LEGISLATIVE COUNCIL

Thursday 18 October 2007

The PRESIDENT (Hon. R.K. Sneath) took the chair at 11:02 and read prayers.

STANDING ORDERS SUSPENSION

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (11:02): I move:

That standing orders be so far suspended as to enable petitions, the tabling of papers and question time to be taken into consideration at 14:15.

Motion carried.

DEVELOPMENT (REGULATED TREES) AMENDMENT BILL

In committee.

(Continued from 11 September 2007. Page 645.)

Clause 4.

The Hon. P. HOLLOWAY: I would like to make some general comments. I have been extremely disappointed with some of the media comment about this regulated trees bill that has been going out, particularly some of the comments that have been attributed to the Hon. Ms Kanck and others, because I believe they have greatly distorted what this bill is really all about. This bill seeks to find a balance in relation to trees. Trees have always been a difficult issue, and I have made the comment on numerous occasions in the past that I do not believe anyone could say that the current legislation has been working well. We see every day where people criticise decisions made when some significant trees are cut down. At the same time, I receive numerous complaints from members of the public, particularly in the more densely settled suburbs, where people went to their nursery 20 or 30 years ago and brought back a tree that turns out to be totally inappropriate; that their house is cracking due to the planting of inappropriate trees.

There are complaints about the delays and the cost involved with getting development approval to remove trees that people themselves planted inappropriately some years ago. Indeed, what really annoys me are some of the comments that have been attributed to some members of this place that somehow or other this bill is purely designed to protect developers; in fact, nothing could be further from the truth. Indeed, property developers do not support this legislation because of measures such as the 'make good' orders. A prominent developer who, I think, might be running for office in one of the federal seats for the Liberal Party at the moment has had his problems with tree removals in the Mount Barker area. Of course, what happens with a lot of developers in that position is that they just cut down the trees and basically challenge councils and other development authorities to take action.

This bill will enable people to make good orders so that, if developers or other individuals cut down a significant tree in defiance of the Development Act—in other words, if they do not have the appropriate approval—there is the capacity, through these make-good orders, to ensure that they pay an appropriate penalty for ignoring the act. This bill will also set up an urban trees fund so that money that is used to pay for the development assessment in relation to the trees can go to planting new trees in more appropriate locations. There is also a third arm of that in that this bill provides additional protection to those trees that might be less than a significant size; in other words, less than two metres in girth and a metre above the ground, which is the criteria we have used. The example that is often given is the grey box trees, particularly in the Mitcham Hills area. Those trees are not protected under the current act, but they will be brought in under this legislation.

So, in those three significant ways, trees will be given greater protection. However, at the same time, as part of the balance under this legislation, we are also intending to make it easier for the people concerned (particularly in our western and northern suburbs) have inappropriately planted trees. They may have gone to the Belair Nursery and picked out a lemon-scented gum or some fast-growing species, and 20 or 30 years later it is cracking their house. They have been told by some councils, which I believe have inappropriately interpreted the laws passed by this parliament (and the courts have, indeed, in some cases backed that up)—not with the backing of the Development Act, but because of their policies—to pay hundreds of dollars in getting approvals even though the fact of whether or not a tree is healthy is irrelevant. If it has been inappropriately

placed and it is cracking a house, it should be a structural engineer, not an arborist, who does it. That is what this legislation sought to do; it sought to get a balance.

On the one hand, we could exempt a number of species from the act which create problems—and I will give a list of them in a moment; it has been supplied to the opposition. At the same time, there was also protection for a lot of our indigenous species, particularly river red gums. Because there has been a lot of misinformation about this bill, many people are now complaining about the destruction of some river red gums by developers. In fact, this legislation would provide some teeth for dealing with those issues. This bill has been so misrepresented in debate recently that I accept that we have reached the stage now where we really need to take a vote on it. If it is not carried by parliament, so be it. However, I can say that the government will be forthright in reminding the public of South Australia what our bill was trying to do and what problems it was trying to solve. If it is defeated, we will certainly be letting people know that the solution to many of the problems we face will not be available if this measure is not passed by the parliament.

