill health. Subsequently, staff attended a meeting with him at the South Australian Arid Lands NRM board on 4 May to discuss issues around cane toads. At this meeting, again, Mr Tyler left, being unable to enter into discussions because of ill health, as I understand it.

There were, in fact, two occasions when senior officers from my agency did attempt to meet with him and were unable to do so. I am always available to meet with or to receive correspondence or information from any person at any time. I try, to the best of my ability, to meet as many of those personal requests as physically possible and I do, in fact, attend many hundreds of them, and this invitation is still open.

In terms of advice and information, I have been advised that my officers are aware of the latest scientific knowledge and understanding about cane toads. I would like to put on record that, in fact, South Australia is doing a great deal towards the prevention of cane toads moving into South Australia. We contribute funding of about $250 000 per annum to the national Invasive Animals CRC in relation to invasive pests, and that includes the cane toad; and we also contribute monitoring and surveillance, as I mentioned in my response to the question last time. We employ almost 100 rangers and over 100 inspectors, and part of their everyday duties is the monitoring and surveillance of cane toads.

We also provide an information sheet which is circulated by rangers and inspectors, and that is generally available. This information sheet promotes awareness among the general public—particularly those who are in industries perhaps at risk of bringing cane toads into the state—and helps people to identify the cane toad and distinguish it from other species that are physically quite similar. The information sheet is circulated particularly throughout industries that are considered to be higher risk areas, such as the transport and nursery industries and the fruit and vegetable transportation industry.

South Australia is involved in national working groups that are considering strategies and responses to all vertebrate pests (including cane toads) through the Vertebrate Pests Committee. The state also has a response plan in place to include cane toad incursion, with three levels of action: monitoring, containment and eradication. We are considered to be in the monitoring phase at present.

On a national level, I have mentioned that the CSIRO and the Invasive Animals CRC currently undertake a range of nationally coordinated research projects on cane toads using quite radical genetic solutions. They are also looking at biological solutions, such as the introduction of a lung worm, as well as other different types of solutions. Obviously, we benefit from research of that nature.

When South Australia prioritises the resources it puts aside for the management of pest incursions, it does so according to a risk assessment model. That model looks at two things: the likelihood of the incursion and its impact, including economic, environmental and social impact. South Australia currently either has or potentially has many other very serious pest incursions—for instance, rabbits, foxes, fruit fly, the Western Australian wood borer, and Queensland fire ants. Many of these pests, or the threat of these pest incursions, could have a serious impact on South Australia's economy alone—and I mentioned rabbits and foxes, which pose a much greater threat, particularly economically, to our state. We currently contribute well over $10 million towards the management, protection and prevention of pest incursion.

*The Hon. R.I. Lucas interjecting:*

**The Hon. G.E. GAGO:** You repeat your questions; I am entitled to repeat the answers. The risk of the cane toad invading South Australia is considered to be moderate and—

*Members interjecting:*

**The PRESIDENT:** Order! The opposition will suffer in silence.

**The Hon. G.E. GAGO:** The risk of a cane toad incursion is assessed as having important environmental, but very low economic, impact. So, in fact, we prioritise our resources to those pests that have a much greater impact. I am happy to speak further on the matter, but I will leave it there for the time being.

## CORRECTIONAL SERVICES, PRIVATISATION

**The Hon. S.G. WADE:** I seek leave to make a brief explanation before asking the Minister for Correctional Services a question in relation to privatisation.

Leave granted.

*Members interjecting:*

**The Hon. Carmel Zollo:** In relation to what? I cannot hear.

**The Hon. S.G. WADE:** That is not my problem. In 2006 the Premier issued what he called—

**The Hon. P. HOLLOWAY:** I rise on a point of order. The minister who was asked the question could not hear the question and neither could I because of the opposition interjecting. I ask that the question be repeated so that we can understand it.

**The PRESIDENT:** The minister has not heard the question. The Hon. Mr Wade might want to repeat the question.

**The Hon. S.G. WADE:** I have not asked the question yet.

**The PRESIDENT:** Well, you might want to start again.

**An honourable member:** He sought leave.

**The PRESIDENT:** Nobody has heard anything; that is obvious.

**The Hon. S.G. WADE:** I sought leave, and I understand that I have been given leave.

**The PRESIDENT:** Yes.

**The Hon. S.G. WADE:** In 2006 the Premier issued what he called a 'no privatisation decree' in which he stated, 'There will be no privatisation of state government assets during the entire term of the re-elected Rann Labor government.' Yet, in late 2006, the government announced the sale of Yatala Prison and the women's prison and the construction of a new private prison near Murray Bridge. Separately, the Public Service Association has indicated that the Premier has given an undertaking to the PSA that, 'Any new prison built in South Australia will be staffed by the public sector.' Yet, at a meeting last week, the Treasurer advised the PSA that the government is to examine a range of other services being provided by the private sector, including stores, catering, industries, medical services, rehabilitation programs, education and administration. I ask the minister:

1. Why is the government proposing a partial privatisation of our prisons in breach of its commitment to the public and the PSA, not only through a privately financed asset but also through private sector provision of services?

2. Why does the government consider that the care of Modbury Hospital patients is worth a $17.5 million buy-out of a private sector contract but is happy for the care of prisoners to be privatised?

**The Hon. CARMEL ZOLLO (Minister for Correctional Services):** My responsibilities today have indeed grown. As part of the 2006-07 budget I know that those members opposite were very welcoming of the announcement of this government to secure a public private partnership contract for a new prison complex. Certainly, it is something that they never did anything about whilst they were in government and, of course, it will increase the prison capacity—a significant increase in expansion in the state. We have said on a number of occasions that the custodial services would be provided by the government and the state and that is, of course, the case.

For those who may not be aware: what we saw last Friday, as part of our procurement process, was a market sounding exercise. It was conducted last Friday, 27 July, for around 150 business representatives and potential bidders to outline the nature and timeliness of the project. As the Treasurer is a lead minister, he attended and spoke about the PPP. The Treasurer also spoke to the unions, before the market sounding, to explain the government's position in relation to the provision of services under the project. The market sounding process is purely designed to release information and seek the views of potential bidders on a range of issues on which the government is yet to make a final decision. It is, in effect, a clarification and a testing process. The government has made it clear that all custodial services in the new prisons will be public sector-provided, and this remains the case.

It is intended that a range of other services which are generally already provided by the private sector will be provided by the PPP contractor. This includes services such as building maintenance, provision of furniture, fittings and equipment, waste management, pest control and the provision of public utilities. On a range of other services, the government is yet to make a final decision. Some of these services may be provided by the private sector if they can demonstrate how the public would benefit from them doing so.

The government has approved a preliminary scope of services to be tested during the market sounding, and, as the honourable member said, it includes stores, catering industries, medical services, rehabilitation programs, education and routine administration functions. The government will make a final decision on the scope of services to be included in the tender later this year after a detailed assessment of the potential public benefit to be gained through delivery of each of these functions by the private sector. As I said, a final decision upon which services may be eventually provided by the private sector will not be made until the tenders have been assessed.

Of course, it is also known that we have now announced our intention to procure a new forensic mental health facility at Mobilong to replace James Nash House. I again place on record that the government has spoken to the union, and we have made it clear that all custodial services in the new prisons will be provided by the public sector.

## MORIALTA CONSERVATION PARK

**The Hon. J. GAZZOLA:** I seek leave to make a brief explanation before asking the Minister for Environment and Conservation a question about the compulsory acquisition of land.

Leave granted.

**The Hon. J. GAZZOLA:** Environmental conservation is a top priority of this government, but, obviously, a responsibility to the taxpayers of this state must also be maintained. There have been conflicting reports as to exactly what transpired in the lead up to the Minister for Environment and Conservation's announcement yesterday that the government intends to compulsorily acquire the land next to Morialta Conservation Park. Suggestions have been made that last year the real estate agent offered to sell the land directly to the Department for Environment and Heritage for less than the amount for which it was put on the market. Can the minister please correct the record in relation to this matter, particularly in relation to claims that the entire parcel of land was previously offered to the department for the sum of $1.1 million?

**The Hon. G.E. GAGO (Minister for Environment and Conservation):** I thank the honourable member for his important question and his ongoing interest in these important policy areas. The land in question, lot 100, has been of interest to the Department for Environment and Heritage for some time, as I have said before, as a potential acquisition, principally for management purposes. We have shown some interest in it at least for the past decade. Although the land's biodiversity values are relatively low, part of it would provide opportunities to improve pedestrian access, manage the riparian zone, and develop walking trails with improved gradients to one of the main lookouts. The land is also relatively small and is near to the existing conservation parks; therefore, the possible contribution of this piece of land to increasing representation of the reserve system in the area is not particularly significant, either.

In addition, the land is also located within the Hills Face Zone, which offers protection from future subdivision and development. Therefore, although there have been reasons to look seriously at purchasing at least part of the land, it is not a sufficiently high priority for the government to secure the land at any price. The land was placed on the market in early 2007 for $1.9 million. This is substantially more than the last sale price of $0.9 million in May 2006. Basically, we are looking at an increase in value of around $1 million in about 14 months.

Late last year, DEH was contacted by the real estate agent representing the owner offering around half of the land for $1.1 million, not, as the opposition spokesperson, the Hon. Michelle Lensink, suggested for the whole land, but $1.1 million for about half of it after the entire parcel had been purchased a few months before for $900 000. In fact, when DEH officers met with the real estate agent in early July, the agent repeated that the government could purchase a portion of the land for around $1 million and that this would be the asking price irrespective of how small that portion might be as long as it excluded the house site.

Let me be very clear. The owner paid $900 000 last year and now wants to sell half of that or less to the government for around $1 million and also to keep the house site to sell. I know that the previous (Liberal) government made some daft financial deals. We know that the Liberals are very familiar with daft financial deals, such as selling the TAB, for

instance, but this government is not so financially reckless with taxpayers' money. We want a reserve system that all South Australians can enjoy, but we want to pay fair value. Whilst, clearly, the opposition spokesperson has signalled in her comments that she would probably rush into this arrangement, we think that taxpayers actually deserve a fiscally responsible government. The government is interested in purchasing the land or parts of it to improve the Morialta Conservation Park, but only at a purchase price that is fair and reasonable, given that taxpayers' moneys are involved.

Officers on behalf of both the Department for Environment and Heritage and Planning SA have had discussions with the real estate agent to explore options for the possible purchase of part or all of the land. In order to cut through any questions of inflated prices and any doubt that the government may appear to be pressured by genuine community concern into offering more than the land is worth, the government has determined to begin compulsory land acquisition proceedings. I have the power to do this under the National Parks and Wildlife Act once notice to acquire has been served, which occurred yesterday. No further negotiations over the sale of the land can be made with other parties for up to 18 months. The next step is for an independent valuation to occur, undertaken by a private licensed valuer, so that the market value can be established.

The government will then be in a position to determine the extent of the land that it is interested in purchasing. Yet again, we see an example of a lazy, indifferent opposition, the members of which rush out and quote figures that are quite simply wrong. They are too lazy to check their facts and are quite happy to mislead the public with inaccurate information that is very badly researched—in fact, not researched at all. They just shoot off at the mouth. Yet again, we see a lazy, indifferent opposition.

**The Hon. J.M.A. LENSINK:** I have a supplementary question. Given that the issue was raised some five weeks ago and the minister indicated absolutely no interest in this piece of land, what suddenly changed her mind?

**The Hon. G.E. GAGO:** Again, a lazy opposition: it gets its facts wrong yet again. The opposition spokesperson indicated that I showed no interest, and she is wrong again. I want to make sure that Hansard gets that on the record.

*The Hon. J.M.A. Lensink interjecting:*

**The PRESIDENT:** Order! The Hon. Ms Lensink will come to order.

**The Hon. G.E. GAGO:** Again, she is quite wrong. I have the *Hansard* of 20 June in my hot little hand, and it says:

> However, I understand that DEH officers are currently investigating a range of possibilities in relation to access to that land.

One of those options was looking at issues of partial sale, and lease arrangements was another. Right from the first time I responded to this question, I have indicated that we were considering options. What I clearly indicated was that the going price of $1.9 million was prohibitive.

**The Hon. J.M.A. LENSINK:** I have a further supplementary question. Does the minister also have her own quote from 21 June, in which she said:

> I made it quite clear yesterday that at this point in time—

**The PRESIDENT:** Order! You ask a question, not make a statement.

**The Hon. G.E. GAGO:** I have put on record by reading from *Hansard* part of my original answer. If the opposition cared to read all of my answer, it was quite comprehensive and dealt with a range of issues. I know that it is difficult for the opposition to hold together a range of comprehensive issues in one answer, but it was quite clear that I put on record that the DEH officers were currently investigating a range of options for access to that land. I am also pleased to place on the record the incredible lobbying and advocacy of the local member, Lindsay Simmons, who is a remarkable advocate for this issue, as is the federal ALP candidate, Mia Handshin.

## PRISONER AMENITIES

**The Hon. D.G.E. HOOD:** I seek leave to make a brief explanation before asking the Minister for Correctional Services a question about prisoner amenities.

Leave granted.

**The Hon. D.G.E. HOOD:** The department for corrections website states that some prisons have access to 'television fed by cable'. My question to the minister is: does that statement on the corrections website mean that prisoners in South Australian prisons now have access to cable television; and, if so, what is the cost to taxpayers of providing cable TV to prisoners?

**The Hon. CARMEL ZOLLO (Minister for Correctional Services):** South Australian prisons do not have pay TV cable services. That statement may be confused with an internal cable system which provides messages to prisoners and, occasionally, suitable videos. Our prisons do not have pay TV cable services.

## URBAN BOUNDARY REALIGNMENT

**The Hon. J.S.L. DAWKINS:** I seek leave to make an explanation before asking the Minister for Urban Development and Planning a question about the urban boundary realignment.

Leave granted.

**The Hon. J.S.L. DAWKINS:** Last Wednesday in this place the minister made a ministerial statement about the process that the government has initiated to realign Adelaide's urban boundary and extend the consultation period of 30 July to 24 August in relation to that. The statement referred to the areas of land to be brought within the urban boundary, including Concordia and further areas of Gawler East.

On the following morning on ABC Radio 891, the minister referred to these areas as being well served by good public transport flows which allows residents of Gawler and surrounding areas to easily commute to Adelaide. As the minister is aware, I am a regular user of the Gawler rail line, which is the only public transport service between Gawler and Adelaide. During the interview, the minister indicated that, as the public transport is already there, 'you can just tack on to existing infrastructure.' Despite the government's lack of a transport plan, the minister indicated that 'tacking on' is part of what good planning is all about. My questions are:

1. What did the minister mean by 'tacking on to existing infrastructure', given that the government has repeatedly refused to consider an extension to the metropolitan train service east of Gawler along the existing rail line?

2. Will the planning process address the situation where currently trains on the Gawler line are generally overcrowded and almost always running late?

3. Will the decision to include Concordia and further areas of Gawler East within the urban boundary affect the cabinet decision to include Gawler and these areas in one of the new country regions under the new common regional boundaries?

**The Hon. P. HOLLOWAY (Minister for Urban Development and Planning):** The changes to the urban growth boundary in the vicinity of Gawler East are important. One of the key objectives the government is seeking to achieve is to ensure that growth within the Barossa Valley is contained. Pressure for housing has been created by job opportunities in the Barossa Valley. In my view, the appropriate place for that housing is around Gawler, rather than expanding the boundaries of the Barossa Valley townships, because the Barossa Valley is an extremely important not only agricultural region (because of the wine industry) but also as a tourism destination, and there is sufficient growth potential within the area east of Gawler to contain growth from the Barossa Valley for many years to come.

There are obviously a number of transport issues involved. The honourable member referred to comments that I made on radio. Gawler is one of the few centres (Noarlunga would be another) that are served by a heavy rail system. The point I was making is that, because Gawler is the centre of that, it makes more sense to have an expansion of residential development close to those major facilities so that the basic facilities are already there for people who come into the city.

This government has invested very considerably in relation to infrastructure, particularly rail. During the previous eight years of the Liberal government, we had a massive underinvestment within public transport. The bus system was privatised and, of course, there has been very little investment in rail. One of the measures that this government has had to take is to invest very heavily in resleepering the rail line. That might not be particularly attractive, but it was necessary. If we are to maintain our rail system, it is very important that we actually replace those sleepers, which in some cases go back to the 1950s. So, this government has had to make up a massive underinvestment.

If one looks at page 4 of the Budget Overview, 'Rebuilding the state's infrastructure', it is interesting to see just how significant the increase in government capital sector investment has been over the course of this government. In the budget before this government came to office, it was about $300 million. In 2007-08, government capital investment, including PPP projects, is about $1 billion, so there has been a virtual trebling of annual capital investment expenditure under this government. One of things we have had to do is invest in the rail system, just to replace some sleepers that were many years old. Details of that, of course, are for my colleague the Minister for Transport to explain.

Before we can expand the transport system, we have to make sure that the very basics have been done. Those basics were not done. We were underexpending on capital expenditure—and, again, the graph in the budget paper compares the depreciation. In 2001-02, in the last budget of the Liberal government, the depreciation of government assets was $400 million. We spent $300 million, so we were actually running down state assets. The depreciation of the current budget is about $500 million and we are spending a billion dollars, so we are adding to the asset stock of this state rather than subtracting from it, as we were before we came to office.

One of the things we have to do to make up for the backlog of so many years is to make the rail system safe. Once we actually replace the track—which will cost many tens of millions of dollars over the next few years in terms of resleepering and making it safe—we will have the capacity to build on that to improve the facilities. However, because of the massive deficit that we had in capital investment expenditure, our options are somewhat reduced.

The point is that, of all the sites that we could pick for urban growth, the region around Gawler is better served than most other alternative areas in relation to public transport. Again, I make the point that it enables us to ensure that the government's policies in relation to the Barossa Valley are maintained. It is interesting that, since I made that statement in relation to the urban growth boundary last Wednesday, there have been two principal criticisms. One of them has come from the Liberal candidate for Makin, who said that we should just do away with urban growth boundaries altogether—so we would have that sprawl into the Barossa. That is one solution. The other extreme has come from the Mayor of Onkaparinga, the former Liberal member for Kaurna in this parliament, who has been saying that we should not have made any growth areas in her southern area. They are the two extremes of the debate, both from the Liberal Party. Where does the Liberal Party stand on this?

The government has said that we should have an urban growth boundary and that we need to contain development, but that it should have a reasonable rolling supply of land so that we can contain the price rises.

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

**The Hon. P. HOLLOWAY:** Well, exactly. But we can also ensure that we have the best use of infrastructure. The reason we use an urban growth boundary is to ensure that when development occurs—and this government has reintroduced the metropolitan development program so that we can sequence development—it has minimal cost for the community at large in relation to the provision of infrastructure. If we do not have any boundaries at all, that development will sprawl everywhere, and it will be an inefficient use of infrastructure.

Alternatively, if we do what the former Liberal member for Kaurna is suggesting, the only way we can accommodate that growth is through high rise or development that would cause significant increases in land prices. We believe that good planning is the best way to go, and we believe that the decision we announced last week enshrines those principles.

**The Hon. J.S.L. DAWKINS:** I have a supplementary question. If the realignment to the urban boundary in Concordia and further areas of Gawler East is approved, will the minister put forward to the Minister for Transport a further request that the metropolitan rail line be extended east of Gawler?

**The Hon. P. HOLLOWAY:** Of course, trains do run along that rail corridor.

*Members interjecting:*

**The Hon. P. HOLLOWAY:** We know what the Liberal transport policy was for eight years, that is, that we have one-way roads, like we have on the southern expressway; that the tram service, which ends on the other side of the city and uses trams made in 1929, should continue; and that we do not lobby the commonwealth government for road funds, so that we were short changed on road funds. So, Liberal policy is: do not argue for a fair share of road funds from their own Liberal colleagues, that we grossly under-invest, and also that we privatise our buses. That is a great plan, isn't it? That is the great Liberal plan.

*The Hon. D.W. Ridgway interjecting:*

**The Hon. P. HOLLOWAY:** The government is doing it now; the plan is there. Look what we are doing on South Road—

*An honourable member interjecting:*

**The Hon. P. HOLLOWAY:** Yes, look at what is happening at the site of the former Bakewell bridge. We are also reinvesting in the rail system by resleepering. As I have said, we are replacing sleepers, some of which are 50 years old, to keep the system running. We have bought brand new trams—for the first time in 80 years. Instead of 1929 trams, we now have—

*An honourable member interjecting:*

**The Hon. P. HOLLOWAY:** Yes, they had a few teething problems, but the airconditioning is now working beautifully—and we are extending the system. This government is actually producing on transport. I am quite happy for anyone to compare what this government has done in relation to transport over the past five years with what we had before. In relation to Gawler, there is a line out to the east that has the capacity to be used. I point out that, in adding this land, all we are doing at this stage is changing the growth boundary to signal where the future growth will be.

The land within that boundary should provide, at current rates, sufficient growth for Adelaide for at least 15 to 20 years. So, this land will not necessarily be brought onto the market in the immediate future. The process will now be that there will be a month's public consultation. If the urban growth boundary in that area and other areas is confirmed, there will have to be a development plan amendment process, which will include public consultation. That process will be necessary to rezone the land because, even if the growth boundary is changed, that does not of itself change the zoning.

That zoning will have to go through a special process, and we have indicated that, as part of that rezoning process, there will have to be a structure plan, that is, the rezoning will have to be accompanied by plans to deal with major issues such as transport and so on. Any major development around Gawler will need to address issues such as roads and the like. Clearly, issues in relation to those matters will have to be addressed in the future, but that process will take some years. That land will not suddenly be built on tomorrow; even if the processes all go through smoothly, it will still take some years. Of course, an infrastructure plan will have to be provided and, at that time, the transport issues will be addressed during the rezoning process.

## SOUTH VERDUN

**The Hon. B.V. FINNIGAN:** I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about measures to reduce pollution risks during flooding in the South Verdun area.

Leave granted.

**The Hon. B.V. FINNIGAN:** I understand that the South Verdun community has expressed concerns about pollution risks to the Onkaparinga River and the Mount Bold reserve, especially during times of heavy rain and floods. Will the minister explain what measures the government has taken to reduce this pollution risk?

**The Hon. P. HOLLOWAY (Minister for Urban Development and Planning):** I thank the honourable member for his question. The Rann government has spent almost $1.5 million to purchase two pieces of flood-prone land at South Verdun in a major step towards resolving the concerns about pollution risks during floods. The presence of a service station and concrete batching plant within this flood plain presented a substantial pollution risk to the river and to the Mount Bold reservoir, which is only 10 or 15 kilometres further downstream.

The purchase of this land has been made because of concerns about the pollution risks to the Onkaparinga River and Mount Bold reservoir, as mentioned by the honourable member. The actions also deliver on the government's promise to act on the community's concerns. The government believes it is inappropriate for industrial developments like these to be sited on this land, which is flood prone—in fact, one might say highly flood prone. Poor local planning decisions allowed these developments to occur on these sites and the government is intervening to rectify that situation.

The two sites were previously owned by Boral Resources (the concrete batching plant) and Palmer Investments Pty Ltd (the service station and other commercial tenancies). Following extensive negotiations, both sites were purchased by the government for the following amounts: the Boral site for $590 000; the Palmer site for $850 000. The Boral site was remediated by the owners prior to purchase. The Palmer site, however, contained an operating service station. The purchase of the lease from the operator of the service station was essential to enable remediation of the site, and it is now concluded. The site has been vacated and all the buildings are currently being removed from the site. The underground fuel tanks have been removed and an environmental assessment is being carried out to determine the extent of any pollution.

Some level of contamination has been identified but its extent is still being assessed. This will need to be adequately remediated. Following remediation, it is envisaged that the land will be developed as an open space reserve for the Onkaparinga Valley and, in that way, the government is not only acting responsibly in removing a very high pollution risk from the Mount Bold catchment but it is also turning what was a problem into a valuable community asset.

Consultants have been appointed by Planning SA to assist in the preparation of a master plan for the park. Development of the plan will be overseen by the Public Space Advisory Committee in conjunction with two community representatives, and representatives from the Adelaide Hills council. The master planning process will assess a range of environmental and recreational opportunities which maximise and enhance the use and access of the reserve to cater for a wide variety of community needs whilst aiming to, where possible, minimise the extent of flooding within the locality.

The plan will look at opportunities to incorporate environmental principles, including water catchment management, and consider the best uses for the site. The outcome of the plan will be to identify benefits to stakeholders in the community of the various improvement options; ensure that any proposal is consistent with all relevant legislation and adheres to Australian standards; ensure that any proposed use and improvement of the reserve will not negatively impact on the environment whilst, importantly, also improving flood management, where possible; and to determine the most appropriate use and development of the reserve.

I am very pleased that we were able to conclude this process. There was some anxiety about whether we would be able to complete the purchase of the lease of the service station and remove the tanks before the current winter season (in case there was a flood on the Onkaparinga River) and, fortunately, that has been the case and the major risk of

pollution that that site presented has now been removed. As I said, I now look forward to the beautification of that site.

## LAND TITLE

**The Hon. SANDRA KANCK:** I seek leave to make an explanation before asking the Minister for Police, representing the Attorney-General, a question about land title.

Leave granted.

**The Hon. SANDRA KANCK:** In 1977, with the approval of the then State Planning Authority and the cooperation of the Registrar General, several subdivided areas of land near Keyneton and Swan Reach, containing multiple, separately titled sections, were provided with public access using a private treaty of privilege; namely, a right of way. These areas of land now come under the administration of the Mid Murray Council. The Keyneton right of way is illustrated in File Plan FPX398, with 19 allotments serviced by a single right of way, while the Swan Reach land, involving 40 80-acre sections, faces a similar situation.

I have been contacted by a constituent affected by this access fiasco, who writes:

> The approval and registration of these rights of way appears to have been carried out with no care or attention to the pertinent common law or legality of such entities. No care or attention was given to the physical veracity or practicability of the grant, it being without any form of administrative guidelines whatsoever and so designed to give nothing but grief, danger and difficulty to the unfortunate landowners involved, whose grave mistake was in believing the government of the day knew what it was doing.
>
> Subsequent events have shown that the entire state administration was and is completely ignorant of all aspects of the abomination they have allowed to be created and certainly not interested in any positive solutions to the inherent problems.

Since 1990 the complaints and appeals from affected landowners to appropriate sections of the state administration and members of parliament have produced nothing but inaction. My questions to the minister are:

1. Why, after being alerted in 1992 to the possible breach of common law by a person granting easements to himself or herself in the original subdivision of 1977, did the parliament allow the inclusion of section 90c into the Real Property (Miscellaneous) Amendment Bill 1994, which belatedly authorised the granting of an easement by a person to themselves?

2. Why have the Registrar General and the Lands Title Office refused to accept responsibility for this unworkable situation?

3. What actions has the Minister for State/Local Government Relations taken to resolve the long-standing difficulties with administering these rights of way?

4. Does the Attorney agree that this situation is causing undue hardship to affected landowners, and will he urgently investigate this matter, including ensuring that appropriate advice is given to the Mid Murray Council on how to deal with the difficult and unique problems arising from these rights of way?

**The PRESIDENT:** There are several opinions in your explanation that the minister should disregard.

**The Hon. P. HOLLOWAY (Minister for Police):** If the honourable member is talking about the land I think she is, some of that land is on the flood plain, on the Murray itself; or is this different?

**The Hon. Sandra Kanck:** I am not sure.

**The Hon. P. HOLLOWAY:** I know there was an issue with a number of shack sites that were created (for want of a better word) along the river near the Swan Reach region, and they have created numerous problems in terms of trying to deal with them in an environmental sense. This may be a different site, although it is Swan Reach and I suspect it may well apply to some of the devices that were used to effectively create shack sites—and, what is more, to have them right on the flood plain.

This is a highly technical question and I will have to refer it to the Attorney-General. I suspect it may also be a matter for my colleague the Minister for Finance who, I think, has responsibility for the Lands Title Office. Whichever of my colleagues it is, I will refer the question to them and bring back a reply.

## JAMES NASH HOUSE

**The Hon. R.D. LAWSON:** I seek leave to make a brief explanation before asking the Minister for Mental Health and Substance Abuse a question on the subject of James Nash House.

Leave granted.

**The Hon. R.D. LAWSON:** On 26 July the minister announced in this place that the government proposes to relocate James Nash House from its present Oakden campus to the prison facility at Mobilong, and conceded that the government had not undertaken any consultation in relation to this proposal. Mr Rob Bonner of the Mental Health Alliance of South Australia, who is also the spokesperson for the Australian Nursing Federation, told Matthew Pantelis on FIVEaa:

> We have some significant concerns about the proposed relocation. We are clearly concerned by the lack of consultation before this announcement. Equally, we are concerned that when the nurses and doctors were told about this move yesterday, almost all of them indicated they would not move to Mobilong with the service.

The Public Service Association was briefed on the proposal after the minister had made her announcement, and that association issued a release saying:

> Staff attending the meeting raised many issues of concern. These included: difficulties in attracting staff to Mobilong; the additional costs involved in providing treatment at a remote location; the impact the additional travel would have on the court system generally; and the lack of consultation with staff providing the services prior to cabinet making this decision.

The minister told this council that the new facility would be available for use by late 2011. However, members of the Public Service Association were told that the expected completion date would be at the end of the financial year 2011-12; namely, by 30 June 2012.

My question to the minister is as follows. Who was told the truth: this council when the minister said the completion date would be the end of 2011, or members of the Public Service Association who were told it was to be 30 June 2012? The minister also told this council:

> We have also set aside $1.4 million to assist staff with relocation costs.

Given that the new facility will not open until 2012, where in the accounts of the government, or the budget, has the government set aside $1.4 million? How was that $1.4 million calculated, given that nobody has been yet asked about their relocation plans?

**The Hon. G.E. GAGO (Minister for Mental Health and Substance Abuse):** I thank the honourable member for his important questions. As part of the significant reforms being undertaken in mental health, the government has announced the establishment of a new secure forensic mental health facility to be located at Murray Bridge. The new secure

facility will incorporate the relocated beds from James Nash and also those of the Glenside campus. Given that the issue of consultation has been raised yet again, and that honourable members are having problems finding fresh questions, in the first half of 2006 meetings were held with senior staff at James Nash House and with key representatives from forensic mental health—

*Members interjecting:*

**The Hon. G.E. GAGO:** Mr President, the issue of consultation with staff was raised, and I am answering that particular aspect of the question. These meetings focused on the configurations of the new facilities; in particular, the mix of acute and sub-acute, and rehabilitation facilities. The concept planning at that stage reflected the consultation with senior staff. In late 2006, further concept development work was undertaken. At this stage planning assumed that the facilities would be developed on the Oakden site. Following the announcement that the new prison would be developed at Mobilong, the feasibility of locating a forensic campus on that site was assessed. A staff meeting was held on 26 July informing staff at James Nash House of the government's decision to develop and secure a forensic mental health centre at Mobilong.

Staff were informed at this meeting that an extensive consultation process would now commence, exploring a range of issues, including: further work on the concept design and detailed documentation for the new facilities, and transport and travel arrangements for patients, visitors and staff. Due to the size of the services planned for the Mobilong service, a regular transport service from Adelaide to Murray Bridge will be explored. This will be able to be accessed by anyone reliant on the provision of public transport services. The feasibility of this service for staff will also be explored.

The other thing upon which the people concerned will be consulted is incentive packages that are being considered. These initiatives will be discussed with unions, and it is likely that they will be similar to the packages offered to correctional services staff. Staff will also be involved in consultation on further work on the development of the model of care.

Departmental officers have met with representatives of the rural city of Murray Bridge on two occasions to discuss the initiative, and on 30 July a presentation was given to a meeting attended by elected members of the council and local health service personnel. This was a valuable opportunity to clarify the initiative and identify mechanisms to ensure the council's involvement in planning the new facility. Issues discussed included the need for the community to be kept informed of developments in the council's role. That is obviously a very important aspect, and we will continue to work closely with the council and the community in this significant development for Murray Bridge.

In relation to the information that I was given, I was advised that, in terms of the current project schedule, we expect the facility to be ready to use by late 2011. That was the advice that I was given, and I have not been advised otherwise since then. With respect to any other questions that I have not been able to address thus far, I am happy to take them on notice and bring back a reply.

**The Hon. R.D. LAWSON:** I have a supplementary question. Minister, in which line of whose budget has the $1.5 billion been, to use the minister's words, 'set aside'?

**The Hon. G.E. GAGO:** As I said, I am happy to take the other questions on notice and bring back a response.

## SOUTH-EAST GROUND WATER EXTRACTION

**The Hon. G.E. GAGO (Minister for Environment and Conservation):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. G.E. GAGO:** My statement is about ground water extraction in the South-East. Today I wish to announce that the South Australian government is leading the way in ensuring that our precious ground water resources are sustainable for future generations and future economic prosperity. Today I am announcing that the commercial forest industry in the Lower South-East will need to hold a licensed water allocation equivalent to the amount of water considered to be directly extracted by trees from ground water wherever the watertable is shallow. This will apply to all new plantation forest development applications from today. Science has shown us—

**The Hon. D.W. Ridgway:** Hear, hear!

**The Hon. G.E. GAGO:** Thank you. Science has shown us that, where the watertable is six metres or less below the ground surface, trees can extract water directly from the watertable. This will be considered similar to irrigating those trees directly. The current plantation forest estate in the South-East is about 140 000 hectares, or about 14 per cent of the arable land in that area. Three years of scientific investigations have shown that forestry extraction from the shallow watertable has very serious implications for our water resources that simply cannot be ignored. Currently, about 45 000 hectares of forestry is estimated to be extracting ground water from shallow watertables at a rate of about 80 000 megalitres per year.

From today, any new application for plantation development over a shallow watertable in the Lower South-East will be required to comply with the current permit for a water-affecting activity. Approval for this development will not be given until the developer can secure a water allocation to offset the impact of direct extraction. This is in addition to the existing need for the forest plantation development to be considered for its recharge impact on the ground water resources. By making the forest industry accountable for its ground water extraction in the South-East, we are providing clarity, certainty and sustainability for the industry and other water users, given that this precious resource must be better managed for a sustainable future.

Through this requirement we are not only providing security to water users in the South-East but also meeting our commitment under the National Water Initiative Agreement. This is a complex and difficult issue but, if no action is taken, ground watertables could further decline, reducing the security of water entitlements for other industries in the region, such as viticulture and irrigated horticulture. We flagged that we would take steps to address direct ground water extraction following the release of a CSIRO report in 2004 into the effects of forest plantations on ground water in the South-East.

Announcements on 3 June 2004 making forestry in the region a water-affecting activity, the preparation of the Lower Limestone Coast Water Allocation Plan by the South-East Natural Resources Management Board, and comments made by me in February this year when I announced a temporary reduction in the threshold area all point to this necessary decision. In addition, the South-East Natural Resources Management Board has been consulting with the forest plantation industry and other water users on developing a policy position on accountability for all forest impacts on

water resources, including direct ground water extraction in the region, for about two years.

In relation to existing plantations, I have asked the Department of Water, Land and Biodiversity Conservation and the South-East NRM board to consult key stakeholders and advise me of the options available and appropriate to fully account for the direct extraction impacts of plantations in the region. I believe this forest water management mechanism to be compliant with the state's obligations under the National Water Initiative. Consistent with the management of plantation forest recharge as a water-affecting activity, farm forestry will be exempt from the regulation, provided that it is less than 10 per cent of the arable land of the farming property.

The forest water policies will be integrated with other water policies through the Lower Limestone Coast Water Plan. The South-East NRM board will start its public consultation on the draft plan later this year, and I expect to receive the draft plan for consideration early next year.

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## WEST BEACH RECREATION RESERVE (BOATING FACILITIES) AMENDMENT BILL

**The Hon. P. HOLLOWAY (Minister for Police)** obtained leave and introduced a bill for an act to amend the West Beach Recreation Reserve Act 1987. Read a first time.

**The Hon. P. HOLLOWAY:** I move:

That this bill be now read a second time.

The West Beach Recreation Reserve is an important recreation and tourist facility in metropolitan Adelaide. The recreation facilities provide a wide range of sporting functions for the people of the metropolitan area as well as providing venues for interstate and at times international sporting competitions. These open space facilities also form part of the Metropolitan Open Space System. The tourist accommodation facilities are award winning and provide an important economic focus for tourism in the metropolitan area. It is important that this tourist function is maintained within the park environs of the West Beach Trust land. In more recent times an important boating facility has been established in the vicinity of the West Beach Trust Reserve. This facility provides a safe boat launching and harbour facility, car parking areas, boat storage, boat commercial facilities, sea rescue squadron, and sailing club and ancillary uses.

Such facilities reinforce this area as a pre-eminent recreation centre in terms of the land and water. In order to ensure that all these components were properly managed and planned for in the future, the land on which some of these boating and associated facilities are located was transferred to the West Beach Trust and the West Beach Recreation Reserve Act 1987 was amended in 2002. While the current act clearly sets out the role of the trust in promoting recreation and tourist accommodation facilities, it does not clearly provide the trust with sufficient scope to promote the boating and ancillary uses for the area. As a consequence, the government is introducing a bill to amend the West Beach Recreation Reserve Act of 1987.

This simple amendment provides a clear reference for the board while making sure that such activities are restricted to a designated area in order to ensure that there is a proper balance between the recreation, tourist accommodation and boating and associated facility components. I commend the bill to members.

**The Hon. T.J. STEPHENS** secured the adjournment of the debate.

## PREVENTION OF CRUELTY TO ANIMALS (ANIMAL WELFARE) AMENDMENT BILL

**The Hon. G.E. GAGO (Minister for Environment and Conservation)** obtained leave and introduced a bill for an act to amend the Prevention of Cruelty to Animals Act 1985. Read a first time.

**The Hon. G.E. GAGO:** I move:

That this bill be now read a second time.

The Prevention of Cruelty to Animals (Animal Welfare) Amendment Bill will increase penalties up to $20 000 or two years' imprisonment for animal ill treatment and organised animal fights such as cock fighting; make aggravated animal cruelty an indictable offence, increasing the penalties for offenders; empower animal welfare inspectors to routinely inspect intensive farming establishments, puppy farms, circuses, council pounds and similar places holding animals; and allow animal welfare inspectors to enter a property to rescue an animal, even if the owner is not present.

The bill will empower courts to order confiscation of objects used in an offence; allow courts to order the forfeiture of mistreated animals even where no conviction has been recorded; include in the offence of ill treatment of animals the keeping of animals in conditions likely to cause pain, distress or disease; and change the name of the act to the Animal Welfare Act 1985 to reflect a changed emphasis from preventing animal cruelty to promoting animal welfare. This emphasis is reflected throughout the provisions of the bill.

The draft bill was distributed to all key stakeholders and interested individuals and many of their responses, particularly those from industry groups, raised issues of regulatory impacts. The issues they raised have been largely addressed by the development of a memorandum of understanding between the organisations whose officers enforce the legislation.

This bill has been prepared after consideration of the comments received during the consultation period, the development of the memorandum of understanding and consultation with the following groups and organisations: Primary Industries and Resources South Australia, Animal Health Branch; Minister for Agriculture, Food and Fisheries; Department for Environment and Heritage, Animal Welfare Unit; Department for Environment and Heritage, Compliance and Investigations Unit; Department for Water, Land and Biodiversity Conservation, Animal Plant Control Group Unit; the RSPCA; and the South Australian Farmers Federation. I seek leave to have the remainder of the explanation inserted in *Hansard* without my reading it.

Leave granted.

The *Prevention of Cruelty to Animals (Animal Welfare) Amendment Bill 2007* will:

- increase penalties up to $20 000 or 2 years' imprisonment for animal ill treatment and organised animal fights, such as cock fighting;
- make aggravated animal cruelty an indictable offence, increasing the penalties for offenders;
- empower animal welfare inspectors to routinely inspect intensive farming establishments, puppy farms, circuses, council pounds and similar places holding animals;

- allow animal welfare inspectors to enter a property to rescue an animal, even if the owner is not present;
- empower courts to order confiscation of objects used in an offence;
- allow courts to order the forfeiture of mistreated animals even where no conviction has been recorded;
- include in the offence of ill treatment of animals the keeping of animals in conditions likely to cause pain, distress or disease;
- change the name of the Act to the *Animal Welfare Act 1985* to reflect a changed emphasis from preventing animal cruelty to promoting animal welfare. This emphasis is reflected throughout the provisions of the Bill.

**Consultation**

A draft consultation Bill was distributed to all key stakeholders and interested individuals and many of their responses, particularly those from industry groups, raised issues of regulatory impacts. The issues they raised have been largely addressed by the development of a Memorandum of Understanding between the organisations whose officers enforce the legislation.

This Bill has been prepared after consideration of the comments received during the consultation period, the development of the Memorandum of Understanding and consultation with the following groups and organisations:

- Primary Industries and Resources South Australia, Animal Health Branch
- Minister for Agriculture, Food and Fisheries
- Department for Environment and Heritage, Animal Welfare Unit
- Department for Environment and Heritage, Compliance and Investigations Unit
- Department for Water, Land and Biodiversity Conservation, Animal Plant Control Group Unit
- RSPCA
- South Australian Farmers Federation.

**Title of the Act**

Modern animal welfare legislation uses terms such as animal protection and animal welfare rather than prevention of cruelty. This is a change in emphasis. The title of the current Act, namely the *Prevention of Cruelty to Animals Act 1985*, focuses on preventing cruelty rather than broader considerations of animal welfare. The Bill will rename the Act as the *Animal Welfare Act 1985*. References to cruelty will be replaced by ill treatment and welfare requirements of animals. Similarly, causing harm to an animal, as defined by the changes proposed in the Bill, will be an offence. This reflects a duty of care which exceeds merely preventing cruelty.

**Increasing penalties and vicarious offences**

The penalties in the Act relating to ill treatment and enforcement will be increased, as will penalties for offences against the regulations. A new offence of aggravated cruelty will be created in circumstances where a person intentionally or recklessly ill treats an animal to the extent that it dies or is seriously harmed. This will be an indictable offence with a maximum penalty of $50 000 or 4 years imprisonment. The employer of a person who, in the course of their duties, commits an offence, will be liable to the same penalty as the principal offender unless it can be established that the employer could not, through due diligence, have prevented the offence from occurring.

**Powers of Inspectors**

The Minister will be able to appoint persons as inspectors with broader powers than the Act currently permits. The appointments may be made subject to conditions, thus enabling the Minister to limit an inspector's powers, as appropriate. Subject to any conditions imposed on an inspector's powers, an inspector may exercise his or her powers:

- with the consent of the owner; or
- if there is reasonable suspicion of an offence, with a warrant; or
- if the situation is urgent, without a warrant; or
- to conduct routine inspections of certain premises or vehicles.

The inspector may also be accompanied by any person the inspector considers necessary. The general inspectorial powers will extend to places linked to an offence as well as the place where an alleged offence occurred. If the conditions of appointment permit, an inspector will be entitled, on reasonable notice, to enter intensive animal production facilities, farms, dog pounds, circuses, rodeos, zoos, puppy farms, pet shops, etc.

A Memorandum of Understanding is being developed between the agencies involved with the animal industries in which the roles and responsibilities of those agencies are stipulated. This will specify that, for example, a PIRSA Animal Health inspector who is appointed under the Act, will only use the powers conferred in reference to livestock and not companion animals. It also specifies the training and biosecurity requirements for intensive industries inspectors and defines the minimum and maximum notice of an impending inspection that would normally be given to producers.

The Memorandum of Understanding further specifies that intensive industries establishments will not be the subject of a routine inspection more than once each year and, if a quality assurance program is in place, desk top audits of the program will be undertaken more frequently than site visits.

The increased powers of entry afforded to inspectors in relation to the investigation of suspected breaches parallels that in other legislation; for example, the *National Parks and Wildlife Act 1972*. As inspectors are appointed by the Minister, the *Public Service Management Act* applies to inspectors, thus ensuring appropriate and lawful behaviour and penalties for inappropriate actions and compliance with the Code of Conduct for Public Sector Employees.