When we last discussed this bill, the opposition wanted to ask some questions about regulations. During the intervening two weeks we have supplied to the opposition some information about the regulations. As I indicated, we cannot provide the full set of regulations at this stage, because we do not know what this bill will look like in its final form. I think, in the interests of debate, I can at least point out what the regulations might look like in relation to the sorts of trees that might be exempted: I think that is an important point.

The preparation of the regulations associated with the proclamation of any regulated trees amendment act would need to be undertaken in consultation with the LGA once the structure of the amendment act, as passed by parliament, is known. In the meantime, some current options include the following: for exemptions the regulations could address (a) the exemption from the need to gain approval to remove any regulated tree located within 3 metres of specified classes of building or structures—for example, dwellings or swimming pools; and (b) the exemption from the need to gain approval for the following species of trees unless otherwise prescribed or listed as a significant tree in the development plan.

I can give some examples of those: Argonus flexuosa or willow myrtle; the tree of heaven; the narrow-leafed ash; the desert ash; Norfolk Island hibiscus; giant honey-myrtle; bracelet honey-myrtle; prickly-leafed paperbark; olive trees, of course; Aleppo pines; willows, which, of course, are being cut down all over the place from rivers; the crack willow; the white crack willow; basket willow; the golden weeping willow; and the Athel pine, or tamarisk. In addition, it is likely that regulations could exempt the following trees in prescribed council areas, for example: *Pinus radiata* in the Adelaide Hills council and other council areas as requested.

That is the sort of thing the government will be looking at in this tree legislation: exempting those species. Members might recall that when this bill was first moved by the Hon. Diana Laidlaw back in 2001, the requirement in relation to a significant tree was not just the size of the tree, but it also had to contribute to the amenity of the area and had to be significant in terms of the contribution to biodiversity. Of course, I think it was understood by all of us who were in parliament at the time debating that bill that it was a way of providing that some of these trees (such as olive trees, Athel pines and Mediterranean pines and the like which are, in fact, declared as weed species in many respects in the Hills areas) should not be protected. It was never envisaged in the original legislation that those trees should be protected, but some councils have, in fact, taken it that way. One of the proposals under this bill was that these species could be exempted.

In addition, the regulations could address the matter of the species of trees in question being subject to gaining approval prior to removal, even though they may not meet the 2-metre circumference criteria. An example I have already given is the grey box trees with appropriate lower circumference thresholds in prescribed areas of the Mitcham Hills and any other areas requested by other councils. In summary, the regulations will involve introduced species, fast-growing species—almost pest species in many ways—where you would exempt them from the operations of the regulated trees act. You would also include some trees that are very significant to biodiversity but do not grow to such a large size.

The regulations could also address the matter of requiring the replacement of two trees, or whatever number, for every regulated tree approved to be removed. It could require the replacement of four trees for every significant tree removed; it could require the payment of a certain fee for every replacement tree not planted as part of an approval to remove a regulated tree; that is, if no replacement trees are planted then the contribution to the Urban Tree Fund could be, say, $300 for every regulated tree; and you could require the payment of a sum for every

replacement tree not planted as part of an approval to remove a significant tree. For example, if no replacement trees are planted the contribution to the Urban Tree Fund could be a certain figure for every significant tree. These were the matters that were going to be addressed by regulation. As that was raised when we last debated this, I think I should at least put it on the record.