**Preventing harm**

The current Act allows inspectors to enter premises if an offence has been committed or to seize an animal if it is the subject of an offence. The Bill provides that the inspector can use the powers conferred by the Act if there is reasonable suspicion that an offence is about to be committed or if the animal will suffer unnecessary harm if urgent action is not taken (whether or not there is suspicion of an offence). It also authorises inspectors to issue notices with respect to special care that must be given to an animal or to its surroundings. This may include orders as diverse as providing veterinary attention to a limping dog, or removing broken glass from a horse paddock.

If an inspector is satisfied on reasonable grounds that a person is contravening the Act such that the welfare of an animal is adversely affected, the inspector will be able to give the person a written animal welfare notice specifying action that must be taken for the welfare of the animal and to avoid further contravention. It is recognised that such notices may relate to relatively minor contraventions which may not be further prosecuted. For this reason, the Bill provides that failure to comply with a notice is not, of itself, an offence but may be taken into consideration by the courts should a prosecution for ill treatment be undertaken.

**Organised animal fights**

The Act will be amended to create a new section to deal with organised animal fights, incorporating the provisions currently in different sections of the Act and Regulations. This section would stipulate that any person involved in the activity, (for example, an organiser, any participants, the owners of the animals, any person present and any person who knowingly allows their premises or vehicles to be used for this purpose) commits an offence. It will also be an offence for a person to be in possession of other relevant items that would assist in training an animal to fight.

The community does not accept this "sport" and submissions received in the consultation period clearly indicated that any person involved should be prosecuted. The re-organisation of the provisions has no regulatory impact. The expansion of the provisions relating to organised animal fights would mean that any person involved in such activities would be liable for prosecution.

**Objects used in offences**

The Bill provides that the court may order objects used in an offence (for example, spurs confiscated from a cock fight) to be forfeited to the Crown to be disposed of as the Minister sees fit. This may include allowing law enforcement agencies to retain the items for evidentiary purposes or allowing museums to retain the objects for artistic or cultural purposes.

**Destruction of animals by veterinarians or inspectors**

The current Act allows inspectors or veterinarians to destroy animals that "by reason of age, illness or injury, such that the animal is so weak or disabled, or in such pain, that it should be killed ". The Bill extends the power of veterinarians and inspectors to euthanase animals which are suffering severely. An inspector must not exercise any such power without the consent of the owner or on the warrant of a magistrate except where the animal is wild or the owner is uncontactable.

The intention of this amendment is to allow inspectors and veterinarians to kill animals which are obviously wild or which have such severe behavioural abnormalities that caging them whilst an owner is sought would, of itself, amount to a form of ill treatment.

**Disposal of animals**

Currently, an inspector can dispose of animals on the authority of a court order, if the owner cannot be found or if an owner fails to collect an animal within 3 clear days of being advised that it is being held. The Bill expands this ability to include the disposal of animals that cannot reasonably be held until a matter is heard in the courts. This may include circumstances such as fighting cocks, large numbers of emaciated livestock or a dog of such bad temperament or so diseased that it is impractical to hold it. In such cases, an inspector can dispose of the animal and, if it is sold, the proceeds will be held by the Crown pending the outcome of the prosecution.

In many cases, it is unreasonable or unfair to the animal to hold it pending a prosecution. In some cases (for example, emaciated livestock or ill-natured dogs), the animals are of little or no financial value. In circumstances where the animals do have value, the proceeds will be held by the Minister pending resolution of proceedings. This will ensure that, if the defendant is found not guilty, he or she will be compensated at market value for the loss of the animal. Currently, on a finding of guilt, the court may order the defendant to pay the costs incurred by keeping the animal until the matter is heard. This provision will reduce those costs in some cases.

**Powers of the court**

Under the current Act, the court may order that a person forfeit an animal to the RSPCA on conviction of an offence against the Act. The Bill provides that the court may order the forfeiture of an animal if the person is deemed unfit to plead or on a finding of guilt. In addition, the court may make an order that a person may keep an animal owned by the person that is the subject of the offence in accordance with the conditions of the order (which may include a condition that the care of the animal be supervised or monitored by an inspector). The court may take into consideration any other matters put to the court on sentence, including any interstate orders made against the person.

If a person is unfit to plead, they cannot be found guilty of an offence. Hence, currently the court cannot require forfeiture of the animals if a person is mentally incompetent. In some cases, the court may allow a person to keep 1 or 2 animals but cannot order that the animals be supervised—thus courts may prohibit the keeping of any animal if in doubt that the owner is able to care for them adequately. This provision would address both these issues.

**False and misleading statements**

The Bill creates an offence for providing false or misleading information in applications or other documentation relating to the Act. Allowing false information negates the purpose of collecting it. There is an expectation that information provided in an application is truthful. This provision reflects community expectations.

**Delegation of powers**

The Bill provides for delegation of Ministerial functions by the Minister. Currently, there is no such delegation so all Ministerial functions under the Act must be performed by the Minister. Providing the Minister with the ability to delegate powers will reduce the turn-around time for the processing of applications and permits.

I commend the Bill to the House.

**EXPLANATION OF CLAUSES**

**Part 1—Preliminary**

**1—Short title**

**2—Commencement**

**3—Amendment provisions**

These clauses are formal.

**Part 2—Amendment of *Prevention of Cruelty to Animals Act 1985***

**4—Amendment of long title**

It is proposed to amend the long title of the Act to reflect the shift in emphasis from the prevention of cruelty to animals to the promotion of animal welfare.

**5—Amendment of section 1—Short title**

It is proposed to rename the Act as the *Animal Welfare Act 1985*.

**6—Amendment of section 3—Interpretation**

It is proposed to insert a number of additional definitions and to upgrade some of the current definitions. In particular, definitions of ***harm***, ***serious harm*** and ***rodeo event*** are to be inserted.

**7—Amendment of section 6—Establishment of Animal Welfare Advisory Committee**

It is proposed to amend this section by deleting obsolete references to certain Ministers and substituting references that will be ongoing.

**8—Substitution of Part 3**

Current Part 3 relates to cruelty to animals. It is proposed to repeal this Part and substitute a new Part that makes provision for animal welfare offences.

**Part 3—Animal welfare offences**

**13—Ill treatment of animals**

New section 13 creates an aggravated offence where the reckless or intentional ill treatment of an animal causes the death of, or serious harm to, the animal. The penalty for an aggravated offence is a fine of $50 000 or imprisonment for 4 years.

The penalty for the offence of ill treating an animal in the non aggravated form is a fine of $20 000 or imprisonment for 2 years.

The section lists some examples of the types of behaviour that would amount to ill treatment of an animal and provides that a person charged with an aggravated offence against the section may be convicted of the lesser offence if the court is not satisfied that the aggravated offence has been established beyond reasonable doubt but is satisfied that the lesser offence has been so established.

**14—Organised animal fights**

New section 14 provides for offences relating to organised animal fights. With the exception of the offence relating to being present at an organised animal fight, the penalty for offences relating to organised animal fights is a fine of $20 000 or imprisonment for 2 years. The penalty for the lesser offence is a fine of $10 000 or imprisonment for 1 year.

**15—Electrical devices not to be used in contravention of regulations**

New section 15 provides that it is an offence to use an electrical device for the purpose of confining or controlling an animal in contravention of the regulations. The penalty for such an offence is a fine of $10 000 or imprisonment for 1 year.

**9—Amendment of section 23—Animal ethics committees**

This proposed amendment requires an independent person to be appointed to an animal ethics committee.

**10—Substitution of heading to Part 5**

It is proposed to rename Part 5 of the Act as "Enforcement" and divide the Part into suitable Divisions. Division 1 (comprising new sections 28 and 29) will be named "Appointment and identification of inspectors".

**11—Substitution of sections 28 to 31**

**28—Appointment of inspectors**

This new section provides that the Minister may, by instrument in writing, appoint a person to be an inspector for the purposes of the Act. An appointment may be subject to conditions specified in the instrument of appointment.

**29—Identification of inspectors**

Inspectors (other than police officers) must be issued with photo identity cards which must be produced when powers under the Act are to be exercised.

**Division 2—Powers of inspectors**

**30—General powers**

This new section provides for the general powers of inspectors so as to enable them to carry out their functions under this measure. These powers are in keeping with usual inspector's powers under similar Acts.

**31—Routine inspections**

This new section makes provision for inspectors to conduct routine inspections of premises or vehicles for the purposes of administering the Act. The owner or occupier must be given reasonable notice of the proposed inspection and be given a reasonable opportunity to be accompanied by a nominee throughout the inspection. Inspectors must take reasonable steps to minimise any adverse effect of such routine inspections on the business or activities of the occupier or owner.

**31A—Special powers relating to animals**

This new section provides inspectors with special powers that may be exercised if an inspector reasonably suspects that an animal is suffering or will suffer unnecessary harm if urgent action is not taken. In that situation, an inspector may—

provide treatment and care for the animal;

cause the living conditions of the animal to be modified;

seize and retain the animal for treatment and care.

If the condition of an animal is such that the animal needs to be destroyed, an inspector may, subject to certain conditions, destroy the animal without incurring any civil liability for the destruction.

**31B—Animal welfare notices**

If an inspector is satisfied on reasonable grounds that a person is contravening this measure in a manner that adversely affects the welfare of an animal, the inspector may give the person an animal welfare notice specifying the action that the inspector considers should be taken for the welfare of the animal in order to avoid further contravention.

**Division 3—Miscellaneous**

**31C—Dealing with seized animals and objects**

The Minister may sell, destroy or otherwise dispose of animals or objects seized and no longer required to be retained in certain circumstances.

**31D—Warrant procedures**

This new section sets out the procedures to be followed in order to obtain a warrant from a magistrate.

**31E—Offence to hinder etc inspectors**

It is an offence for a person to hinder, obstruct, refuse or fail to comply with a requirement or direction of an inspector, to fail to answer a question put by an inspector, or to falsely represent that he or she is an inspector. The penalty for such an offence is a fine of $5 000.

**12—Amendment, redesignation and relocation of section 33—Duty of person in charge of vehicle in case of accidents involving animals**

The penalty for an offence against this section is to be increased from $1 250 to $5 000. This section is then to be relocated and redesignated as section 15A in Part 3 of the measure.

**13—Insertion of section 33**

New section 33 will be the first section in Part 6 (Miscellaneous).

**33—Delegation**

This new section provides for the usual power of the Minister to delegate a function or power (other than a prescribed function or power) of the Minister under this measure.

**14—Amendment of section 34—Permit to hold rodeos**

The proposed amendments to this section will increase the penalties for offences against the section from $1 250 to $5 000.

**15—Insertion of sections 34A and 34B**

**34A—False or misleading statements**

New section 34A provides that it is an offence for a person to make a statement that is false or misleading in a material particular in an application made or information provided under this measure. If the offence is committed knowingly, the penalty is a fine of $10 000 or imprisonment for 2 years. In any other case, the penalty will be a fine of $5 000.

**34B—Power of veterinary surgeons to destroy animals**

This new section provides that a veterinary surgeon may destroy an animal if of the opinion that the condition of the animal is such that the animal should be destroyed.

**16—Amendment, redesignation and relocation of section 36—Court orders on finding of guilt etc**

The proposed amendments to this section will extend the power of the court to make orders against persons found guilty of offences against the Act or if declared to be liable to supervision under Part 8A of the *Criminal Law Consolidation Act 1935* (Mental impairment). Currently, the court may only make orders against persons convicted of offences against the Act. Powers to make additional orders are also proposed. The section is then to be redesignated as section 32A and relocated in Part 5 (Enforcement).

**17—Substitution of section 40**

**40—Vicarious liability of employers in certain circumstances**

New section 40 provides if a person commits an offence against this measure in the course of employment by another, the employer is guilty of an offence and liable to the same penalty as is prescribed for the principal offence unless it is proved that the employer could not by the exercise of reasonable diligence have prevented the commission of that offence.

**18—Substitution of section 42**

**42—Evidence**

This new section makes provision for evidentiary matters for the purposes of this measure.

**19—Amendment of section 44—Regulations**

The proposed amendments make provision for the fixing of penalties and expiation fees under the regulations and allow for certain matters under the regulations to be determined etc at the discretion of the Minister.

**The Hon. S.G. WADE** secured the adjournment of the debate.

## STATUTES AMENDMENT (BUDGET 2007) BILL

In committee.

Clause 1.

**The Hon. R.I. LUCAS:** I thank the Leader of the Government (and the government) for the replies that he read in response to the second reading debate. The minister has undertaken, through the Treasurer, to provide further information from Revenue SA in relation to compliance arrangements over the past 10 years. As I indicated in the second reading debate, I was happy to accept that assurance. It was information which might not have been readily available, so I am prepared to accept that assurance.

The minister also provided some estimates and information from Treasury and/or Revenue SA—I suspect probably Treasury—in relation to payroll tax. I thank the government for the information that it has provided. I do not want to delay the proceedings, but a request was made for more detailed information. The request that I specifically put on notice was for the full year cost in 2008-09 for lifting the payroll tax threshold to the Business SA policy threshold of $800 000; that is, to increase the threshold from $504 000 to $800 000, with payroll tax at 5 per cent.

The government has come back with an estimate of over $50 million. I note that some of the other calculations done by the government in relation to both the threshold and the 5.5 per cent has been estimated to a degree of accuracy of 1 decimal point. For example, reducing the payroll tax rate from 5.5 to 5 per cent is estimated to be $86.6 million. I want to make a request of the Leader of the Government—if he is prepared to take this back to the Treasurer—for the specific estimate that Treasury has done for the Business SA policy. Indicating that something is over $50 million can mean that it is just over $50 million, $50.5 million or $50.2 million, or something like that; or it could be $55 million or $60 million. In reality, it could mean anything—up to $100 million. I assume that that is not what is intended by the estimate that has been provided.

Whilst there are various caveats to any estimate—indeed, even the ones that the government has included in replies to other questions, such as the $86.6 million—they can only be the best estimates of Treasury or Revenue SA, and I think we all accept that. Treasury certainly would have been able to estimate something with a greater degree of specificity than something estimated at over $50 million.

Whilst I thank the government for the estimate that the Business SA policy will cost over $50 000, can the government come back with the Treasury estimate, with as many provisos as Treasury wishes to put on it, as to what specifically the $800 000 threshold will be? I know there are copies of former estimates done by Treasury of what happens if the threshold is increased by $50 000 or $600 000 or $650 000; Treasury is always able to come up with some sort of an

estimate, albeit with some caveat or proviso. As I have said, I do not intend to delay the proceedings; I just ask the Treasurer to take that question on notice and to provide a more specific response later on.

The only issue I want to broadly canvass again is the answer the government has provided in relation to the proof provisions in clause 13(a) of the bill, and I thank the government for the response it has provided. Some of the concerns that have been expressed by practitioners in the field may well have some validity to them, but the opposition's position, at this stage, is to support the bill as it stands without seeking further amendment. We accept the government's assurances in terms of the way in which the government sees this provision operating. I am sure that the shadow treasurer and the opposition, together with the practitioners in the field, will monitor how these provisions are implemented by the government, through RevenueSA. If any significant concerns develop about the way in which this provision is to be implemented, I am sure the shadow treasurer and the opposition would reserve their position in terms of either lobbying for or seeking amendment to these provisions if they turn out to be too onerous or too unfair on taxpayers who have been acting reasonably.

Certainly, it is the opposition's position (and I think it is the government's position as well) that it believes that some taxpayers have been behaving unreasonably. Therefore, an attempt has been made to close off this loophole, although even the government's second reading explanation flags the notion that perhaps there might be a movement from less than 5 per cent minority interest in some properties to between 5 and 50 per cent. The government has said that it will monitor that to see whether or not there are any concerns about how that tactic might be treated by both the private sector and the government in terms of the tax treatment of those tax arrangements.

With those comments, I indicate that, as the shadow treasurer indicated in the other house, we support the legislation. We did raise that concern, and the government has responded. We do have some concerns, as indeed do some practitioners, but we are prepared to let the legislation pass as it is currently drafted, whilst reserving the right at some stage in the future if problems develop to either lobby for or to seek amendment to these provisions.

**The Hon. P. HOLLOWAY:** I thank the Hon. Rob Lucas for his contribution. I again indicate that the government intends to live with the new measures. We have given an undertaking that RevenueSA will consider those measures fairly. I have no doubt that they will ensure that the provisions are fair and reasonable in their interpretation. Obviously, if any issues arise, as we have indicated in the answer, we will also seek to address those.

Clause passed.

Remaining clauses (2 to 6) and title passed.

Bill reported without amendment; committee's report adopted;

Bill read a third time and passed.

## APPROPRIATION BILL

Adjourned debate on second reading.

(Continued from 26 July. Page 523.)

**The Hon. T.J. STEPHENS:** French statesman Charles de Gaulle reportedly once said, 'In politics it is necessary either to betray one's country or the electorate. I prefer to betray the electorate.' Whilst that is a peculiar quote, I raise it today because when I was thinking about this latest budget I got a real sense of the electorate's being betrayed and let down by what the budget has delivered or, rather, will fail to deliver.

A definition of 'betrayal' is 'to be unfaithful in guarding, maintaining or fulfilling trust'. In 2002 the Rann Labor government was given the trust of the electorate and, in 2006, was trusted by an even bigger majority of South Australians. That year's budget delivered little for South Australians, as had previous Labor budgets. This time around, the people of this state had a right to expect more from a government that, let us be honest, is flushed with funds from GST revenue and record tax collections. As the Liberal leader Martin Hamilton-Smith has stated:

> South Australians have only received debt and disappointment. They have been betrayed by this latest budget.

On election night last year the Premier said:

> As we form a new government on Monday or Tuesday of next week, we are going to continue to get results for South Australia and that is what we dedicate our second term to.

What a load of malarky. This government's main goal has been to continue to try to govern by managing the media but it is evident that the Premier—Media Mike—has lost some of his shine. Only recently the Premier stormed out of FIVEaa's studio as he reportedly did not appreciate the line of questioning and felt that he had been set up by the program. If that is true, it is just childish behaviour. We hear reports of journalists being removed from media conferences, of government ministers refusing to appear on certain programs, and of government media advisers not returning calls from certain reporters. One might ask: are we living in modern South Australia or Stalinist Russia?

Perhaps the Premier needs to learn how to roll with the punches and to realise that things will not always run his way. I believe that this budget demonstrates that things most certainly are not going swimmingly for the Rann Labor government. There are more holes in it than in a piece of Swiss cheese. This budget has presented health as its major focus but it has got things wrong in a number of ways. The idea of the $1.7 billion Marj hospital is flawed. Regrettably, a wonderful lady and an icon of South Australia has been embarrassed by the hullabaloo that the hospital plan has created, when it is questionable that it should even be built on the rail yards.

We have argued that the need for a new hospital in the city's west was never mentioned in the state's infrastructure plan or in the 2003 Generational Health Review. It truly has just popped right out of left field and, while impressive in design, the closure of services at the QEH and Modbury Hospital and the scaling back of health funding to regional South Australia is indeed regrettable. I also note, in the recent report prepared by Infrastructure Partnerships Australia, that the national body has called for redevelopment of the existing RAH site, and it was pleasing to see the Liberal opposition's argument being backed up by a highly regarded, independent body. That is the story of this government; in this latest state budget it presents a couple of grandiose projects, such as the tram extension and the new hospital, but it is not enough to get the juice out of the orange because, when you delve a little deeper, it is clear that there is not much happening.

When the Treasurer delivered his budget speech he mentioned that the government was getting on with the job of securing Adelaide's water supply, so let us look at what is

happening with water infrastructure. We can see that increased restrictions are this government's solution; while it dawdles with desalination we could and should be getting on with the job right now. Other states are investing in desal while our government sits on its hands. Significant investments in stormwater re-use and waste water capture appear to be many years away and, personally, I just cannot get my head around why a government would give priority to increasing a reservoir's capacity—a plan that is 10 years away, to boot—when we are struggling with a very small issue called the distinct lack of rain. Desalination is the key; stormwater re-use and waste water capture are the keys. Let us use a resource we already have, not one that we hope will eventually fall out of the sky at a more consistent level.

As an opposition, it is our role to pick holes in the budget and question aspects of it that we do not think are right or in the best interests of South Australia. Consistently, since Labor came to power (and especially in this latest budget), it has become clear that not enough is being done to increase our economic growth. Treasurer Foley forecast 2.5 per cent growth in the last financial year and delivered 1 per cent; the prediction is for 4 per cent growth next year if the drought ends—but don't hold your breath. South Australia's competitiveness and economic outlook, compared to other states, should worry us all. Small business still has to contend with the worst payroll tax regime in the nation. Certainly, the levy rate reduction must be welcomed, but this government can afford to go further and it certainly should have. Australian Bureau of Statistics' figures clearly show that our share of the national jobs market is tumbling, and the lowest payroll tax threshold in Australia is clearly a disincentive to job creation while the national jobs market continues to boom.

Small business continues to have to deal with far too much red tape. I see that the Competitiveness Council has dedicated a website to red tape reduction, and this is to be commended, but I will watch with interest to see that the target of at least 25 per cent reduction in red tape by mid 2008 is met by this government. The government has committed to undertake a series of industry reviews; we will be very keen to see the outcome of those reviews and will be watching this matter very closely. Taxation in this budget is up across the board on property, gambling, insurance and motor vehicles. Only the other day a young person commented to me that the rise in motor vehicle tax and the rising cost of bus tickets would be felt really hard by young people—he should be thankful that the Howard government was able to again deliver him tax cuts to make things a little easier.

Relative to CPI, the increases in government fees and charges are, to put it simply, unfair. Emergency services, the River Murray, and natural resources management levies all increased significantly. Given the rise in fees and charges across the board, one could be forgiven for being taken aback by the debt in this latest budget. The amount of debt created by this budget is alarming; figures showing that general government sector debt will exceed $3 billion by 2011 are truly startling, considering that the former Liberal government had the discipline to reduce debt. WorkCover's perilous state has been well documented in this place, so I will not even begin to quote those frightening figures again.

Regional South Australia misses out again. Several major new road developments are 10 years away while the inner city tram line goes ahead at lightning pace. Regional infrastructure is in decline and food producers may have zero water allocations at some point in the near future. Rural health services are neglected under Rann's Labor government and we continue to hear stories about disgraceful waiting times and of people needing to travel for miles to receive treatment they cannot obtain near their homes.

Forward planning and sustainability in this budget are a big concern. There is not enough planning in place should the economy stumble, and the Rann government continues to piggyback on the strong economic conditions created by the Howard government. The Liberals will continue to call for a 20-year vision for South Australia, instead of short-sighted quick fixes.

Finally, and briefly, as Liberal spokesman for racing I will continue to monitor and watch with interest what results from the Bentley report into South Australian racing. The majority of the industry appears to be getting behind the proposals and, if the government does the right thing by racing, it looks like the industry can move ahead. I repeat my calls for betting tax reform to happen sooner rather than later, as the industry sorely needs the extra funding. I also call again for the correct decision to be made in the selection process of the new super board. It appears, at this stage, a compromise may be reached. I support the bill.

**The Hon. M. PARNELL:** The budget this year was a great disappointment and it reflects a real missed opportunity to advance South Australia. When economic times are relatively good I think it is very poor policy for us to be treading water and avoiding any commitment to long-term reform, particularly in relation to infrastructure. Whilst we might be treading water, one problem we have is that the water is of very poor quality and there is not enough of it, and it is getting worse. As a state, we are also getting tired as we are treading water, so we do need to make some choices.

The South Australian Strategic Plan talks about making choices, but most of them have been put into the 'too hard' basket. When we look at issues such as childhood obesity, the problem of peak oil, the looming threat of climate change, the gap between rich and poor, access to health and education, transport and the design of our cities, these are all big picture issues, and they provide big challenges to us, but the budget neglected most of them. We are told that we have a vision for South Australia, but the Greens cannot see what it is, unless the only vision the government has is that we are to be a defence contractor and a quarry.

I will start my remarks in relation to the budget by talking first about public transport. This was supposed to be a major focus of the budget, but what we saw instead was that bus, tram and train fares were earmarked to rise, service delivery to fall and most of the infrastructure spending was, in fact, to make way for the new hospital, rather than improving the service to passengers. What this government has clearly shown is that it is not serious about improving bus, train and tram services. The minor extension of the Adelaide tram line is welcome, but where is the vision for real expansion? Certainly, at this rate the public transport target in the State Strategic Plan is only an aspirational target.

On 1 July, public transport fares rose 7.9 per cent for a single trip ticket, taking it up to $4.10, and 7.2 per cent for multitrip tickets, up to $26.90. For a typical family that will add up to about an extra $100 per year. At the same time, services are being downgraded. The budget papers show that the response time for the passenger transit infoline has blown out from 30 seconds last year to 40 seconds this year. Yesterday we saw, on the Noarlunga line, a derailment and a very sorry photograph of passengers waiting at, I think, the Oaklands Park station. It provides a bit of a vision of where

public transport is not working. I would hope that not too many of those people waiting were first-time passengers because, if they were, they may turn out to be last-time passengers who are not prepared to risk that experience again.

The new buses that have been announced will only be on the road in 2011, so that is four years away. It appears that those buses are only replacement buses, not a genuine extension to the bus fleet. Most of the so-called transformational infrastructure spending will be used to relocate the railyards on North Terrace to make way for the new hospital, as well as some fairly basic track upgrades on two of the railway lines. Neither of those so-called transformational infrastructure projects will actually improve services to patrons.

The lack of spending on infrastructure is clearly taking a toll on passenger numbers. While the targeted growth in weekday boardings for 2006-07 was 4 per cent, the actual increase was only 2.3 per cent. Realising that things are not going well, the government has now downgraded its forecast increase for the 2007-08 year to only 2.5 per cent. Once again we plead with the government to stop tinkering around the edges and to make a sustained and serious commitment to our buses, trains and trams. This means making a serious commitment to new infrastructure.

Adelaide's public transport system is ageing and it is neglected, and outside the city the situation is even worse. Major decisions such as the train extensions north and south of the city—about which other honourable members have spoken—the electrification of the rail network, and fleet replacement, are urgently required. In short, we need an overhaul of the system, which is now bursting at the seams. A month or two back, I convened a public meeting in the Mitcham Hills area to look at public transport services. The private bus contractor who attended the meeting made it quite clear that the lack of services is fundamentally due to a lack of state government funding. How ever you look at it, replacing ageing sleepers on railway lines is not transformational infrastructure spending. Where is the long-term vision for the tram extension? It is great to bring it to North Terrace, to take it to the university, but where does it go beyond that? Where was the commitment to extend the rail line north or south, and where is the commitment to extra buses, not just replacement in four years? From a public transport point of view, the budget was deeply disappointing, and it shows that the government is not walking the talk on climate change.

I would like to speak briefly about public education. Whilst there was a welcome focus on public education in the 2006 budget, it appears that the government is trying to claw back some of that money. We had, for example, the fiasco with the WorkCover situation, where schools were being asked to pay the levy and also cover the first four weeks of staff absences. Whilst the government may have backed down on that extra impost for schools, we are still facing issues in relation to medical services in schools, issues in relation to funding for power and water, and also the inability of schools to hang on to the interest on their school bank accounts.

I know that my local primary school is forecast to lose some $8 000 in interest. What we often fail to remember is that much of the money is hard-earned fund raising by school communities, and it is the interest that actually adds real value to the fund raising effort. The projects often take some years to come to fruition; so, to take away the interest from those schools is very mean and tricky. The requirement of schools to reduce power and water back to 2001 levels and to be funded on that basis, at one level seems to be sensible, but when you have a school that is growing and actually has more students than it did back then, it will be a very difficult ask. My local primary school, for example, had 70 fewer students in 2001 than it does now, so it will be difficult to it to do that; it should not be penalised. It needs help, and that means financial help for schools.

The motivation in those programs of water and energy saving should not just be about saving money but about teaching our children and providing a real schoolplace example of how we can reform the way we do things. What we should be doing is investing now so that we can reap the benefits later on, and the government should be looking more at providing generous grants to schools to help them with efficiency improvements. Whilst the government focuses on putting solar panels on a small number of schools, a lot more could be achieved both in educational terms and in genuine energy-saving terms with some of the less sexy efficiency measures such as providing insulation. There might be fewer ribbon cutting opportunities but, at the end of the day, it will actually put more runs on the board.

There is also the question of surplus teachers, who used to be made available fairly freely to schools and who could be used, for example, to assist students with learning difficulties. In the future under this budget schools will have to pay more to have those surplus teachers placed with the schools. So, when in a budget we read terms like 'efficiency dividend', it always means that the money has to be found somewhere else. That means either downgrading our schools through budgetary allocation or forcing our schools to increase the fees that they charge for parents. At the end of the day, it can mean cuts to sports, to school excursions, to special initiatives, etc. People in the community are rightly suspicious of the focus on the superschools, because what it means is that the department has needed to find savings across the whole of the school system and that the suffering extends way beyond those areas outside the superschool zones.

In relation to public health, there are similar concerns that the focus is on big ticket items rather than on small items that can provide better value. We see the concentration on the new Marjorie Jackson-Nelson hospital but we can lose sight of the extensive recommendations in the Generational Health Review, which appear to have been completely ignored. And I acknowledge the work of the Hon. Lea Stevens in that project. In the foreword to the Generational Health Review, the chair (John Menadue) was quite prescient in saying the following:

> The impression I gained was the implicit view in some quarters that South Australia has unlimited health dollars, so we have continual pressure and demands on the system for better equipment, more drugs, more beds and more surgery. These pressures and services are all defensible and probably beneficial on their own merits, but they can be and often are at the expense of Aboriginal health, mental health and early intervention to help children who are the subject of abuse. These are the areas that the community gives priority to if and when it is consulted. Even if the government doubled the numbers of hospital beds, they would quickly be filled with further demands for new beds. Hospitals are like the family refrigerator: they will always be full, regardless of whether the refrigerator is large or small. Priorities have to be set and choices made. So often at present the powerful in the health service pre-empt the dollars.

He went on in his foreword to say:

> Australians are great hospital users, about 50 per cent above Canadian rates and 30 per cent above United States rates. South Australia is even more hospitalcentric, with hospital utilisation 15

per cent above the national average. South Australia spends 67 per cent of its health budget on hospitals. Many patients could be better treated outside hospitals—those with chronic illness, the mentally ill and the aged—if the services were available. The autonomy and dignity of patients is best secured when they are treated in the home or as close to their home as possible. That is where our report clearly points to primary health care in the community.

We have to ask ourselves why, in light of that, the emphasis is all on big ticket items such as a new hospital. I want to refer briefly to public housing. Despite many concerns in the community about falling housing affordability, the response in this budget was clearly inadequate. The budget sets targets of 400 more 'affordable housing opportunities' compared to 470 homes built for the state's public housing system this year. However, approximately 460 homes from the system will be sold to existing tenants. So, despite the state housing plan target of 1 000 more homes per year, in the public housing sector we are once again treading water. I note that Shelter SA suggested that the lack of the supply of affordable housing for both families and single people is the most significant contributor to the generation of homelessness in this state.

The community sector did not do terribly well out of the budget. When we talk about the gap between rich and poor, it is often the services provided by the community sector that can, if not bridge that gap, at least address some of the inequities. Before the budget, I spoke in this place about the SACOSS campaign, 'Strong community, healthy state'. What that campaign pointed out was that many organisations in the community sector are financially struggling to stay afloat. There is a significant increase in the demand for community services, and some organisations are effectively providing government services but are actually having to supplement them with fundraising. For example, we have talked about animal welfare in this place before. The RSPCA certainly subsidises the cost of policing animal welfare laws with fundraising, because there are insufficient government resources.

I acknowledge that, since the budget, we have had the decision to provide some payroll tax relief for organisations in the community sector, and that is to be welcomed. I also want to talk at some length about water in South Australia. The Greens have called on the government for some time to dust off the Waterproofing Adelaide strategy and to overhaul it with the objective of helping to wean ourselves off the River Murray in 10 years. That is a big ask, and it will require money and infrastructure investment.

Unfortunately, the government emphasis appears to be looking for the silver bullet and, in particular, looking to desalination as the solution to our water crisis. It has been said, not just by me but by other honourable members, that desalination is very much a last resort technology. It is expensive, energy intensive and, depending on the location particularly of the outfall, it can be environmentally damaging as well. Desalination involves expensively manufacturing new water to push into a system that is leaking like a sieve, and that is the Adelaide distribution system. As fast as we put new water in, it is wasted on inefficient appliances, poor priorities and burst pipes.

Just recently, a report arrived on my desk from the Worldwide Fund for Nature (WWF) dated June 2007 and entitled 'Making Water. Desalination: option or distraction for a thirsty world?' That is the question that is posed. There is a section in this lengthy report on Australia, and it poses the question: can desalination help not hinder Australian water management? I will read a couple of sentences from that report, as follows:

> The risk remains that the wealthy Australian governments will continue to choose the politically easier option of new major desalination plants to meet growing demands, before pursuing all of the potential available from implementing the less popular but more sustainable options of greater demand management, water efficiency, and water recycling. More fundamentally, major desalination plants, like long distance water pipeline proposals, are now being used to avoid creating and implementing water and resource planning policies that acknowledge and respect the ecological constraints of catchments and regions.

It is recognised that governments around Australia are going for what they see as the sexy option, the ribbon-cutting opportunities of major new desalination plants, rather than putting their money where the real action is, in particular, in demand management.

What we need to do instead is to identify creative ways to maximise water efficiency and the way in which we capture rainwater, to reduce our demand for water and to increase the re-use of stormwater. However, we also need to address the politically sensitive issue of water pricing, because water is generally regarded as too cheap in most parts of Australia, including South Australia.

Included in the budget was a $151 million investment for an upgrade of the Christies Beach waste water plant. In total, it looks like SA Water will face a bill of half a billion dollars to try to stop Adelaide's dirty effluent from polluting Gulf St Vincent. When you think of that potential expense of half a billion dollars, you can see why SA Water is pushing its bold plan to service the Roxby Downs expansion with Adelaide waste water. For no extra cost, BHP Billiton will get a reliable water supply that preserves the fragile marine ecology of Upper Spencer Gulf from brine discharge, and it also stops the dumping of the effluent off South Australia's beaches—and that package for half the greenhouse pollution of desalination. In the meantime, the government continues to use SA Water as a cash cow. An amount of $204 million was ripped out of SA Water in 2006-07, and there is an expectation that $190 million will flow into government coffers in 2007-08. This is precious money we need to invest in water recycling and plugging leaking pipes, not just allowing it to go into general revenue.

The budget was also disappointing in relation to the environment. I note the Conservation Council press release said that it was 'pleased the environment budget was not cut this year'. I guess the council was so shell shocked by a lack of support over the past few years that it is just happy that not more is being taken out of its budget. According to reports from conservation groups, when it attended its budget briefings by Treasury officials neither the environment, the River Murray nor climate change was even mentioned. I think the budget shows that the status of our Premier as a green Premier has more to do with spin and PR than it has to do with reality. Certainly, the money for marine parks is welcome, although it looks to be woefully inadequate. The big fear (and we will be debating this issue soon) is that the marine environment will end up in a series of Clayton parks—the park we have when we are not having a park. If they are all regional reserves—if they are all multiple use and they do not have those core, protected no-take areas—they will be not much better than the status quo.

Mr Acting President, as you and other members may recall, I have had a thing or two to say about climate change, particularly on the topic of greenhouse gas reduction targets. When we look at climate change through the lens of this

budget, we can see that, again, the rhetoric of the government is not matched by spending. When you look at, say, the overview paper for the budget where major initiatives are summarised, you can see that the initiatives that find their way into that overview paper are generally measured in the millions and tens of millions of dollars. However, when you get to the page on attaining sustainability, what you see as one of only seven initiatives on climate change is the breathtaking commitment of $200 000 to match community sponsorship for the purchase of solar panels at the Adelaide Zoo. The fact that that makes it into the Top of the Pops for attaining sustainability shows what a dearth of genuine vision there is in relation to battling climate change.

In terms of reports we have been waiting for, we have had the budget, we have had the report by the Thinker in Residence, Stephen Schneider, we have had the release of the State Greenhouse Strategy, and we have passed the government's climate change legislation. We are not waiting now for anything else to be released—no more reports and no more pieces of legislation—and there is now no more excuses for the government not to match this rhetoric with action. The question we have to ask is: where is the serious and sustained commitment by this government to take the threat of climate change seriously, beyond the iconic and tokenistic, such as yet more mini wind turbines on government buildings, and into real action that sees our emissions reducing rather than increasing?

I want to mention briefly the issue of public/private partnerships, which other honourable members have referred to, as well. It seems that this government's fascination with this model of development is continuing. These public/private partnerships are an Orwellian fiction. Christopher Shiel, a visiting research fellow at the School of History at the University of New South Wales and a member of the Evatt Foundation's executive committee, writes:

> Partnership is simply a term that was made fashionable in the UK and has been picked up as the official Australian Labor government euphemism for privatisation.

For more local comment, John Spoehr, Executive Director of the Australian Institute for Social Research, says:

> Let's be clear, private isn't public. Privatising school and hospital facilities, which are presently at the front line of the public/private partnership policies, can only mean privatising school and hospital facilities, irrespective of whether the government does or does not continue to employ schoolteachers and nurses.

Yet, the government re-emphasises in the budget papers a commitment to over $600 million in infrastructure for the prison system, and it has flagged a serious role for the private sector in the new Marjorie Jackson-Nelson Hospital. If you want to look at what happens when governments enter into inappropriate deals with the private sector, you could look at plenty of recent South Australian examples where the government has committed itself. The Hindmarsh Island bridge is an example: the only reason it was ultimately built was that the breach of contract price was too high to not build it. We are going to be looking shortly at legislation covering gambling. We are going to be looking at whether or not the government entered into bad deals when it was negotiating its return from the gambling industry.

I want to conclude my remarks with some reflections on the economic boom and who really benefits from it. Experience in Western Australia has shown that the benefit is not shared by everyone. Western Australia is a good case study because it, too, has had somewhat of a resources boom, particularly in relation to mining. I note the report by economist Richard Denniss (not to be confused with our chief parliamentary counsel of the same name) entitled 'The Boom for Whom?' which he prepared for Western Australia Green Senator Rachel Siewert. Richard's report showed that, while strong demand in the resources sector has delivered record profits to mining companies and a huge revenue windfall to the state, the boom in wages in the resource sector has not translated into more jobs or higher wages in other sectors—so trickle-down really does not work.

As the majority of Western Australian families do not work in the mining sector, the boom in the housing market and the rising cost of living has meant that life for the average Western Australian has not been as bountiful as is often depicted. The strong wage growth in the mining and construction sectors is indicative of how concentrated the current boom is in Western Australia; that is, due to the lack of investment in training for both young and mature workers, it has been difficult for low paid and unemployed Western Australians to gain employment in the high growth areas of the state economy.

High wages in some sectors have driven up the rents and house prices paid by all Western Australians. Housing affordability has clearly become a major issue in Western Australia with prices in Perth rapidly approaching those in Sydney. Whilst this has delivered windfall gains for those with capital to invest in real estate, a large number of Western Australians are now excluded from the housing market.

We can take those lessons from Western Australia and apply them to South Australia if we do not have the appropriate intervention of government to make sure that the mining boom benefits are shared across society. Just to conclude, Richard Denniss's report states:

> There is no doubt that strong growth has delivered benefits to some, but it is clear that a booming economy has not and will not solve all of Western Australia's problems.
>
> It is obvious that a more targeted approach is needed to do this, to ensure that we capitalise on the short-term benefits of the current boom. The evidence seems to suggest that these opportunities have been squandered. The data presented suggest that maximising the rate of growth does not maximise the benefits to everyone—particularly the most disadvantaged groups in Western Australia, because it is clear that poverty and disadvantage remain in Western Australia despite the strong rate of economic growth.
>
> Policies that go beyond simply maximising economic growth are required. Policies will need to focus on building the necessary social capital, and real solutions to these problems will require the provision of improved housing affordability, infrastructure, intervention programs, education, counselling and other support services along with the provision of increased investment in training.

We do not need to be proud; we can take from the experiences of other places like Western Australia, learn from their lessons, and put in place measures that make sure the benefits of the boom are more equally shared. I think the Rann government could do very well if it were to reflect on the findings from Western Australia.

**The Hon. J.S.L. DAWKINS:** In supporting the passage of this bill, I recognise its importance in providing finance to the various programs incorporated in the 2007-08 budget. It is my intention to focus on my particular portfolio areas related to the budget presented early last month. In my appropriation speech in November last year (remembering that the 2006 budget was four months late), I noted the frustration of many people with a budget that was lacking in infrastructure development and that was AAA—all about Adelaide. Since that time I have been appointed Liberal spokesman for regional development and to the role of

assisting the leader in the development of state infrastructure plans for the next 20 years. In light of that, it is appropriate to mention that the government's self-proclaimed cornerstone of the budget, the Marjorie Jackson-Nelson Hospital, never appeared in its own state infrastructure plan.

While on the health sector, I have to say that I am disturbed by the manner in which this budget has treated Modbury Hospital. Shortly after paying dearly to return it to government management, the decision to remove the paediatric and birthing services at Modbury defied description. Despite a partial backflip on the paediatric services, the situation remains that more than 600 women annually will be forced to go to the Lyell McEwin Hospital or somewhere else to have their babies.

It is my intention to raise a number of issues and ask questions in the areas of infrastructure and regional development, and I would be grateful if the respective ministers would provide answers in due course. In the infrastructure area, I refer to a range of references in Budget Paper 4, Volume 2. On page 6.15 of that volume, in reference to the areas of providing leadership and the development of transport options and investing in integrated transport solutions, my questions are:

1. What options have been developed in relation to intermodal facilities adjacent to the northern suburbs and in the Barossa region?

2. What options have been developed in relation to developing better, safer freight routes connecting the Fleurieu, Adelaide Hills and Barossa wine regions?

I refer next to the targets listed on page 6.17 in relation to the Northern Expressway:

1. What efforts will the government take to ensure that small to medium South Australian-based civil construction companies can participate in this huge project?

2. If the project were awarded to one company, the scale of the task almost certainly means that the company would be interstate-based. What measures will the government take to prevent such a company recruiting large numbers of skilled employees from local small to medium firms?

It is likely that these employees would only be employed by the big interstate company for the term of the project and would then come back into the local employment market if they are not prepared to move interstate. I am concerned about the impact on those small to medium firms if they are not included in the contract for this Northern Expressway project.

I now move to the targets under 6.18 in relation to broadband strategy and note the expansion of regional broadband infrastructure programs to Mount Gambier and other centres, including Port Pirie and Berri. The 'highlights' section of that document notes the completion of broadband project upgrades in Port Augusta, Whyalla and Port Lincoln. First, I would be grateful for the details of these upgrades. Secondly, is it true that no money from this fund has been directed to Eyre Peninsula, despite submissions from that region in the past two years?

The 'targets' section, in 6.17, refers to River Murray ferries and the completion of a second replacement ferry. My question here is: will this ferry be better equipped than current ferries to cope with lower river levels and the varying depths of the channel at different ferry locations? Also on 6.17, the 'targets' section refers to road condition sign automation, and the commencement of procurement of automatic closing and opening of remote roads, or the technology to enable that. My questions are: what technology will be sought in relation to that matter; and what consultation, if any, has taken place with Aboriginal lands communities and the Outback Areas Community Development Trust?

In relation to the 'highlights' section, at 6.17, I refer to the Angle Vale Road/Heaslip Road intersection at Angle Vale. In light of the completed roundabout at the Heaslip Road/Waterloo Corner Road junction, what works will Transport SA do to implement the improvements to be funded by the Australian government and the City of Playford at the intersection of Heaslip and Angle Vale Roads? Can the minister advise the reasons why Transport SA has recommended a roundabout be installed at that point rather than traffic lights?

I now refer to the Walkleys Road extension corridor at Ingle Farm. Why is the Department of Transport, Energy and Infrastructure tendering to sell 1.2 hectares on the Bridge Road end of this corridor, which is one of the last remaining elements of the MATS plan? The remainder of this one-kilometre section of highways reserve is under the control of the City of Salisbury, but it will be rendered useless for further transport options if the 1.2 hectares is sold.

The 'targets' section (6.17) refers to the significant rail track upgrade on the Adelaide passenger rail network. This upgrade will have little impact on the Gawler line. I know the minister referred to this upgrade in question time today, but the fact is that very little of that money will be used on the Gawler line. My question here is: what will the government do to make any trains on that line run on time, as many commuters are forced to consistently travel on earlier trains than should be the case due to consistent lateness? This is particularly relevant for express trains.