I have received a significant amount of correspondence on this matter; some of it, of course, was based on misinformation. I also received some correspondence from people such as the Chairperson of the South Australian Society of Aboriculture, who wrote to a number of people, myself included. It says:

> Recent email correspondence distributed by one-of SASA's—

the South Australian Society of Aboriculture—

> members, Mr Alan Cameron, was presented as if it represented the views and opinions of the society. This was not the case. The South Australian Society of Aboriculture in no way condones or supports the personal views expressed by Mr Cameron in a number of flyers he recently emailed in relation to the proposed amendments to the significant tree legislation. He chose to act independently, sending out correspondence without the prior approval and contrary to directions of the executive committee. The South Australian Society of Aboriculture is dedicated to promoting greater public tree awareness and improving urban tree management for a better environment. We appreciate the support of many different groups across South Australia and wish to provide our ongoing support and involvement to ensure improvements to the significant tree legislation occur. Please accept my apologies on behalf of all members of the Society for any offence that may have been taken in relation to these flyers.

As I said, there was a lot of information. I have also received a significant amount of correspondence from people who are living in Adelaide's suburbs. These people are not developers. They have had enormous problems under this act. They have been slugged significant amounts of money because they themselves in most cases planted inappropriate trees which have grown too big and cracked their houses. The issue is not whether or not the tree is healthy but whether it should have been planted there in the first place.

Whether this bill is defeated, withdrawn or whatever here today, those issues will still remain as will, of course, the case of us protecting those century old river red gums that are removed, in many cases inappropriately, by developers. Those situations exist under the current laws and they will continue to remain so. In the almost 12 months that this legislation has been around, there has been significant consultation and there have been significant amendments. I have done my best to try to get the right balance to deal with these conflicting issues. But, if it is not the will of this parliament to deal with that, so be it, but I again make the point that those issues will not go away.

The Hon. D.W. RIDGWAY: I would like to respond to some of the comments made by the Leader of the Government in relation to this bill, and in particular the opposition's request for a copy of the regulations and the proposed exempt trees list when the committee last met. We received the list at the time and the minister read from it, although the information that was given to me at the time of that meeting was that it was not a complete list but an indicative list. So, there may well be some other trees to be put on that list. I thank the minister's staff for making that available, because it gives us a little more clarity.

However, the opposition is of the view that this piece of legislation has become increasingly more cumbersome and more difficult to manage, and that all this possibly could have been done purely by regulation. It is the will of the minister to identify the trees that will be exempt. As the minister mentioned, people who have planted trees—and we always hear of the lemon scented gum that was handed out by some councils to help beautify their particular suburbs—in inappropriate places, surely that is a simple matter that can be handled by regulation. Those types of inappropriate plantings can be removed. An almost bureaucratic nightmare is starting to evolve with this piece of legislation.

We then raised some concerns with the Urban Trees Fund, such as how do you value a tree? At one stage I spoke to the Hon. Mark Parnell about how you value a tree, and he may well want to correct this when he gets a chance to speak. A tree is a structure eight foot high with a couple of holes in it so birds can nest in it. If you take out an old tree that has nesting cavities for birds and you put a structure back up that has cavities in it for birds to nest in, that is what it will cost to replace it. The minister indicated that perhaps a $300 payment might be made to the Urban Trees Fund.

The opposition has a whole range of concerns about the Urban Trees Fund: will councils set them up, will the money be used appropriately and what happens to the Urban Trees Fund? What happens if a bushfire goes through and burns the trees that are planted on a piece of land by a council and funded by the Urban Trees Fund? Will they be replaced? Who will maintain them?

We know the cost of labour. These days, all our costs are going up. Is $300 for a tree an appropriate amount of money? The opposition believes that this is a very cumbersome way of dealing with this issue and it does not, in many cases, reflect the true value of a tree.

We have areas in Adelaide with urban infill, and it is probably not appropriate to debate that issue. But, where you have an old dwelling on a large block of land, by removing a large, old tree you can get urban infill that the community might want. Some communities do not want it. Some people who have lived in a particular community all their life would like to grow old there. I can give examples where a very large, old tree has been removed to create 10 or 12 townhouses or units that elderly people of our community can live in. Now, how do you put a value on a tree like that, which provides an opportunity for 10 or a dozen elderly South Australian citizens to live in their own environment and grow old in their own community, bearing in mind that you may have had to cut down a large old river red gum? How do you put a value on that? Certainly it has to be worth a lot more than $300, but this legislation does not address how you value those trees. They are the concerns we have: the make good orders and the access across other people's properties.