Still on Budget Paper 4, Volume 2, relating to work on the investment section on page 6.21, particularly in relation to Port Bonython, I would be grateful for the following information: what was the $625 000 under 'building communities—investments' spent on at this location in 2006-07? Was it related to the transfer of the land from the Minister for Environment and Conservation to the Minister for Infrastructure as the potential site for the desalination plant proposed by BHP Billiton?

I refer to Budget Paper 5, page 11, in relation to the Virginia pipeline extension. When will the government make available its $1.9 million contribution to the extension of the pipeline to Angle Vale and surrounding horticultural areas, given that the matching federal money and grower contributions have been on the table since before November 2006? I refer to an item on page 6.22 of Budget Paper 4, Volume 2, which relates to 'mass action' and a figure of $1.165 million spent in 2006-07. I would appreciate some information about what that money was spent on.

Further to the infrastructure portfolio, some other areas were missing from the budget, which should be highlighted in this contribution. First, some members in this place might remember the grand announcement made by the Premier from London in 2005 that the government would spend $4 million to upgrade the Port Lincoln airport. It seems that that money never eventuated and any attempts by the local member or the local regional development board to see what is happening with that upgrade have fallen on deaf ears. There are no answers and it seems that that announcement has disappeared. It is also interesting that the last entry in the budget for the improvement or upgrade of the notorious Britannia roundabout was a figure of $100 000 in 2005-06. It seems that that project has lost some attraction and is not getting any attention in the financial priorities of this government.

I refer to a proposal for a new water pipeline to service the Balaklava, Port Wakefield and Bowmans regions. This project was supported by the Yorke Regional Development Board, the Wakefield Regional Council and PIRSA in an unsuccessful bid for the 2007-08 budget, as the area is at water capacity, limiting the ability for significant development in that area. Many members would realise that that area is very popular for intensive agricultural development because of its proximity to road and rail transport, and it is close to the city of Adelaide. This issue was raised by the member for Frome on my behalf in estimates committee A of the House of Assembly on 3 July this year where the Minister for Regional Development (Hon. K.A. Maywald) gave the following response:

> It is a very good project and there is a lot of enthusiasm for it in a number of areas. I know the Yorke board and also the local government body in the area are working with ORA [Office of Regional Affairs] and also with primary industries and SA Water on that matter and it has a lot of support in the regions. We are certainly working through those issues and we understand the importance of water to those projects.

I would be grateful if both ministers gave me more details about what is being done to ensure that that project is delivered, because that great potential development in the Adelaide Plains-Wakefield Plains region is limited if we do not get any more water into that area.

Another area that I think is missing from the budget relates to Budget Paper 4, Volume 2, page 6.18, 'Lands and Service SA. There is a strong demand for a Service SA office in Clare. People sitting for drivers' licences in that region need to make four trips to either the Gawler or Port Pirie offices to undertake this. It has been suggested that there could be a combination of a Service SA office with the Office of Business and Consumer Affairs, as has also been effected in Kadina and Gawler.

I would also like to raise issues in an area that I think the government needs to look at in terms of assistance in infrastructure development in relation to the supply of gas to communities around the state. Certainly, the areas of Loxton, Renmark, Tanunda, Balaclava, Bowmans and Port Wakefield are limited in their development while they do not have access to piped gas supplies. I have been advised that the state government did offer some assistance in getting a supplier into the Riverland towns, but the provider rejected as too little the level of assistance. I would be grateful if there is some more advice given about what can be done to assist the provision of this important item to the development in those areas.

The other matter that I think was glaringly missing from the budget in the infrastructure area was money from the state government to match the federal government's offer of $6 million for the upgrading of Main North Road between Gawler and Clare. This is a state road, but the federal government recognises (as do I and others who use it) that it is in a deplorable state. It is typical of so many roads across South Australia which have received little or no attention from this government. There always seems to be money trotted out for the sealing of road shoulders, but there is little point in new, smooth road shoulders when the road carriageway is badly undulating or breaking up. And that is the case across South Australia, particularly in rural areas.

I will now turn to the regional development portfolio area. I acknowledge that the Minister for Regional Development responded to a number of questions in the estimates process, which were asked on my behalf by the member for Frome in another place. However, I would like to place some further issues and questions on the record at this time. The minister conceded that the regional development boards have not had an increase in core funding for a few years. I believe that the period since core funding was increased is actually 10 years. Will the level of core funding be addressed in the process that will lead up to the development of new resource agreements for all the boards commencing from 1 July 2008?

The minister indicated during estimates that a draft resource agreement is expected possibly as early as October. She added that the Department of Trade and Economic Development and the Office of Regional Affairs will be looking at early next year to finalise the agreement in order to ensure that the boards have adequate time for planning for the next financial year. I cannot emphasise the importance of this time frame strongly enough. I well remember the fiasco that occurred when a similar situation was inflicted on the business enterprise centres within metropolitan Adelaide some years ago. The effect on staff retention in that case was disastrous and would be possibly worse for many of the boards situated further from Adelaide.

For those who do not recall that situation, it was under this government. The BECs were put under review as to whether they were going to continue in that form and whether they would receive any funding at all. It was only around 28 May of that particular year that they were assured by the then minister, who was the leader of the government in this place, that they would be funded for another 12 months. So they had only four weeks' notice that they were going to get funding into the next financial year, and that was going to be for 12 months. The effect on staff morale was terrible. Of course, we were assured that a decision about the longer-term funding, if it was going to occur, for those business enterprise centres would be made quickly.

I know there was a change of minister and the leader of the government here was moved on to another portfolio, but that decision for longer term certainty of funding was not made until about March of the following year, and it had a significant effect on the ability of those business enterprise centres to keep the very good staff who do the work that they do in the community with the small business sector. I, and I know many in the regions, have a significant concern that, if this resource agreement situation is not cleaned up quickly, many of those regional development boards will lose very good staff, and they cannot afford to do that because many of them, particularly the more isolated ones, have great difficulty in getting good people in their offices.

It is universally recognised across the regional development sector that the $65 000 allocated to each board to employ a small business adviser is totally inadequate, particularly given the on-costs that make the figure required around $100 000. The minister even conceded this in estimates when she confirmed that the boards need to top this up from other funds. The reality is that there is little enough available in other funding to provide the top-up required. I would be grateful if the minister will indicate whether the government would consider upgrading the funding of the small business adviser position to $100 000, which is the case in Western Australia.

I now refer to the appointment of six regional managers in the Department of Trade and Economic Development, five based in the regions and one in Adelaide. I would be pleased to learn why it took almost six months for these managers to be appointed after the initial announcement by the minister. I understand the minister originally referred to these manag-

ers as high level officers, but the department now refers to them as only back office people. When will the manner in which these officers work with the boards in their respective areas be reviewed?

In relation to the Regional Development Infrastructure Fund, I would be grateful if the minister would indicate whether the $800 000 funding for the joint Berri Barmera Council-United Utilities waste water project is coming out of the RDIF funding for this current year, 2007-08.

In responding to questions about the Regional Communities Consultative Council, the minister indicated that the process of calling for nominations for the new RCCC to commence in January 2008 will begin in the next couple of months. Will the minister indicate when that process will commence and how it will be publicised? Will the regional development boards be informed of the process?

The minister indicated that there is currently no involvement of local government representatives in the regional facilitation groups. Given the successful role of local government representatives in the original Riverland trial of this program, why is this the current policy? The minister acknowledged that regional development boards such as the Barossa Light, Fleurieu, Yorke, Mid-North and Kangaroo Island have no involvement in a regional facilitation group. What action is the minister taking to rectify this situation? Given that it is almost August, when will the call for expressions of interest for the Community Builders program in 2007-08 take place?

There is also a question here that was asked of the minister during the estimates committees, at which time she referred the member for Frome to the Minister for Primary Industries, so I will refer this question to that minister. In relation to the Food Industry Development Officers (otherwise known in the sector as FIDOS), there has been a reduction in their number from 12 to five. There is considerable concern in the regions about that decision but I am particularly interested to know how the five officers will operate. Will they work from regional development board offices in a similar manner to the new regional managers who have been appointed by DTED, as I noted earlier in this contribution? I would be grateful for some information in relation to the way in which those five FIDOS work with the regional development boards.

In conclusion, I am grateful that this debate has given me the opportunity to note the funds appropriated in the budget to various agencies and to raise particular issues regarding the regional development and infrastructure portfolios. Like the 2006-07 budget, it is lacking in infrastructure development and is generally known in the regions as 'all about Adelaide.' I support the passage of the bill.

**The Hon. A.M. BRESSINGTON:** It is difficult for a member of the Legislative Council, especially an Independent, to participate fully in the debate of appropriation of funds allocation and how we acquire those funds. We are elected from the community and by the community to safeguard their interests. Thankfully, very few of us come from accounting backgrounds. The thought of this chamber being full of accountants is only slightly less frightening than the prospect of its being full of lawyers, yet we are presented with and expected to debate a weighty collection of documents put together by accountants and financiers in a way that seems deliberately constructed to confuse rather than to instruct or enlighten, and nor are we provided with the resources properly to assist in our understanding of such documents.

I would like to make the general point that much of this is in the tradition of J.K. Rowling. While this parliament can vote only for the appropriation of money for this year, many of the government's key promises, and especially the more expensive ones, are for expenditure in future years, whose revenue streams are as yet undetermined and whose appropriation must be determined and voted on in the future. This is a $12 billion budget, and when this government came to office the budget was around $8 billion, so there has been almost a 50 per cent increase, it would seem, in government revenues. The Liberals point to windfall gains in property taxation and a GST collection of around $3.5 billion. While there is some validity in that, I am sure that this Treasurer must have had something to do with it.

I note from Budget Paper 1, page 1 that, on coming to office, the government claimed to have inherited a deficit of around $150 million yet, within 12 months, it has recorded a surplus of over $400 million while few noticed that anything was happening and while recruitment in the Public Service was growing like Topsy. This must be one of the most remarkable achievements yet in political history. Obviously, the Treasurer's influence has waned, because the graphs have all been downhill since then. It was down to $38 million last financial year and will drop to about $30 million.

The Treasurer promised that ongoing surpluses will average $212 million over the next four years. I serve the Treasurer notice that he had better be right. This might be my first time speaking to the Appropriation Bill or to the budget, and I might not have the resources or the training to penetrate the maze of documents, however, I (and others) will be here at the end of this term to see that the Treasurer delivers what he has promised to the public of South Australia.

While the government considers my remarks, as a practical person, I would ask why the government would contemplate increasing public debt nearly tenfold from $151 million now to $1.4 billion in seven years, which will place the public of South Australia at the mercy of fluctuating interest rates, when, if the government's predictions are correct and it maintains an operating surplus averaging $212 million per annum over the next four years—that is, $848 million—and if we use its own extrapolations to suggest that this would continue in the following three years, its own figures would suggest that future capital needs could be funded from existing cash flows with, if necessary, some short-term borrowings. Of that extra $4 billion, we have a budget surplus this year of just $30 million. I know that there are some capital works—the tramline and the Port River bridge—but they are not yet finished and, in any case, cannot account for the $3.7 billion in one year.

Figures have been shown to me that, prima facie, point to the employment of an additional 10 000 public servants, but it has been neither my experience nor the experience of any constituents to whom I have spoken that anyone in the real world of South Australia is jumping up and down with excitement because of great—let alone extraordinary—improvements in the services they receive. We all know about doing more with less. However, it seems that this government has developed a new art: the art of doing less with more. Maybe, post-politics, the Treasurer will embark on a training and lecture circuit to share this new art, and perhaps in the future in government circles this new art will become as influential as *The Wealth of Nations*.

I make these points because I am concerned—not so much about statistics, cash flows or trends or even, frankly, the

budget. I see budgets as little more than a statement of our cash flows and a check on our prudent expenditure. We cannot ignore the fact that, over the past couple of months, there has been more industrial action in this state than at any time in its history. Nurses, doctors, dentist, teachers and psychiatrists have all claimed that they are underpaid and that they are not being paid their worth. If, in fact, we have a healthy surplus in our budget and if we have a reasonable plan for the future, for the remaining term of this government, one has to ask why the needs of these people to be paid their worth are not being met and why this government is causing such unprecedented industrial action.

There are a number of areas about which I have grave concerns and, as a new member in this place, I wonder why action is not being taken to improve the functioning of services in this state. The first issue is disability. This government is big spending and big taxing, it is awash with revenue; however, the key areas are still grossly under-funded. A long-term commitment to the disability sector is urgently required. For example, on 21 December 2004, the government announced a one-off payment of $5.9 million to clear equipment waiting lists for the disabled, yet once again, last month (9 June), it announced a $5.7 million one-off payment to clear equipment waiting lists. Clearly, in order to service the hundreds of South Australians with the equipment they need, a greater level of ongoing and regular funding, which can be relied upon, needs to be made available. Existing services are struggling to operate at their current rate, and it is likely that demand will increase from new clients in the foreseeable future.

With this in mind, it is extremely disappointing that spending on non-government disability advocacy groups was slashed by more than 50 per cent in the budget. It is my firm belief that specialist non-government organisations outside the public sector need to receive adequate and ongoing funding lest we dissolve into a huge central bureaucracy at great expense to the people of South Australia. The valuable contribution of groups such as the Down Syndrome Society of SA must not be lost due to neglect of the disability sector.

It is vital that South Australian families who are caring for a loved one with a disability have suitable places to go for support; and, through its neglect of the sector, this budget and this government is placing that at great risk. The Budget Statement 2007-08 at page 2.2 suggests a budget-saving initiative for the reduction of support for disability advocacy and information referral services. I would like to examine more closely what kind of reductions that includes. The best way to reduce demand is to ensure that people do not get to the services in the first instance. You can then justify further cuts to services because the need apparently no longer exists as people are not using services.

The fact that information referral services have been cut is of great concern. I do believe that the more people flounder within the system the more apathetic and depressed they become. It must be part of our responsibility in this place to ensure that there is a flow of services and that information is easily accessible to people in need. Workers compensation rehabilitation, policing, education, drug and alcohol services, family supports and interventions, public sector training and the gathering and collation of statistics and research are all areas which, over the past 18 months, have come to my attention.

Policing is one issue. We hear over and again from the Minister for Police (Hon. Paul Holloway) that this state now has more police than at any other time in its history, yet my office constantly receives calls from members of the public who say that to get a police presence in their area is almost as painful as pulling teeth. It is difficult. We have heard that no longer is it the core business of the police to intervene in disputes between neighbours. That is not a police issue. They are now not required to attend road accidents. Whether or not the person was or was not insured, in years gone by I can recall that if an accident occurred police were required to attend and make a report.

We saw that the former Pooraka police station was almost completely bugged out on. Furniture, equipment and files were left for people to access and destroy. That is all public funds, all public money, which, to most of us, seems like an unprecedented waste. Also, I take into account the lax attitude because, when it was questioned about the matter, the Police Association said, yes, it is its responsibility and that it would look into it. After six months of telephone calls from concerned members of the public there has been a no-show on every occasion from the police who once occupied that building.

I do not believe that we criticise the police. I do not think that is appropriate because they do a very difficult job. It is obvious, regardless of what we hear in this place, that their resources now simply do not allow the police to meet their responsibilities as effectively and efficiently as they did in the past. Education is a concern to me, as well as, as I said, the industrial action of teachers, nurses and psychiatrists. These are the very issues that prop up any state or any nation, and we are seeing over and again people literally leaving professions because they simply cannot manage on the moneys they are receiving.

We can take Julia Farr and Minda as an example. In the past, many people were institutionalised for marginal additional cost and, with no huge support structures, they could live in the community. Even here there is a point to be made—expressed by many parents—about their vulnerability to predatory behaviour by the community at large as well as by individual members, sometimes even family. I am talking about not only economic abuse but sexual abuse.

Financial abuse is becoming more common, and we now have vulnerable members of the community who receive little protection or advice on how to find their way out of that. We are now uncovering a multitude of instances of abuse which is often perpetrated in institutions, right under our noses. Governments of today, and of the past, have claimed that they literally had no idea that this was occurring. Unless the fundamental nature of predators changes, how much more likely will it be to occur—and how much less capable of detection is it likely to be—in non-institutionalised settings? When patients are high dependency, confined to bed and are in need of attention 24/7, what is the point of integrating them? Is a bed in a room in a suburban house better than a room at Julia Farr? The economy of scale is turned on its head, as is the capacity for specialised and often expensive facilities and equipment. What about properly trained personnel? As I understand it, there is a shortage of nurses and doctors, and we have heard that time and again. How can we say that we can do better by spreading them more thinly?

In terms of drugs and rehabilitation programs, what is in this budget? As far as I could uncover: nothing. Drugs are seen—and are identified by a number of organisations and professionals—as underpinning so many of our social ills, yet we continue to deny that this problem is a core issue, and we continue to starve that particular sector of much needed funds to deliver treatment and rehabilitation. It seems that the harm

minimisation model is economically viable for this government, and governments before it. I am not sure what it will take to change the mind of any government and for it to realise that true recovery is, in fact, cheaper than continually maintaining people with drug problems.

We already know that many of our own—and especially Aboriginal—kids are being abused as we meet. As I heard from the inquiry yesterday, Families SA and other organisations are dealing with about 30 000 reports every year, yet what are we really doing to make sure that we are dealing with these problems? What is in the budget: $1.5 million to investigate what we already know is happening. I believe that money could be allocated to deal with some of the most horrific crimes against children. The government should find solutions to problems rather than continually bandaiding what is proliferating year after year.

What have I learned from this budget? I have learned something about revenue, but a lot more about smoke and mirrors. I can see accountants and bankers rubbing their hands together, and I can see the political spin. What I cannot see this time—but hope to see in the future—is the hand of justice and compassion, and a hand that gives a fair go to all South Australians, especially our most vulnerable.

**The Hon. R.D. LAWSON:** The 2007-08 state budget was a bitter disappointment to the South Australian community. It is a cynical political exercise, and the cynical nature of that exercise is clearly seen in the diversion that the government adopted at the time of the budget announcement. That diversion was to announce the possible construction in 2016 of a new hospital for Adelaide. The idea behind that announcement was to create a project that would capture the imagination of the South Australian public and divert their attention from the very real difficulties the Treasurer had in framing an acceptable budget.

Because of the mismanagement by the Treasurer of this state's financial affairs—because of cost blow-outs, poor planning and because the Public Service is being recruited in a way that is not designed to ensure the South Australian community gets value for money—the government had to come up with ideas, such as a new hospital. This hospital is not something that was recommended in the costly and much vaunted Menadue Generational Review of medical services in this state. It is not something that was planned within the bureaucracy, nor is it something that was planned appropriately with those who provide medical services: it is an idea dreamt up in the minister's office, no doubt with the help of some fellow travellers of the government, to divert attention and to create an interest.

Unfortunately, it does not solve any of the problems and, unfortunately, it is over the horizon; this government will not be in office when this project comes to fruition. It is a way for the government to avoid making the necessary investment to ensure that existing facilities are maintained and up to standard. It provides an opportunity to take out of the forward estimates of the budget provisions already made for enhancing existing services. I believe it is a most cynical exercise and a missed opportunity by the government.

This government's priorities are clearly reflected in this budget. Notwithstanding the Premier's promise that there would be no building in the Adelaide Parklands, we have a $55 million grandstand being erected and the proposed resiting of the Adelaide hospital on the Parklands area presently occupied by railway facilities. There is no justification for the moving of those railway facilities to Dry Creek at a cost of over $100 million, with no particular operational benefit to be derived by the transport system. The minister today is talking about what wonderful things this government has done in relation to transport, such as resleepering lines and the like, but why spend over $100 million moving a facility to Dry Creek that is perfectly operationally sound where it is currently located? That $100 million (and it is well over $100 million) could be spent on improving our transport infrastructure.

There are a number of omissions from the budget. It is clear when one reads the estimate committee hearings and the press releases issued by the government that there is a glossing over of the fact that there are so many areas where this government has failed to make investment where investment is necessary. Take, for example, the Forensic Science Centre. Because of the absence of sufficient pathologists to undertake autopsies, families are having to wait up to one year for a death certificate. That is not an inconvenience but a serious imposition on South Australian families and citizens.

Any government with any understanding would understand the anguish that is caused by the failure to provide these certificates, which can hold up the winding up of estates and all manner of family and business arrangements. This government has simply woofed that aside. The Attorney-General has said, 'We can't find the pathologists, therefore we're not doing anything about it. We are not making any investment in that important area.' This is something which has been growing over a number of years. This government, whilst it has been in office, has done nothing to address the issue.

I turn to funding for the Director of Public Prosecutions. When one looks at the delays in the South Australian criminal courts, caused not only by the want of facilities and courtrooms and the like but also by insufficient prosecutors in the Office of the DPP—a situation which arises because of increasing penalties, the introduction of aggravated offences and the like, which have meant that an increasing number of criminal charges have to be heard in the superior courts and therefore can no longer be prosecuted by police prosecutors but need to have professionally trained lawyers to undertake the prosecutions—it is clear that government policies are creating a need for additional resources.

This government will not give the present Office of the Director of Public Prosecutions additional resources, not because they do not need those resources but because they perceive it as a political advantage in maintaining an attack on the Director of Public Prosecutions, because he happens to be one of the few public servants in South Australia who has independence and who is prepared to stand up to this government and not take the underhand and devious ways in which the Premier and the Attorney-General continue to undermine the officer who they themselves selected to run that office.

It is interesting to see that there was provision in the budget for 5.5 full-time equivalents in the Crown Solicitor's Office for industrial safety prosecutions. I do not diminish the importance of those, but that is clearly a response of this government to its mates in Trades Hall. They say, 'We need more prosecutors for industrial safety matters', and they get them. The Director of Public Prosecutions says, 'I need more prosecutors to prosecute rapists, murderers and those bikies whom the Premier says he is chasing', but the DPP does not get his officers. The Crown Solicitor gets 5.5 additional

prosecutors for a particular area for an ideological rather than a practical reason.

The failure of this budget yet again to bring the facilities of the Supreme Court up to date is yet another slap in the face for the criminal justice system. This government is very keen to suggest to the community that it is tough on law and order but, when it comes to actually providing the facilities to enable the justice system to work, it fails. When one sees, yet again, that in South Australia we have the slowest rate of disposition of criminal trials and that offenders are waiting longer, with many of them held in custodial institutions on remand at great expense to the community, many being released into the community on bail and, regrettably, a number of them committing offences whilst on bail, it is clear that if you have a good criminal justice system it ought to be one where justice is administered relatively quickly.

Here in South Australia we have the biggest backlog and the slowest progress of cases. That is bad for law and order. There is only one way to overcome that, and that is by providing more courtrooms, not by making asinine remarks, as the Attorney-General did, in suggesting that the commonwealth's new Federal Court building ought to be made available to the state. It is a primary obligation of the state to provide the facilities to ensure that criminals are prosecuted, yet not only does this government not improve the facilities of the Supreme Court building but it insults the judges by saying that it will not be building a Taj Mahal for the judges. The judges have no desire for a Taj Mahal; they have only a desire to have the facilities brought into the 21st century with appropriate toilet facilities and the like. This government does not see that as a priority—in fact, it rather suits the rhetoric of this government for the judges to ask for facilities and be refused on the basis of, 'We make no apology for being tough; we are not going to provide it for these judges, these soft judges who are not handing down tougher penalties. We are going to spend our money on worthwhile projects like the tram extension or the grandstand in the parklands.' So, this is doubly insulting.

Once again, this budget shows the failure on the part of the Attorney-General to secure additional funds for the justice system—in fact, I do not believe the Attorney-General even tried. Generally, right across the justice system, there has been a failure to address issues. Of course, the government points to the fact that it proposes developing a public-private partnership to establish a new prison facility at Mobilong—mind you, not a facility that will come on-stream during the term of this government but over the horizon of this government.

We have heard this government say before that it is going to establish public-private partnerships in relation to prisons. In 2002, soon after coming into office, we were promised a replacement for the Adelaide Women's Prison which was, even at that stage, way behind standards and entirely unsatisfactory and not fit for its purpose. For two years this government talked about establishing a public-private partnership which would replace the Adelaide Women's Prison, but eventually it had to admit that it was unable to establish that partnership. What assurance do we have that, in relation to the Mobilong proposal, this Treasurer will be able to get up a public-private partnership? I have no confidence at all that the government will have the wit to achieve that.

We have now received the most recent news that, in order to bulk up that public-private partnership proposal, the government proposes to move James Nash House, the forensic psychiatric facility, from Oakden to Mobilong. This is an ill-planned decision based upon a desire to have a public-private partnership established, not a proposal designed to ensure that we have the best forensic psychiatric facility located in the most convenient place that can be serviced by psychiatrists and people who work in the system, and from where those people who have to come to court can easily be brought to court, and the like. This is a decision driven by a government desperate to establish a public-private partnership and, frankly, given the record of this government today, there is no reason for confidence that this will be achieved by 2010, 2011, 2012 or even 2016.

I am prepared to gamble that in 2010 and 2012, if this government is still in office, it will be saying, 'Well, we are still in the planning stage, we are still trying to get a public-private partnership established; we are going to have to include other facilities in it.' It is not only the justice system that the government has failed with this budget. In the disability sector, a sector with which I have some familiarity, we once again see the government not fulfilling its obligations. The savage cuts to advocacy services for organisations like the Brain Injury Network, the Disability Information Resource Centre and a number of other important organisations have been made simply because this government is unable to appropriately manage its budget. The government and the Treasurer ought to have been putting more funds into disability services, not finding funds by cutting established programs.

This is a cynical exercise by the government. It knows the disability sector. Although many people in the community are affected by it and there is a great deal of public sympathy for it, the disability sector is not one of those sectors that has the capacity to make a great deal of political noise. I commend David Holst and Dignity for the Disabled and other disability action groups for their efforts, I think they do great work, but a cynical Treasurer like this one knows that these community organisations are small, disparate and do not have the strength to stand up to the bullying of the Treasurer of this state. So, I deplore the fact that the budget failed to address the needs of the disabilities community. It is, once again, a budget that is a cynical political exercise, full of missed opportunities and wrong priorities.

**The Hon. S.G. WADE:** I rise to speak on the Appropriation Bill and to highlight some of the opposition's concerns in relation to the budget and the direction of the government. As mentioned by the Hon. Martin Hamilton-Smith, the Liberal leader, it is a budget of debt, disappointment and delays. Since 2002 the Rann government has received an estimated $16 billion of GST revenue and yet the total state budget public sector debt for South Australia is set to reach an astonishing $3.4 billion by 2011. What a stunning achievement of the Rann Labor government! Labor has received a record level of revenue and yet Mike Rann and Kevin Foley have still managed to take the budget into deficit. South Australians have every right to ask: what benefit have we derived for the money? Where has the money gone? The answer is Rann's monuments: on his tram line half-way down a street, and on bridges that—

**The PRESIDENT:** Order! The honourable member will refer to him as the Hon. Mr Rann or the Premier.

**The Hon. S.G. WADE:** Thank you, Mr President. The Premier is building monuments: his tram line half-way down a street, on bridges that did not need to open, on unbudgeted expansion in the public sector. What the Premier, the

Treasurer and other ministers have missed is that infrastructure needs to be planned and integrated to improve quality of life and support the growth of the state. Under the Rann Labor government, planning and leadership has given way to media hype. There is no substance. The government says: 'Don't worry, the health system may not be perfect but we will have a new hospital in 10 years.' We are suffering a water crisis more serious due to the government's failure to invest in water infrastructure, and the government's response is to talk about possibly improving the Mount Bold reservoir, again, 10 years hence. The government says: 'Don't worry about our prisons being overcrowded and unsafe. We will have a new prison in 2011.' This government is all about delay.

We see the problem with delays in my shadow portfolios. Correctional services is one of the best examples of the 'hurry up and wait' approach of this government. As far as the government is concerned, correctional services is fixed. We do not need to worry about that one any more because we are building a new prison. But we have heard it all before: in 2003 the Treasurer announced a new $32 million women's prison and a $46 million youth detention centre. Construction was due to be completed by the end of June 2007. It should have been completed by now, instead we just got a re-announcement in October 2006 of an expanded but delayed project which now will not be completed until 2011.

Another example of delay is deaths in custody. The minister has said, 'No death in custody is acceptable.' Yet, repeatedly, when a person dies while in custody the Coroner comments that the South Australian prisons need to remove all hanging points in prison and implement the safe cells principles. The government continually fails to act. The Coroner himself has highlighted this delay. In one of his recent findings he based his recommendations on 'the assumption that the government has no intention of providing funding for the upgrade of prison cells to comply with safe cell principles'. Prisoners are dismissed by this government for the sake of its tough on law and order agenda. For example, recently the Attorney-General dismissed the concerns of a Supreme Court judge that two years on remand is unacceptable. In fact, the Attorney-General welcomed people being detained: innocent until proven guilty, because it was 'blessed relief for the people of South Australia'.

As far as the Rann government is concerned, once a person is in custody, whether in prison or on remand, that is the end of the story and all that is left is to keep them secure until they need to be released. But corrections should not be just about locking up people but about rehabilitation, because only rehabilitation will make the community safer in a sustainable way. Corrections should be about helping offenders to fit back into the community, to become law-abiding members of our community and to discourage recidivism. In rehabilitation, too, we see a government of delay, particularly in the area of the provision of services. Last week the ABC reported that prisoners are waiting 12 months to get access to court ordered counselling, leading to people in desperate need of such services being forced to go without. Let me quote a defence lawyer on this issue:

> Rehabilitation is just not happening and, if there is a 12-month waiting list, it may well mean that somebody does not get any effective treatment.

With this kind of approach to the delivery of services, it is hardly any wonder that since the Rann government came to power in 2002 recidivism rates have increased steadily from 36.4 to 41.4 per cent. This is a testament to its failure. A recidivism rate of 41.4 per cent means that there are dozens more prisoners in our prisons who should not be there: prisoners who already should have been effectively rehabilitated.

Since 2001-02 recidivism rates nationally have decreased from 40.1 to 38.3 per cent. However, in that same period under this government recidivism rates in South Australia have increased from 36.4 per cent, then the second lowest of any state in Australia, to 41.4 per cent, giving us the second highest rate of any state in Australia. So while national recidivism rates are decreasing, here in South Australia we are going against the trend as our rates are increasing. Rehabilitation is not something that will be solved by simply building a new prison. It needs a serious commitment to correctional services, good prison management and effective community corrections.

Unfortunately, the story is not much better in emergency services. The government makes great play of the new MFS station at Seaford, but as with corrections there is more to emergency services than just constructing new buildings and, in fact, there are often better solutions than simply building new stations. The opposition welcomes the new Seaford station but is yet to be convinced as to the best model and the way in which the decision was arrived at and the way it is being implemented. There are questions about whether a co-staffed CFS/MFS station would have been a more effective solution, or whether the site chosen is the best available. We need to manage the rural and urban interface; we need to optimise the interaction of the MFS and the CFS; and, as highlighted last week, we effectively need to consult with both the MFS and CFS and its volunteers.

In the CFS also this government is characterised by delays. A good example is the current negotiations with the LGA regarding the CFS use of local government vehicles and resources. In September 2005, following the Wangary fires, the government commissioned report by Dr Bob Smith recommended that the emergency services and local government develop a 'memorandum of understanding with local government for the use and conditions of use of their plant and equipment'. Yet here we are nearly two years down the track, approaching another fire danger season, and there is still no such memorandum.

It was not until last year that the government finally approached local councils on an MOU and, consequently, negotiations are only now taking place to work out the MOU with the LGA. In addition to the delays in negotiations, once the MOU has been agreed to by the LGA and the government, it will need to be adopted by each individual council. So, there is a real danger that the MOU will not be in place across the state when the next bushfire season comes in a few months. Why? Because this government has delayed; it has neglected to take immediate action.

The only things that this government does not delay are increases in fees and charges, and this budget is no exception. In this budget the government announced an increase in fire inspection fees. In 2007 and 2008 on-site fire inspection fees will increase by a massive 37.7 per cent. For what reason? The minister's response in estimates was that it was 'to achieve revenue measures approved by cabinet'. Now, Emergency Services has become yet another revenue raiser for this government as it tries to control its mismanagement of the state. So much for community safety; this charge increase shows that the government cares more about revenue than safety.

I would also like to address the area of road safety. The opposition supports a bipartisan approach, one where there is cross-party support, but it is because we support road safety that we are committed to continuing to criticise and critique the government's performance. We all need to ensure that we are working our hardest to try to reduce the terrible toll of fatalities and serious injuries which occur on our roads each year—the government foremost amongst us. The government brags about a record low toll for the past year of only 117, but that rate is well above the target in the Road Safety Strategy and the State Strategic Plan. We cannot just congratulate ourselves for underachieving; we need to be honest and accept that we are off target so that we can seriously redouble our efforts.

The opposition still believes that the target is achievable if we work together with effective government leadership. Unfortunately, this budget has seen the government reduce funding for the state Black Spot Program by nearly half a million dollars at a time when the federal government has increased its black spot funding by almost $1 million. Similarly, in relation to the upgrade of Main North Road, the federal government has committed $6 million to make road safety improvements to the Main North Road between Gawler and Tarlee, and it has called upon the state government to match the funding to allow for the road to be completely upgraded. Sadly, the Rann government is not willing to carry its share of the work, and is not willing to match the federal government's commitment.

**The Hon. J.S.L. Dawkins:** It's a state road.

**The Hon. S.G. WADE:** And, as my honourable colleague highlights, this is, in fact, a state road. The government is willing to take the generosity of the federal government but not to carry its own responsibilities. It is time for this government to lift its performance. Only last year we had the whole debacle on drug testing. As members will remember, when drug testing began, the government refused to test for MDMA despite the Victorian lead. It stonewalled and said that the opposition was being ridiculous, that MDMA was too rare to test for. Thankfully, after pressure from the opposition, the government did a back-flip and expanded the testing to include MDMA. And, it is a good thing that we did. The results speak for themselves. Already, nine people have tested positive to MDMA. The fact that there is drug testing in place underscores to the wider community that drug driving is unacceptable. The government's delaying of the testing was very disappointing and sent a very unfortunate message.

In conclusion, this budget was characterised by debt, disappointment and delay, in the budget as a whole and in my shadow portfolios. South Australia deserves better, and between now and 2010 the opposition will lay out its vision for South Australia. In the meantime, I support the passage of the bill.

**The PRESIDENT:** The Hon. Mr Finnigan.

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. B.V. FINNIGAN:** Thank you, Mr President. I am delighted that the opposition so keenly awaits my contribution. I have listened carefully to what my distinguished colleagues have had to say about the budget. We have heard a lot of information about ways in which the government should be spending the people's money, and I am sure that some of them are very worthy projects.

We have heard about how we should be giving public servants pay rises, how we should have police expanding their responsibilities, and how we should have a water strategy and all these things that we should be spending taxpayers' money on. But what we have not heard from any member opposite is what hospitals we should close, or what schools we should close, or what public servants we should get rid of in order to pay the bill. We have not heard about whom we should get rid of or what facilities we should close in order to be able to fund these promises, nor have we heard about what taxes we should increase.

The reality is that you have to balance the budget. In fact, you have to attempt to put it into surplus, which we have done for six budgets in a row. I know that the Hon. Rob Lucas, and others, like to spend a lot of time talking about various methods of accounting and trying to find somewhere in the budget where they can try to spin it to their advantage, but the reality is that this government has delivered six budget surpluses in a row and presided over the AAA credit rating being restored and, indeed, maintained.

The centrepiece of the budget is, of course, the health care plan which has been announced and which includes the building of a $1.7 billion new hospital, the Marjorie Jackson Nelson hospital. I know I am fairly new to politics and, in my naivety, I did not realise that building a new hospital was so unpopular. But, apparently, for the opposition, and a number of other members, building a state-of-the-art hospital which will provide for the health care of South Australians for decades into the future is a very bad thing to do, because it is only an exercise in vanity for the government, which is surely the most extraordinary accusation that can be levelled against this project. If the government was announcing that we will have free fireworks every Saturday for the good people of South Australia, maybe we would be throwing away money for our own vanity; but, instead, we are investing in a state-of-the-art hospital which will be the centrepiece of our health system for many years to come, as well as investing in other hospitals and ensuring, in particular, that we boost country hospitals.

I am particularly pleased that Mount Gambier will be one of the four key country hospitals to provide services. The fact that country people have had to travel to Adelaide for medical care has been a vexed question for a long time—certainly, since I was a child—and it has always been an ongoing problem. But what our plan will do, particularly in the key four country hospitals such as Mount Gambier, is enable us to offer services that people usually have to travel to Adelaide for, and that is surely something to be welcomed.

We know this budget includes $600 million over four years in tax relief, including the biggest reduction in payroll tax that we have seen in South Australia. The budget includes $1 billion in total capital expenditure in 2007-08, which is an investment in the state's future, including money for transport and education infrastructure—the things which have been overlooked by previous governments and which this government is ensuring that we take care of. We are taking a long-term view and ensuring that we are able to cater for the state's future by providing the infrastructure that will be required.

I highlight, in particular, Mr President (and this will be of interest to you), some of the initiatives the government is undertaking in the South-East and Limestone Coast area. These include $4 million in 2007-08 for overtaking lanes on the Riddoch Highway and the Noarlunga to Victor Harbor road, which is obviously not in the South-East, but the Riddoch Highway certainly is, and that is something people have been talking about for a long time. Also, the government will commit $3.2 million over three years for redevelopment

of the Allendale East Area School, which is my old alma mater—so I look forward to having an opportunity to put in a bid for one of the old transportables I used to go to as a child for my presidential library of the future.

The government is spending $3.3 million over three years to improve facilities at Millicent High School, and $2 million at Mount Gambier High School for a visual arts facility. The government is expanding prison capacity in Port Augusta and Mount Gambier, with 104 beds between those two locations. The government is providing funding for a new sea rescue vessel for the West Coast, which will mean that an existing vessel will be relocated to Kingston in the South-East. These are some of the things the government is doing which will be of benefit to the South-East area and the Limestone Coast region.

**The PRESIDENT:** Order! The Hon. Mr Stephens might take his seat, or be seated in the chamber.

**The Hon. B.V. FINNIGAN:** The Liberal Party is concentrating quite a bit on its country seats; I suppose, since there are several of them they do not hold in their supposed heartland, they believe they have to spend a lot of time there. While I certainly concede to no-one in my concern for the country, it does appear an odd strategy to concentrate on the seats that you actually hold and completely ignore those seats which you do not hold.

I do not know whether the Liberal Party understands electoral mathematics very well, but it might find that, of the 47 seats of which it has to win the majority, there is certainly not a majority of them in country areas. While I am always pleased to see more emphasis on the needs of country people, it seems an interesting strategy for the Liberal Party to employ. It would be a bit like the Labor Party concentrating all its efforts in seats that it already holds in metropolitan Adelaide.

I would like to turn to the question of federal funding. We hear a lot from the opposition about how the state government is getting all this extra revenue, this GST revenue and, therefore, what are we complaining about, as we should have plenty of money to spend. It is true that the state government has had increased revenue: that is indisputable and is in the budget papers. However, what seems to be forgotten is that the federal government is absolutely raking in tax revenue at an unprecedented rate. A high proportion of GDP is now commonwealth tax revenue. As my learned colleague the Hon. Leader of the Government (Hon. Paul Holloway) has said a number of times, the South Australian share of increased commonwealth government revenue would probably be around the billion dollar mark, which would make an extraordinary difference to the state government budget.

According to the 2007-08 South Australian budget overview, grants from the commonwealth government are budgeted at $6.3 billion for 2007-08, which is 52 per cent of projected revenue, so the state government is very dependent, as everyone knows, on the federal government for its revenue. That has been the way for many years, certainly since the consolidation of income tax in the hands of the federal government around the time of the Second World War. So, the state government is reliant on the federal government for around 52 per cent of its revenue. What we hear constantly from the opposition is: 'It's the GST. You get all this GST money so you should have plenty of money.' However, the reality is that the GST amounts to around 61 per cent of the money received from the commonwealth government so, of the $6.3 billion from the budget overview, GST revenue grants are budgeted at around $3.9 billion for 2007-08, meaning that there is about $2.4 billion in other commonwealth payments such as the specific purpose payments to the state and on-passed specific purpose payments.

So, when we hear constantly from the opposition that we are getting all this GST revenue, it is true that the state does receive a lot of revenue that has been collected from the GST, but it is also true that about 39 per cent of the money received from the commonwealth by South Australia is through specific purpose grants and other payments, which means that the commonwealth government still continues to have extraordinary control over what state governments are able to do with their allocation of their revenue. It is a very clever tactic and the federal government has done it very well. It says: 'We've introduced this new tax but the states get it all, therefore you should have no financial problems any more.'

The reality, certainly in the case of South Australia, is that a large proportion, 39 per cent or so of our revenue from the commonwealth government, is not through the GST, which gives the commonwealth plenty of ability to restrict the amount of money that it is giving to the state and ensuring that we get less than our fair share. The commonwealth Budget Paper No. 1, which details Australian government revenue excluding GST revenue, shows that taxation revenue has increased from $151 billion in 2001-02 to a projected $231 billion in 2007-08, a 53 per cent increase over that period. That is about seven years in which the commonwealth taxation revenue, aside from the GST, has gone up 53 per cent.

We know that the economy is going well and that means that the federal government is taking a lot more revenue from income tax, company tax and other sources and it is not being passed on to the states but being used by the commonwealth government, as always, to try to fund elections by buying off those parts of the community that are of most concern to the Liberal Party and whoever it is that their focus groups tell them they need to work on. That is what they do with the money, while running extraordinary advertisements about WorkChoices, which completely—

*The Hon. J. Gazzola interjecting:*

**The Hon. B.V. FINNIGAN:** Sorry, the word does not exist any more; I forgot. I have lost my latest copy of the newspeak dictionary: I forgot that 'Workchoices' is not in there any more. With respect to the new workplace relations system (whatever we are supposed to call it now), the government is spending millions on these extraordinary advertisements, which misrepresent the legislation, particularly when it allows people to exempt themselves from some of these supposed protections with the stroke of a pen.

We have heard from Mr Martin Hamilton-Smith, the Leader of the Opposition (today), a long and rambling budget reply, which was quite extraordinary. I criticised the Hon. Iain Evans last year for his budget speech, but at least that was comprehensible. To be fair to the Hon. Mr Evans (the once and future king—which will be any day now, I imagine), at least one could understand what he was trying to say, but I did not find that when I was listening to Martin Hamilton-Smith. We only have to see how he has responded to the announcement of a new hospital in terms of how lost members of the opposition are when it comes to their budget position.

At first Mr Hamilton-Smith supported the idea, because he is also a newcomer to politics and, perhaps like me, he is a little naive and thought that a new hospital might be a good

thing for the state of South Australia. But then he decided that he should oppose it, and he started talking about all sorts of things, such as AFL stadiums to be built on the rail yards. Then he started plucking figures out of thin air about the refurbishment of the Royal Adelaide Hospital and how he could build it for hundreds of millions of dollars less than the government could do so. I am not quite sure how he arrived at that figure. Did he go out to Bunnings and grab a few bags of concrete and cement and work out how he could do it so much cheaper? I really do not know how he arrived at that figure.

We have seen the result of the opposition's leadership and its policies in recent times, with the recent Newspoll survey showing that it was in a worse position than it was at the last election. What is most extraordinary is that members of the opposition seem to take comfort from this somewhat, because their primary vote increased. So, in the Liberal Party, a progression from annihilation to oblivion is something to be celebrated rather than a source of disappointment. How long that lasts we will have to wait and see.

Of course, one could argue that, as a member of the Labor Party and a member of government, I should take satisfaction from the fact that the opposition is not able to come up with a proper response to our budget: it is not able to come up with a proper budget strategy. All members of the opposition are able to do is talk about where money should be spent. They cannot talk about where cuts should be made or where revenue has to increase. All they can talk about is where money should be expended. Where the government does expend money on major new hospitals and a new prison—

**The Hon. Caroline Schaefer:** Trams.

**The Hon. B.V. FINNIGAN:** Yes; an expansion of our tram network and, indeed, on bridges and roadworks on South Road—all those things, which are major investments in the future of the state, and the Liberal Party criticises it. The Liberal Party opposition says that is a stupid thing for the government to be doing. So, at the same time as it is demanding that we spend lots of money on its projects, it is criticising us for the projects and the infrastructure in which we are investing.