I know from discussions we had with the minister's advisers that they believe the make good orders are sensible and reasonable, but when you look at the legislation you see that it gives people access across others people's property. Somebody could cut down a tree, build a shed on the property, sell it, and the new owner would have to pull down the shed and replant the tree. It has become extremely cumbersome and, like the minister, I have had a deal of correspondence from people at both ends of the debate. The people who want to save trees are quite passionate that this is not the right framework to achieve what they are after, and the property development industry has been complaining to us. In the bill's present form the opposition believes that the minister can do most of what they have attempted to achieve purely by regulation, and we do not intend to support the bill.

The Hon. M. PARNELL: I accept that this is a difficult exercise, one of balancing competing interests and priorities. We have significant tree legislation because the balance was never properly struck in the past; it was open slather for chopping down trees in urban areas. The existing regime is flawed in a number of areas and the minister has pointed out some of what one might call the unintended consequences, yet I am not convinced that by making an easier path for the person wanting to chop down the inappropriately located river red gum we do not also potentially lose other important trees through a system that is not sensitive enough to the importance of large trees in the urban environment. We need a new system, but for reasons outlined in my second reading contribution I do not think this is the system.

The minister says that it is not appropriate or possible to provide us with indicative regulations until we know the shape of the bill. I do not accept that. In this situation we are talking about a regime that consists of primary legislation and delegated legislation. It would have been appropriate for the government to provide indicative regulations as part of the package of measures. It may well be that having seen those indicative regulations some of the concerns in the community might have been assuaged, but I am not convinced. For example, one of the indicative regulations the minister has just referred to was that perhaps the list of exemptions might include trees within 3 metres of structures. The problem I have with that is that those structures were probably put in place with no regard for the tree that was there before it. The tree was not a factor in allowing the structure to go in. If we were to have a blanket rule that says that you do not need permission and do not need to pay any money if the tree is within 3 metres of a structure, that is a recipe for the structure always winning, however inappropriate it might have been to put that structure there in the first place. The shed, swimming pool or house always wins.

If we read the decisions of the Environment, Resources and Development Court, where it has had to deal with disputes over significant trees, you will often get very sympathetic words from the judges or commissioners, where they say that a stately tree effectively has been dealt the death of a thousand cuts by the encroachment of development around it. When decisions were made to approve those individual developments, the tree was not taken into account and ultimately the tree becomes unviable in its location as it is in conflict with those buildings. I cannot accept a system that is as unforgiving as one that says that the tree always loses, the building always wins. Philosophically it is the wrong way to go about it. Having accepted that the current system is inadequate and that reform is needed, I have had to think through whether it is my job as a member of the crossbenches to go back to the drawing board and redesign the government's significant tree regime. I do not think it is my job. Many years ago Commissioner Hutchings was engaged to review this, and I made a submission, as did many other South Australians, as to how

we thought the system should work, and my submission was not the bill before us. I do not think it is the way to go.

The Hon. David Ridgway referred to a conversation he and I had some time ago about the value of a tree, and he has fairly faithfully recounted it. It was in relation to Tasmanian forests from memory, where they were trying to work out the value of trees. Someone said that, if the environmental value of the tree is that it provides a nesting hollow for three parrots and a possum, you can put a steel pole in the ground and put a few nesting boxes on it, which will cost a few hundred dollars, and that is the value of the tree. Clearly that is nonsense because the trees we are talking about in the urban environment may have habitat value, but it is probably more likely to be the amenity value, the landscape value of the tree. It is difficult to put a price on it.