You could say that I should be pleased about the state of the opposition. However, the problem is that, in order for the state to enjoy business investment, business has to have confidence not only in the government but also in the alternative government. Mr Hamilton-Smith has publicly spoken about reneging on government contracts should he attain the government benches, and that is an extraordinary statement. I do not recall Labor's coming into government and trying to reverse the sale of ETSA or trying to cancel hospital contracts.

**An honourable member:** What about Modbury?

**The Hon. B.V. FINNIGAN:** When contracts have come up, we have taken the opportunity to return things to public ownership. But we certainly have not gone in there and said, 'We are going to repudiate everything. We are going to dishonour the commercial contracts that have been entered into by the previous government.' I do not recall any Labor minister suggesting that. However, what we have had from Mr Hamilton-Smith is the notion that, if he were to achieve government, if he were to be voted onto the Treasury benches, he would repudiate contracts that the previous government had entered into in good faith. That is an extraordinary proposition, and a very dangerous one for the business community.

We are trying to attract people to make investments in South Australia and to invest in lots of different infrastructure projects; and, whether they be private public partnerships, other projects or simply private sector investment, it is important that the business community is able to have confidence in the alternative government of the state. With all respect to them, it is generally not considered—unless something changes remarkably between now and the next election—that any of my crossbench colleagues will be in a position to control the finances of the state at the next election.

It is always a possibility in the system that we currently have (which is effectively a two-party system when it comes to the lower house) that the Liberal Party would gain office. Unlikely though it may seem at this time, it is always possible. It is therefore very important that the business community—those looking to invest in South Australia and those looking to move to South Australia to give our state the benefit of their skills—have confidence not only in the government but also in the potential alternative government, because if they do not it will affect their decision about whether or not to invest in the state.

We know that the former Labor federal leader Mr Latham was said to have a poor relationship with the business community; and, at that time, the business community was very concerned about the prospect of Mr Latham's becoming prime minister. There is no doubt that it is a very poor situation if those who control major investment decisions which affect jobs and economic growth and which underpins everything we do as a government do not have confidence that the alternative government will be responsible, able to balance the budget and able to govern the state in a proper and responsible manner to maintain the state's finances.

*An honourable member interjecting:*

**The PRESIDENT:** Order!

**The Hon. B.V. FINNIGAN:** Thank you, Mr President. It is important that the alternative government is seen to be able to maintain the finances and to have the fiscal discipline to balance the budget to ensure that the future of the state is in good hands. A very grave concern to me is that, although as a member of the Labor Party I might take some passing satisfaction in the travails of the Liberal Party, I am concerned that the alternative government is seen to be a responsible and effective alternative so that those who are investing in the state will be confident that that government will maintain budget discipline and govern the state competently. With those remarks, I commend the bill to the council. Again, the government has delivered—

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. B.V. FINNIGAN:** —a surplus budget. We have put in place the infrastructure plans for the future of this state. I do apologise to Hansard for the extraordinary rabble that is happening opposite; I know that it makes its task more difficult. This is a good budget, which continues the responsible fiscal management of the state, lays down the infrastructure for the future and invests in a way that ensures that all South Australians are able to benefit from our prosperity. I commend the bill to members.

**The Hon. CAROLINE SCHAEFER** secured the adjournment of the debate.

## COLLECTIONS FOR CHARITABLE PURPOSES (MISCELLANEOUS) AMENDMENT BILL

Received from the House of Assembly and read a first time.

**The Hon. P. HOLLOWAY (Minister for Police):** I move:

That this bill be now read a second time.

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

Leave granted.

The *Collections for Charitable Purposes Act 1939* provides for the control of persons soliciting money or goods for certain charitable purposes.

There has been concern from the public regarding the lack of disclosure in relation to some activities surrounding collecting for charitable purposes. Information about the cost of collections is generally not provided or made available to donors. Concern has been expressed about whether collectors are volunteers or paid collectors and the application of donations to the charitable purpose.

On 14 September 2005 the *Collections for Charitable Purposes (Miscellaneous) Amendment Bill 2005* was introduced in the House of Assembly. This Bill provided for increased disclosure requirements at the point of collection of funds. Debate on this Bill was adjourned on 28 November 2005.

Following the parliamentary debate on the *Collections for Charitable Purposes (Miscellaneous) Amendment Bill 2005* another round of consultation occurred with charity stakeholders to resolve various issues that had been raised, particularly concerning higher compliance costs that might result from the requirements of the Bill.

Following this second round of consultation, the introduced Bill was redrafted to alter the focus of disclosure at point of collection to the provision of information about where a potential donor can find out more about the charity and to ensure that requirements would be as consistent as possible for different types of collecting activities.

The amendments will also ensure public availability of information via the annual Income and Expenditure Statement on the Office of the Liquor and Gambling Commissioner website. The annual Income and Expenditure Statements, which are submitted by licensees, will be simplified for this purpose.

Some events with high profile speakers have also raised disclosure issues. The amendments equally propose to improve transparency and consumer information in relation to these events. Specifically, it is proposed to make it a requirement that when a charity sells tickets to an event, the advertising and tickets must display where a donor can collect or request a copy of the last annual financial statement of the licensee and information on the fee paid to a speaker or entertainer at such an event (if any) when the fee is greater than $5 000.

The Bill also includes amendments of a statue law revision nature to update the language of the 1939 Act.

**EXPLANATION OF CLAUSES**

**Part 1—Preliminary**

**1—Short title**

**2—Commencement**

**3—Amendment provisions**

These clauses are formal.

**Part 2—Amendment of *Collections for Charitable Purposes Act 1939***

**4—Amendment of section 4—Interpretation**

This clause amends section 4 to insert definitions used in the measure.

**5—Substitution of sections 6, 6A and 7**

This clause substitutes new provisions as follows:

**5—Delegation by Minister**

This provision provides a delegation power for the Minister.

**6—Collectors must be authorised by licence**

This provision is a rewrite of the current section 6. Because of the introduction of new defined terms in section 4 and the proposed new evidentiary provision (section 18C), much of the current detail in the section is no longer necessary.

**6A—Licence requirements where collection contract entered into**

This provision is a rewrite of the current section 6A (because of the introduction of new defined terms in section 4).

**6B—Disclosure requirements for collectors—unattended collection boxes**

This provision provides new disclosure requirements relating to unattended collection boxes (being boxes placed for the collection of money and not attended by the holder of a licence under the Act) and, in particular, requires such a collection box to be marked with the name of and contact details for the holder of the relevant licence under the Act and certain other specified information. The provision creates an offence for collectors who fail to comply with the new requirements (punishable by a Division 7 fine), however this offence applies only to paid collectors and not volunteers. The provision also requires licence holders to take reasonable steps to ensure collectors are aware of the new requirements and to provide the necessary information and documents to collectors (whether paid or volunteers). Failure to comply is an offence by the licence holder (punishable by a Division 6 fine).

**6C—Disclosure requirements for collectors—other collections**

This provision provides new disclosure requirements for other collectors and, in particular, requires collectors to disclose their name, or an identification number, and whether or not they are being paid. In addition, the provision requires certain other information to be provided on request. The provision creates offences for collectors who fail to comply with the new requirements (punishable by a Division 7 fine), however these offences apply only to paid collectors and not volunteers. The provision also requires licence holders to take reasonable steps to ensure collectors are aware of the new requirements and to provide the necessary information and documents to collectors (whether paid or volunteers). Failure to comply is an offence by the licence holder (punishable by a Division 6 fine).

**7—Licence required in relation to certain entertainments**

This provision rewrites the current requirements of section 7 (as has been done for the other licensing provisions of the Act in sections 6 and 6A) and introduces new disclosure requirements in relation to certain charitable entertainments to which the provision applies. If a speaker or performer at an entertainment is to be paid a fee or commission, or provided with other consideration, of an amount that exceeds, or is likely to exceed, $5 000 (or an amount prescribed by regulation), the licence holder must, on request, disclose the amount. Failure to comply with the provision is an offence punishable by a Division 6 fine. In addition new disclosure requirements will apply to advertising for such entertainments and failure to comply with these requirements is an offence by the person conducting the event (punishable by a Division 6 fine).

**6—Amendment of section 12—Conditions of licence etc**

This clause amends section 12 to update the language used in the provision, to give the Minister power to vary licence conditions or add new conditions and to extend the Minister's power to revoke a licence in section 12(4)(b) to a situation where excessive commission has been paid to a person acting in connection with the conduct of an entertainment to which the licence relates.

**7—Substitution of section 15**

This clause inserts new provisions as follows:

**15—Accounts, statements and audit**

This provision sets out the requirements for licensees in relation to accounts and audit, and the provision of accounts and other financial information to the Minister. Failure to comply with the section is an offence punishable by a Division 6 fine. The provision also requires the Minister to publish information received under the provision on a website.

**15A—Appointment of inspectors**

This provision allows the Minister to appoint inspectors for the purposes of the Act and for the inspectors to be provided with identity cards (which must be produced on request).

**15B—Powers of inspectors**

This provision sets out the powers of inspectors.

**15C—False and misleading statements**

This provision makes it an offence to make a false or misleading statement in information provided under the Act (punishable by a Division 6 fine).

**15D—Dishonest, deceptive or misleading conduct**

This provision makes it an offence to act in a dishonest, deceptive or misleading manner in the conduct of an activity that is, or is required to be, authorised by a licence under the Act (punishable by a Division 5 fine or Division 5 imprisonment).

**8—Substitution of section 18**

This clause substitutes new provisions in the principal Act as follows:

**18—Exemptions**

This provision allows the Minister to grant exemptions.

**18A—Immunity of persons engaged in administration of Act**

This provision is consequential to the new provisions on inspectors and provides for immunity from personal liability for persons engaged in the administration of the Act (with liability instead lying against the Crown).

**18B—Service of notices etc**

This provision sets out the manner in which notices and other documents may be served under the Act.

**18C—Evidentiary**

This provision provides an evidentiary presumption in relation to certain matters alleged in a complaint.

**Schedule 1—Statute law revision amendment of *Collections for Charitable Purposes Act 1939***

The Schedule makes various amendments of a statute law revision nature to the principal Act.

**The Hon. J.S.L. DAWKINS** secured the adjournment of the debate.

*[Sitting suspended from 6 to 7.48 p.m.]*

## APPROPRIATION BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 566.)

**The Hon. CAROLINE SCHAEFER:** As always in the case of this government, this budget is full of empty promises. Next week, I will have been a member of the Legislative Council for 14 years, and this is by far the most arrogant government under which I have had the misfortune to serve. Not only is it prepared to fool the public with its empty promises in this budget but it is also prepared to fudge any proper scrutiny within the estimates process. I must say that I am pleased to now be on the Budget and Finance Committee of this council, where it is becoming evident from questioning just two departments that the government has no idea as to how it can possibly effect the savings which it has factored into its budget. As I have said, it has arrogantly fudged any examination and has fooled the people of South Australia.

As an example, I remind members of the incredible action of the Treasurer, who simply closed one session of the estimates committee because he deemed that the opposition had exhausted its questions. The opposition did not know that it had exhausted its questions, but he said that the questions were trivial, so that was that; he simply closed down a session—and the government wonders why we consider it to be arrogant.

I, personally, have endured the same kind of arrogance from ministers in this place, in particular the Hon. Gail Gago. Try as I have, she has spent hours trivialising and giving non-answers to my questions on the Great Artesian Basin bore rehabilitation scheme or, rather, the lack thereof. I am not sure whether she knows where the Great Artesian Basin is, or where the bores are. She almost certainly does not appreciate their contribution to the economy and, in this case, to the ecology of the state. She does not seem to understand the fact that many gigalitres of water are wasted from uncapped and leaking bores. But, if there is some horrible accident and one of those bores blows when there is a busload of tourists nearby, she will not be able to say that she was not warned.

I have tried on a number of occasions to explain to the minister that funding for the rehabilitation of these bores is in three five-year lots. We are now in the middle of the second round. The third one was announced by Prime Minister Howard in his 10-year national water plan. That is what is currently being negotiated—not, as she says, the second tranche which we are about half-way through. Current funding should go until 2009, but there is no—and I repeat, no—funding in this budget and no funding in forward estimates until 2009. South Australia has no matching funding in this budget until 2009, in spite of the fact that Howard's plan is to match any funding put up by this government dollar for dollar.

The minister has also continued to tell us in this place that the bores are being audited. Auditing of those bores finished between two and three years ago, so the government already knows what needs to be done. The government has negotiated with the property owners, and most of that was done in either 2003 or 2004. So, when the minister stands up in this place and tells us that there are officers out there inspecting the bores and assessing what needs to be done, she too is arrogantly fudging her answers. The commonwealth has the money and is willing to provide it; the state has to match it. The state also has to sign off on a water allocation plan in that area before it can engage property owners to do their part in looking after the uncontrolled bores. Yet, in spite of that water allocation plan having been finished over 12 months ago, it has not been signed off on. So, while it may seem an insignificant matter for those who live in the city and are part of this city-centric government, it is a priority for the people who live in that area and, more importantly, it is a priority for the ecology of the state.

One of the many issues that concern me within this budget is the obvious cost shifting that is being indulged in. The most obvious of these cost shifting measures is the government's refusal to properly fund natural resource management boards, continuing to foist additional duties on those boards without putting in its share of the funding. We all now know of the increases in NRM levies of up to 370 per cent in one year—and that is just to cover costs. I know of no NRM board where the state government contribution now even covers the administration costs, let alone assisting with any on-ground works.

Last week we heard of yet another impost on the NRM boards: they and local government will now be required to have much more input into native vegetation clearance applications. In fact, many of the smaller decisions will be left to be taken by local government alone, or at local level between NRM boards and local government. I am not averse to that—I think it is good policy—but nowhere does the minister mention funding to help defray costs. There must be some savings from shifting these costs out of the department, so where are the savings going?

Local government is also this government's scapegoat. Local government is now reeling from a doubling of the waste disposal levy. It is left with no choice, in many cases, but to massively increase its rates and suffer the ire of

ratepayers; anger that should be levelled at this arrogant government which uses smoke and mirrors to deceive the public. As the mayor of the Tumby Bay council said last week, 'The Rann government is hiding new taxes in council rates.' At the same time, the EPA budget has gone from $9.4 million to $4.3 million.

Another issue I have raised on many occasions is the lack of funding for outback and country roads. We all know that the backlog now is $400 million in incomplete and or not done road maintenance. The government has allocated $23.5 million for roads damaged by floods earlier this year. However, I am unable to find out in any detail where that money will be spent.

In fact, in estimates, the Hon. Patrick Conlon said, 'This year's state budget has allocated $23.5 million which is money to repair both sealed and unsealed roads damaged by flooding earlier this year.' That is in addition, he says, to the $6 million already provided in 2006-07. However, I think that, if he reads his budget papers, that $6 million actually comes out of the $23.5 million, so it has already been spent.

In another estimates question the Hon. Rory McEwen was asked about disaster funding because there had been massive loss of private property including hundreds of kilometres of fencing. I know of one property owner alone who lost 73 head of cattle, at approximately $1 000 a head. There has been massive loss of private property. However, when asked whether the government had applied for disaster funding—and I might add that certainly the people up there were told that the government was going to apply for disaster funding—Mr McEwen said that disaster funding is retrospective. I can assure you that if it is retrospective—that is, if the government is compensated for what it has spent on disaster funding—we will not get any because it has not spent any.

I also need to mention, as the Hon. Bernie Finnigan has said, the government's entire priority of the proposed $123 million hospital by 2016. Whether we think it is a good idea or a bad idea, by 2016 the government's plan is to have wound country health back to four regional hospitals and the rest will have such limited funding and limited ability to service their communities that they will be little more than aged care homes.

Certainly, the government has already given us notice that it intends to take the autonomy and authority of local hospital boards away from country communities. While it might sound wonderful to upgrade Port Lincoln, Mount Gambier and Port Pirie—I cannot remember the fourth regional hospital to be upgraded—I remind people that, if they live at Ceduna, Streaky Bay, Kimba, Orroroo or any of those sorts of places, they will have at least a three-hour drive one way to access these wonderful new super hospitals. I am particularly sceptical about how much service country people will have from the new health scheme.

As usual (and I have been saying this now ever since this government got in), there is no emphasis on rural or regional South Australia. There is no funding for rural and regional South Australia. Agriculture, Food and Fisheries is now the most junior portfolio within the Rann government, in spite of the fact that primary industries are still the greatest exporter and this state is still dependent on primary industries' funding for the greater part of its income. The government has forgotten that because, as I keep repeating, it is the most arrogant government we have had—possibly in history.

**The Hon. J. GAZZOLA** secured the adjournment of the debate.

## MURRAY-DARLING BASIN (AMENDING AGREEMENT) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 24 July. Page 454.)

**The Hon. CAROLINE SCHAEFER:** The opposition will be supporting this bill. The background to the bill is that on 24 June 1992 the commonwealth, Victorian, New South Wales and South Australian governments agreed to the current Murray-Darling Basin Agreement. The purpose of that agreement was to promote and coordinate effective planning and management for the equitable, efficient and sustainable use of the water, land and other environmental resources of the Murray-Darling Basin. On 14 July 2006 the Murray-Darling Basin Agreement Amending Agreement was signed at COAG. This will amend the Murray-Darling Basin Agreement in three ways: it will facilitate improved business practices for the commission's water business (that is, the River Murray water); it will clarify the original agreement in the matter of limiting Queensland's liability; and it will correct a minor typographical error to the basin salinity management schedule.

Business reforms which are inherent to apply COAG's water reforms principle have been limited by the Murray-Darling Basin Agreement. Since 1998 the Murray-Darling Ministerial Council has, each year, approved a cost-sharing agreement between New South Wales, Victoria and South Australia based on the usage of the river. This amendment will specifically allow for:

- the establishment and management of a long-term renewals annuity fund to provide for capital renewals and major cyclic maintenance;
- the commission, with the ministerial council's approval, to undertake borrowings for certain purposes—specifically, capital renewals and major cyclic maintenance;
- the ministerial council to reassign the management of critical infrastructure between the relevant state governments; and
- the ministerial council to vary cost-sharing arrangements for periods of up to five years and to establish new thresholds from time to time for financial levels of works and measures requiring approval of the commission or the ministerial council rather than the current annual arrangement.

Queensland became party to the Murray-Darling Basin Agreement on the proviso that it would only be liable for works and measures with which it is directly involved, and this bill will clear up any ambiguity in regard to Queensland's responsibilities. This is an administrative bill. We see it as a practical amendment and support the legislation.

**The Hon. G.E. GAGO (Minister for Environment and Conservation):** I thank honourable members for their support of this bill. As the Hon. Caroline Schaefer has stated, the bill affects the Murray-Darling Basin Agreement in three ways: it facilitates improved business practices; clarifies the original agreement in the matter of limiting Queensland's liability; and attaches supplementary details and makes a minor typographical correction to schedule C of the agreement. They are mainly administrative in nature and not controversial.

Each government in the Murray-Darling Basin initiative is now in the process of taking a bill to their respective parlia-

ments for the adoption of the amending agreement before it formally comes into force. The legislation is passed in Victoria and the bill has been introduced into federal parliament. South Australia and New South Wales are both intending to introduce this measure in the current session of parliament.

It is important to progress the bill through parliament, despite any potential change to the governance arrangements in the Murray-Darling Basin as a result of the National Plan for Water Security. Even if all states were to sign up to the national plan and put in place legislation in the next 12 months—and that is a big 'if'—a transitional period would still be required. Therefore, these amendments need to be progressed. I thank members for their support and, hopefully, we can pass this bill through the committee stage expeditiously.

Bill read a second time and taken through its remaining stages.

## ENVIRONMENT PROTECTION (SITE CONTAMINATION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 25 July. Page 487.)

**The Hon. A.L. EVANS:** I rise to indicate Family First support for the second reading of this bill. Family First is keen to ensure that our houses and other building developments are safe for our children and free from contamination. We are also attracted to the proposition that those who cause contamination should be the ones responsible for cleaning it up. The current Environment Protection Act 1993 has insufficient powers to deal with land contaminated before 1995 and, broadly, this bill remedies that deficiency. The bill provides extra powers to the EPA to serve site assessment orders and to order the persons responsible for contaminating sites to remedy those sites and surrounding land.

The bill also allows the transfer of risk from prior pollution from vendor to purchaser, enabling people to 'buy' pollution the same way schemes to buy carbon pollution are currently being discussed. As the Hon. Nick Xenophon noted last week, this bill will no doubt assist in the remediation of sites like Port Stanvac and help remedy situations such as those at the discussed development at Bowden and many other locations around the state.

Family First obtains legal advice on all proposed bills, which in this case has resulted in some concern about the practical operation of clause 103C, which provides that the person causing the contamination is responsible for cleaning it up. This is deemed to be the occupier at the time. We would imagine that, in many cases where pollution occurred long ago, that person may be very difficult to locate and it may also be difficult to prove when the pollution occurred on the land and the level of responsibility. Remediation of the land can often be very expensive, and I note from EPA explanatory reports for this bill a case where $2.2 million was spent on remediation of a former sulphuric acid plant and a case where $7.75 million was spent on remediation of land with nine metre deep pugholes.

There is also a case in this report where $550 000 was spent on remediation of former residential land where white ant treatment had been used in the past. In cases where it is too difficult to locate or charge the cause of pollution, the bill simply transfers the liability to the current owner, pursuant to clause 103C(3). I can imagine many long court cases in the future as to who is responsible for the costs. In response to this concern, we are aware that Western Australia has set up a contamination sites management fund, although such a fund is not proposed in the bill before us today.

I note the submissions of Business SA in relation to this bill as part of the stakeholders consultation process. They had the same concern and made the insightful comment that pollution is not an isolated act occurring at one point of time. Pollution can remain ongoing, even when activity on a site has ceased. The land can be occupied by several people or businesses at once. Submissions from the Local Government Association contained a similar concern.

As I understand it, the earlier version of this bill sheeted home liability to the owner of the land, which would ignore cases of pollution by those leasing or otherwise occupying the land. That would have been even more concerning. I note from the most recent draft of the bill that the responsibility is sheeted home more appropriately to the occupier, but certain questions still remain. I ask the minister, when we reach committee, to address how in practice the government proposes to track down those responsible for pollution which may have occurred years previously. Further, I would appreciate the minister addressing whether an increased burden on our already burdened court system is envisaged.

Further, this is retrospective legislation, and I am sure that there may be cases where a person or corporation has bought contaminated land on the understanding that it was contaminated and envisaging that they would pay for the remediation. Does this retrospective legislation now mean that they may be able to sheet back the responsibility (perhaps to the person who sold the land to them) and profit from an unexpected windfall?

Proposed section 103F allows for a determination on this issue, but again I envisage a number of arguments as to whether or not the land was sold with the knowledge of the presence of what is defined in limiting terms as 'chemical substances'. Family First would appreciate an answer to these questions in committee. I reinforce that we are in agreement with the principles of the legislation. This bill brings South Australia into line with other states, and Family First supports its second reading.

**The Hon. B.V. FINNIGAN** secured the adjournment of the debate.

## OCCUPATIONAL HEALTH, SAFETY AND WELFARE (PENALTIES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 26 July. Page 510.)

**The Hon. M. PARNELL:** The Greens support this legislation, which increases maximum penalties for corporations that breach their responsibilities towards workers. The bill also creates a new offence of reckless endangerment and clarifies the extent of corporate and corporate officer liability. As a young person I spent most of my summer holidays in my late teenage years working in metal manufacturing plants in Melbourne, principally in aluminium extrusions. That showed me how dangerous a workplace could be. The walls of this factory were covered in quite gruesome posters featuring injured workers: men with files protruding from their hands and heads swathed in bloody bandages. My co-workers even told me of a colleague who was scalped when an extruded die shattered under pressure. The photos on the

wall of the factory were very much a shock and awe approach to workplace safety.

After spending some three summer holidays in that workplace, I then went to university where I studied occupational health, safety and welfare law under Breen Creighton, who quite literally wrote the book on this topic, and continues to do so, most recently with the release of the third edition of *Occupational Health and Safety Law in Victoria* published by Federation Press. The one thing that I remember from Breen Creighton's classes 25 years ago was the simple principle that all industrial accidents are preventable, and that the role of the law is to create the framework of rights and responsibilities that help to make that objective a reality. In theory we could wrap every worker in cotton wool, but in reality we accept that more practical measures are needed to make workplaces as safe as possible.

There is obviously a role for educating and training both employers and employees, but there is also a role for the criminal law to deter and punish those whose behaviour is not up to the expected community standard. That is largely what this bill is about. It brings the criminal penalties more closely into line with community standards and expectations, particularly as most states have already revised their penalties. The Law Society had some concerns about this bill. As I understand its submission, the Law Society takes the view that increasing the penalties will not of itself make workplaces safer. The Law Society submission states:

> It is the society's view that the incidence of injury in the workplace is much more likely to be reduced by the provision of further and better inspection of workplaces, better training and further education of all sectors of the workforce.

I would agree with that. Of course, we need to do those things, but I think that there is still a role for criminal law to play a deterrent role.

From the submissions that I have received from industry, it appears that it too would prefer to not have the increase in penalties; however, it is probably fair to say that most employers accept that these increases are likely. At the end of the day, the increases in penalties have not been as controversial as other aspects of the bill. In particular, the main controversy in the bill is the replacement of the aggravated offence provisions in section 59 with the new offence of endangering persons in workplaces. Certainly, new section 59 changes the criteria for a successful conviction for this most serious of offences. However, it should be noted that the section it replaces had such a high standard of proof as to be practically unworkable. As I understand it, and I think the minister said this in the second reading explanation, no-one has ever been convicted under the current section 59.

We will no doubt debate new section 59 in more detail in committee, and I note on file amendments from the Hons Caroline Schaefer, Sandra Kanck and Ann Bressington. I think two of those touch on section 59. I would like to put on the record now that I am generally supportive of an offence provision in this act that does not require proof of the offenders' state of mind or that they knowingly contravened the act and were recklessly indifferent to the consequences. So I support making the offence more workable.

I would also like to say that I appreciated the briefing that I was given by the minister's office and also the communications that I received from the Engineering Employers Association, the Law Society, Business SA, the Motor Trades Association and various trade unionists. I support the second reading of the bill.

**The Hon. A.M. BRESSINGTON:** There are a number of aspects of this bill that concern me, not the least of which appears to be an inconsistency between what I am advised is the intent of the bill and the actual content of the bill itself. I am advised that the bill seeks to ensure greater employer accountability, secure greater conviction rates for breaches of occupational health, safety and welfare laws by rogue employers, and trebles the penalties for breaches of occupational health, safety and welfare.

On 6 September 2006 the Minister for Industrial Relations (Hon. Michael Wright) expressed the government's concern over 'the level of penalties for criminal breaches by bodies corporate under the Occupational Health, Safety and Welfare Act.' He later adds—very importantly, I might add—that, 'I am advised that a significant number of the submissions received did not support the introduction of an offence of industrial manslaughter.'

In regard to the aggravated offence provision under section 59 of the act, both employee and employer submissions, as well as one legal submission, supported a review of this section and the establishment of an offence which included the concepts of reckless endangerment and/or reckless indifference. The advisory committee also recommended to me that, instead of an offence of industrial manslaughter, section 59 of the act should be repealed and replaced with a reckless endangerment provision. The bill will also include the tripling of penalties for safety breaches in the workplace by corporations.

However, the government briefing provided to my staff through SafeWork SA failed to provide vitally important information and adequate justification for this bill and, as I will explain, employees already before the courts are experiencing far greater penalties for looking at a lawyer so as to cause them to feel intimidated than a rogue employer will incur for seriously flouting occupational health, safety and welfare laws. We are told conviction rates are poor and that, therefore, we need to fix the legislation. However, the Department of Administrative and Information Services' (DAIS) own annual reports for the past five years show that there is not an insignificant number of private and corporate businesses that are in fact paying sizeable penalties for occupational health, safety and welfare breaches.

The briefing advised that of 20 000 inspections a year and over 2 000 investigations only about 100 cases go before the courts. That would suggest a greater problem with regulatory practices rather than court conviction outcomes. However, on my reading of the annual report, not all investigations recorded are necessarily about occupational health, safety and welfare breaches but may also include underpayment of wages.

It is important also to add that, of the investigations in 2005-06, over 3 500 improvement notices and over 620 prohibition notices were issued. In 2005-06 alone, WorkSafe SA secured 51 convictions with 48 recorded under the Occupational Health, Safety and Welfare Act 1986. The average amount paid out by employers for occupational health, safety and welfare breaches was over $22 900. Furthermore, my research suggested that, of all the convictions secured in the past five years, none was against any government departments. We have unprecedented calls for the establishment of an independent commission against crime and corruption and a misconduct commission or similar.

By the constituents who have contacted my office, I am told that no-one who has actually tried to secure protections

under the Whistleblowers Protection Act 1993 has ever actually been afforded that privilege or that right, nor am I aware, despite my best inquiries, that any persons who have contacted my office with concerns about bullying within the public sector have had the satisfaction of seeing that rogue employer taken to task. Furthermore, injured workers who have contacted my office with appalling stories of their treatment within the WorkCover system point out a number of issues that cause me to question this bill as forming even part of the solution to the overall problems of non-enforcement of occupational health, safety and welfare laws.

WorkCover absolutely indemnifies all employers by absorbing the employer's liability under a no-fault system. It does not purport to do the same where employees are involved. Additionally, injured workers have no recourse under common law, which was abolished in the early 1990s. Where injured workers may themselves have been able to sue employers for occupational health, safety and welfare breaches and receive direct compensation for injuries and losses sustained, that is no longer an avenue of recourse in South Australia as it is in other states. Meanwhile, my advice is that, even in the event of a death, the family of an injured worker may be lucky to receive $80 000, assuming that this is not eroded through legal fees, claim management expenses, surveillance fees, etc, through years of ensuing legal battles in which many injured workers or families may find themselves.

With this scenario, the $22 900 average penalty by comparison is not so insignificant at all. Examples of the penalties awarded by the courts include:

- $12 000 for a hand injury in which the employer pleaded guilty;
- $16 000 for exposure to the risk of injury, not an actual injury sustained;
- $44 000 for a death as a result of carbon monoxide poisoning, where the employer pleaded guilty;
- $35 000 for a hand injury, in which the employer pleaded not guilty;
- $19 600 for an index finger caught in a door, where the employer pleaded guilty;
- $68 000 for an injured worker after a dump truck rolled, where the employer pleaded guilty; and
- $60 000 for a fatal injury whilst casting a fishing net, where the employer pleaded guilty.

Injured workers, however, report that they never see moneys paid in penalties for occupational health, safety and welfare breaches by their employers and often do not even get their full entitlements under WorkCover. For an injured worker to receive $22 900 for a finger injury would be almost unheard of. Rather, injured workers commonly report that WorkCover colludes with rogue employers so as to shift liability and take the focus off those rogue employers who may have been engaged in what WorkCover has described, via its own newsletters, as a cottage industry whereby employers can earn bonus incentives and other awards for evading their liabilities.

As an example of how WorkCover has sought to offset this cost to the scheme, the fraud investigation section of WorkCover informed a public meeting of rehabilitation consultants some years ago that, 'therefore, WorkCover would cease to insure persons with intellectual, physical and mental disabilities under the scheme.' In the context of this bill I ask: in view of the horrific treatment that injured workers have been getting at the hands of insurers and their agents, what will change in the manner in which occupational health, safety and welfare is regulated and enforced, given that occupational health, safety and welfare has not been properly regulated for decades? We know that legislation alone will not change the culture or intent of such bodies responsible for regulating employers or enforcing compliance with occupational health, safety and welfare.

As it reads, the bill also allows, by virtue of its ambiguities, for ordinary, unwitting employees to become scapegoats of forces far greater than themselves. For example, an employee can be held personally liable even though the employer is not found guilty of an offence. This bill states so quite clearly. There is no reciprocal level playing field for an employee wrongfully accused to counter-sue the employer or mount a reasonable defence when up against the resources of corporations, including WorkCover or other insurers. So, there are few checks and balances in this bill to prevent the shifting of corporate liability in such a fashion. In other words, nothing much would stop a rogue employer from passing the blame onto another junior staff member within a system that is not about detection as much as deterrence. That being the case, I would question WorkCover's role in a case where an employer has acted knowingly and/or recklessly to cause injury or harm.

The member for MacKillop (the shadow spokesperson for industrial relations, Mr Mitch Williams), in the House of Assembly, made the following significant observations on this bill:

> [The bill] proposes to separate the way a body corporate or employees and/or, indeed, officers of a body corporate would be treated under the act from either an employer or a worker who is involved in a business or a workplace governed by a different sort of business arrangement other than a body corporate, and it proposes to change section 59, the aggravated offence provision, to introduce new sections 59A, B, C and D. . . In addition to what I have just said about the act, it provides for imputation of liability for an employee, agent, officer, etc., to the body corporate to which such a person is responsible, and then from the body corporate to an officer of the body corporate; that is, the bill proposes to establish vicarious liability. A cursory glance of the bill and, indeed, the minister's second reading speech suggests that this is quite a simple bill which would not raise too much anxiety. The reality is that nothing could be further from the truth. The bill, particularly as first proposed, proposes significant changes to the principal act.
>
> It quite fascinates me that this government seems to wish to be seen publicly to be at odds with the legal fraternity. At every opportunity it seems to take a swipe at the legal fraternity and talks about them in a generally derogatory manner, yet the government continues to bring legislation to the house which is not based on legal precedent, which ignores established legal principles, and takes no notice of interstate legal experience. This, in my opinion, merely provides for many, many hours of legal argument in our courts and, in fact, presents the veritable lawyers' picnic. As well as doing that, and providing lots of work for the lawyers whom the government would have us believe it does not particularly like, this sort of legislation creates massive uncertainty for business, and I think that is something we should try to avoid in this parliament at all costs. . . Another claim that the government makes is its desire to cut red tape. . . this bill, as well as bringing about legal uncertainty, will massively increase the red tape burden on business in South Australia. Indeed, the bill will oblige business to create a never-ending trail of documentation.

I have taken the opportunity of consulting the several injured workers who also share Mr Williams' concerns, namely, that this bill will feed the legal fraternity with endless debate on where liability starts or ends and how the various sections ought to be interpreted and applied. Let me assure you, Mr President, that injured workers are mortified at the bill's implications for them and the ordinary employee, who may be guilty of nothing more than following lawful corporate instructions.

It is also the case that, if business will have a hard time navigating its way through government red tape, imagine the reciprocal complexity that this will entail for the common injured worker. Injured workers are telling me that this bill introduces a flood of ambiguities which could, at the 'lawyers' picnic', result in the bill's being interpreted so as to impute corporate responsibility up the chain of command, resulting in the corporate boss, who knowingly or recklessly breaches occupational health, safety and welfare laws, accepting corporate responsibility but, in practice, receiving little more than a slap on the wrist via a fine and, in fact, being able to evade liability altogether by passing it down the chain of command, as the liability is not imputed to him within this bill. Employers and employees alike need much greater clarity, security and peace of mind in the workplace than this bill provides. In summary, I would like the government to answer some of the following questions:

- what evidence points to the need for this legislation;
- what actual legal precedence and case studies point to the flaws of vulnerabilities of the present system, that is, by court file numbers, so that I can read those judgments and transcripts to better appreciate the legal and systematic flaws; and
- what have the courts themselves had to say as to the perceived inability of DAIS to bring about successful and meaningful convictions against rogue employers?

As I have stated, I have concerns about this bill, and I will move a number of amendments in committee. I look forward to the contributions of other members.

**The Hon. SANDRA KANCK:** This bill is relatively short. It is only four pages, but it is actually a significant bill. It does two things: first, it trebles fines. I assume that the fines are being trebled as an incentive for employers to ensure high occupational health and safety standards, but I do note, of course, that it is a stick rather than a carrot approach. I would like to hear from the minister when he sums up the second reading as to how these fines compare with what is in place in other states. The second aspect of this bill is the complete rewrite of section 59 of the act, which deals with what are currently known as aggravated offences and replaces them with the concept of endangerment.

I will read this onto the record so that people who read the *Hansard* know what we are talking about. After the heading 'Offence to endanger persons in workplaces', new section 59(1) provides:

> A person must not knowingly or recklessly act in a manner in, or in relation to, a workplace that may seriously endanger the health or safety of another person.

That word 'recklessly', of course, is interesting because, in recent times, we have seen it in relation to Dr Haneef in Queensland. It does raise some interesting questions as a word. The minister's explanation, however, states:

> 'Reckless endangerment' is a more effective and powerful alternative to 'aggravated offences' and 'industrial manslaughter'.

I take it from that comment that the minister is therefore talking about industrial manslaughter offences in this new section 59(1). However, it is this rewrite of section 59 that is causing concern amongst employers. The representations that have been made to me suggest that the current wording casts the net too widely, catching both serious and less serious offences. I have received correspondence from the Motor Trade Association, the Printing Industries Association, the Engineering Employees Association and Business SA, and all of them in variations of wording have raised their concern about new section 59.

The common phrase from all of them is 'unintended consequences'. There is no doubt that there are employers who do take short cuts and they do need to be brought under control, but a better way might be to appoint more inspectors with the power to conduct more random and unannounced inspections. I do know that my husband, when he was a fitting and machining teacher in TAFE in New South Wales, used to come home with some very hairy stories about the apprentices. It did not happen in his class, but one day in the workshop a student was scalped, and part of the reason for that was failure to keep his hair under a net as required.

It is very difficult. Certainly, my husband found it difficult to enforce these sorts of standards with those apprentices. There is a certain view amongst young employees that they have eternal life, and trying to enforce some of these things is, I think, a real blight for employers. I think we need to take this into account when we have a trebling of fines and a rewrite of section 59. The legislation seems to place the onus of responsibility entirely on the employer. Given some of the wording in this bill, I can understand why employer organisations are not happy.

In my view, the wording as it stands has the potential for it to become a lawyers' picnic. I think a greater precision in the wording of this bill is needed to avoid this, and also to avoid the costly legal fees that would go with it. I will not go into great detail about individual words and phrases, as we will be able to tease it out in the committee stage. I believe that the ACT laws have better wording than this, and I have placed on file an amendment that in many ways replicates the ACT law. At this stage, I indicate my support for the second reading.

**The Hon. B.V. FINNIGAN** secured the adjournment of the debate.

## PUBLIC FINANCE AND AUDIT (CERTIFICATION OF FINANCIAL STATEMENTS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 24 July. Page 436.)

**The Hon. R.I. LUCAS:** I rise on behalf of Liberal members to support the second reading of this modest, entirely unexceptional piece of legislation.

**The Hon. R.D. Lawson:** A modest bill from a modest Treasurer.

**The Hon. R.I. LUCAS:** A modest bill from a modest government, and from a modest Treasurer. It has its genesis in some recommendations from the then auditor-general in his report of some two or three years ago—the 2004-05 audit report. The auditor-general believed that the certification on which chief executives and officers of departments were required to sign off needed to be improved. He believed that there was a difference between the requirements under the Public Finance and Audit Act and newer developments in terms of Australian accounting standards. Indeed, there are some technical differences in relation to the words and requirements for chief executive officers and chief financial officers. Essentially, all this bill does is ensure consistency between this act and current accounting standards.

The second reading explanation notes that the provisions in the act being updated have not been changed since the mid 1980s—some 20 years ago—and gives that as another reason why this bill ought to be supported. As I said, it is a modest piece of legislation. It does not really change much in terms of the requirements of chief executive officers and chief financial officers. Nevertheless, the Liberal Party is prepared to support the speedy passage of the legislation through both houses of parliament.

**The Hon. D.G.E. HOOD:** Family First, too, is happy to support the speedy passage of this bill. As you know, Mr Acting President, the bill seeks to amend the Public Finance and Audit Act to improve the certification of financial statements of government departments and public authorities. I note that the bill arises as a result of the now former auditor-general's recommendation that such a change occur, and I will return to that recommendation in a moment.

In one respect, the essential change is to bring best practice accounting, as presently contained in the accounting policy statements of the Treasurer, into this act to make clear the expectations concerning certification. This is one of the more agreeable aspects of a previous failed bill that included this measure. Adding a presiding officer of a supervisory board of, say, a government authority requires that board to take a direct interest in the statement; and all senior officers will want to be correct because, under this bill, contrary to the present act, a maximum $5 000 fine will apply if they are found to intentionally, or recklessly, provide a non-compliance certificate.

The allegations of impropriety concerning the justice department were raised in the other place. I do wonder whether even the facts of that case, which I think remain in dispute, would have been strong enough to record a conviction under the section, as worded, but that is a moot point, really. In essence, I am saying that I think the government has struck the right balance with the offence provision because, clearly, some element of actual intent or recklessness is necessary to succeed in a prosecution. A mere oversight will not suffice, as the former chief executive officer of the justice department claimed in her evidence to the Economic and Finance Committee on 23 December 2004, when she said:

> . . . as far as I was aware, the finances as they were presented to me complied with all of the Audit Act and accounting standards.

This appropriately worded penalty clause will cause law abiding citizens to be ultra careful to ensure that they know what the accounting statements say and, therefore, that they are accurate. I might add that I am not seeking to reopen old wounds in raising the justice department case. I use that case because it was mentioned in the debate in the other place as a case in point—and, indeed, it could not be missed in the Auditor-General's Report as one of his key reasons for making the recommendation encapsulated in this bill.

I think the Auditor-General, in his 2004-05 report, also outlined quite well the underlying reason for the change we see in this bill. He said:

> Public sector employees are required to serve governments of any political persuasion and must not knowingly and intentionally frustrate the implementation of the legitimate policy goals of the government of the day.
>
> This is an issue that transcends the party political process and goes to the values that underpin the system of government in this state. It is not for public sector employees to arrogate unto themselves the right to override a legitimate policy directive by a proper authority and seek to circumvent a specific policy requirement. Notwithstanding the fact that it may be considered that a particular policy requirement creates difficulties, where there is no physical and practical impossibility of compliance, it is, in my opinion, the duty of public sector employees to act in accordance with the policy directives.

In that light, I can see why there appears to be bipartisan support for this bill. A government of any persuasion would be horrified to discover that public servants are acting contrary to the policy direction chosen by the government. Sure, a public servant might complain to a friend, who then talks to the opposition, for example, but that is arguably of lesser concern than when it comes to frustrating in the millions of dollars the spending decisions set out in the state budget. A government is elected to govern and is answerable for the way in which the Public Service conducts itself. A government is therefore entitled to have confidence in the financial reports submitted by its chief executives, CFOs, and chairpersons of boards—and, of course, that applies to any government of any particular day; otherwise, as I recall one member of the government saying during the justice department debate, you create the potential for a so-called *Yes, Minister* culture, where public servants are making the decisions and wielding the power, not the members elected by the public.

Another related benefit of having carefully scrutinised records at the top level is that the proper auditing is then enforced down through the structure of a government body to the individual service and project areas. This then ensures that what is reported at the chief executive officer level is an accurate indication of what is going on throughout the department or authority. It therefore enables the top-level management to scrutinise middle management to ensure that they are not running their own private empires within the Public Service. The top level management is entitled to be direct about such matters, as their own criminal record is potentially on the line.

Before I conclude, I want to quickly place on the record a question for the minister. Will the minister advise whether there is a potential duplication between the offence section in this bill and any other section of the criminal law? If possible, we would like that issue clarified during the minister's summing up of the second reading. Having said all that, and as members may by now have surmised, Family First supports this bill, and we look forward to its speedy passage through the council.

**The Hon. P. HOLLOWAY (Minister for Police):** I thank the Hon. Rob Lucas and the Hon. Dennis Hood for their indications of support for this bill. If the Hon. Dennis Hood is happy for me to provide him with an answer to his question at a later date, we can proceed to the committee stage. I will ensure that the honourable member gets a response to his question about duplication. Obviously, that is something we will need a legal opinion on. I thank honourable members for their support for this bill.

Bill read a second time and taken through its remaining stages.

## ADJOURNMENT

At 8.51 p.m. the council adjourned until Wednesday 1 August 2007 at 2.15 p.m.