The feature of this legislation that has most concerned me, when it comes to the money side of things and putting a value on trees, is that if we are trying to cut the arborists out of the equation, and if the value of a tree is to be less than an arborist's report, then we are artificially and unreasonably devaluing the real worth of these significant trees. In trying to find a way forward a number of us, including the Hons Russell Wortley, Michelle Lensink and others, informally on the ERD Committee have talked about whether it would be possible for us to look at this bill and whether a reference to that committee would be appropriate. I am not in a position to speak for the committee, but around the table informally there was some sympathy for the fact that we might be able to do something with this legislation.

If the government is not minded to put such a request in of the Environment, Resources and Development Committee, similar to the Hon. David Ridgway I find myself in the position that I cannot support this legislation. I invite the government to go back to the drawing board and to try again to get the balance right. I will support measures that allow for inappropriately planted trees to be removed. I do not want to stand in the way of that happening. I do not want to do that in a way which puts other vegetation at risk and which does not strike a proper balance between protecting our urban tree heritage and the needs of the development industry.

The Hon. SANDRA KANCK: I began consulting assorted groups before this legislation was even introduced. I have had three or four rounds of consultation with these groups, which include the Conservation Council of South Australia, the South Australian Society of Aboriculturists, the National Trust, Save our Suburbs, the Local Government Aboricultural Group, and the Tea Tree Gully Region Environmental Alliance. They all say that we are better off with the current state of play than with this bill. How is it that, according to the minister, so many groups out there on the ground feel this way yet the minister says they are wrong? Their view is that trees have intrinsic value. The trees, or the representatives of the trees, should not have to prove that they have intrinsic value—yet that is what this bill requires. It ought to be the other way around: those who want to remove trees should have to prove that they lack those values.

I mentioned earlier that of the various groups with whom I have consulted only one of them (Salisbury council) came out in support of the legislation. I put on record other groups that have contacted me and indicated their disapproval of the bill: Mitcham council, Friends of the Little Corella and the Willunga Creeks Project Incorporated. In addition, a number of local government councillors, not representing their council, have indicated their opposition to this bill. The only good things that they have had to say about the bill are the urban trees fund provision and the 'make good' orders. I invite the minister to withdraw this bill and reintroduce a bill that includes just those two things. They would be positives.

Let us look at where we are at present. We have a bill that is six pages long, with 15½ pages of amendments filed at this point, half of which have come from the minister himself. Surely, the minister must recognise that there is something significantly wrong with this bill when we have something like two to three times the number of pages in the bill appearing as amendments. Part of the problem that has faced the government is its unwillingness to provide us with any of the draft regulations.

That has been a factor for the various groups I have mentioned that oppose the bill. When we have gone through the bill clause by clause, and even some of the minister's amendments, they have expressed their great concern that they do not know what it is they are letting themselves in for, when the bill or the amendments say that the detail will be in the regulations. I think the best thing for the minister to do is to completely withdraw this bill, take it right off the *Notice Paper* because it is so flawed and start again.

The Hon. A. BRESSINGTON: I indicate that I will not be supporting the bill. I will not go into a big spiel about it, but I concur with the comments of the Hons Mark Parnell and Sandra

Kanck. It is far too easy for us to negate the value of trees in our communities. As the Hon. Sandra Kanck said, the onus should be on the residents and people who want to remove trees to prove those trees do not have any value. I will not support the bill.

The Hon. G.E. GAGO: It is clear that the government does not have support for this bill. It is disappointing, but it is quite obvious that we do not have support for the bill; we do not have the numbers. Rather than waste the time of the chamber, the government will withdraw the bill from this session of parliament and see whether there is any potential to renegotiate amendments and reconsider its drafting.

Progress reported; committee to sit again.

TOBACCO PRODUCTS REGULATION (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 25 September 2007. Page 718.)

The Hon. SANDRA KANCK (11:37): The Democrats welcome the government's move, which is seeking to remove tobacco from customer loyalty and incentive schemes. With the large supermarket chains now owning alcohol retail stores and fuel outlets, customers (I do not think necessarily knowingly) are seeking the reward of discount fuel through their grocery and alcohol purchases. Smoking product purchases are already exempt from such discounts in Queensland.

With peak oil price increases and shortages that are to come soon, the reality is that consumers will seek to reduce the cost of fuel. It is an easy market for the large retail giants to target, and they are doing that. Certainly, they are able to mould consumer behaviour with the inducements. I, for one, shop at Foodland and then, in turn, take my docket to the Liberty service stations, which are independent, rather than supporting the multinationals. However, I do not think that most consumers are as discerning as that.

Given that, for many people (about 20 per cent of consumers), tobacco forms a part of their grocery bills, it leads to the purchase of tobacco giving them a discount on their fuel price. I do not see any justification for giving people a reward for consuming this drug. The other aspect of this legislation is vending machines. They have been a bone of contention, as far as the Democrats are concerned, within the tobacco products regulation laws for some time, and I look forward to a time when they will be a relic of a bygone era. So, from that perspective, this bill is a step in the right direction.

While I have the opportunity, I once again remind members of previous and current bills that I have introduced in regard to tobacco products, which were not supported by this government. There was the Tobacco Products (Clean Air Zones) Amendment Bill—and, in relation to that, I should mention that I have been writing to local government, because the state government says that it is not its responsibility, and getting its feedback. Many of the local government entities in this state are saying that they do not believe it should be their responsibility; that it should be state government responsibility.

I have a private member's bill at the moment, the Tobacco Products Regulation (Indirect Orders) Amendment Bill, which seeks to remove internet ordering and other forms of tobacco sales in South Australia, and I indicate that this bill, delightfully named as it is—the Tobacco Products Regulation (Miscellaneous) Amendment Bill—is so perfectly entitled that it will allow me to take what is in that private member's bill and move it as an amendment to this bill. So, I indicate that, when we reach the committee stage, that is what I will be doing and, therefore, I will be seeking the support of members to strengthen this government bill. Until that time, I indicate Democrat support for the second reading.

Debate adjourned on motion of the Hon. I.K. Hunter.

RAIL SAFETY BILL

Adjourned debate on second reading.

(Continued from 26 September. Page 809.)

The Hon. J.S.L. DAWKINS (11:45): I rise to support this bill on behalf of Liberal members, and do so in my capacity as Parliamentary Secretary to the Liberal leader for State Infrastructure Plans. First, I would like to acknowledge the work done in relation to this bill by the member for Morphett, in another place, and his two part-time research staff, who have done a particularly good job in researching what is a significant bill. While not as large as the Legal

Practitioners Bill which came into this council last night—and I think any of us who have looked at that see it as a very large bill—the Rail Safety Bill is still a large document of 105 pages with 158 clauses and 39 model regulations as attachments. So, it is a significant bill.

The government has introduced the Rail Safety Bill 2007 which repeals the Rail Safety Act 1996 and implements the National Rail Safety Bill 2006, developed by the National Transport Commission in consultation with rail organisations—including the Australasian Railway Association and the Rail, Tram and Bus Industry Union as well as rail safety regulators across Australia. The bill aims to provide for the safe carrying out of railway operations and the management of risk associated with those operations, and promote public confidence in rail transport. It is unanimously approved by the transport ministers through the Australian Transport Council, and it is part of the process to implement a nationally consistent framework for the regulation of rail safety across the national rail network over the next five years.

Rail operators and infrastructure managers are required to gain accreditation from the state or territory rail safety regulator before they may operate in that jurisdiction. This will improve national consistency of rail safety regulation, reflect contemporary developments and improve safety outcomes. When one looks at the number of accredited railway organisations in South Australia, it is interesting to note that there are some 45—including organisations as widely varied as TransAdelaide, OneSteel Manufacturing, the Limestone Coast Railway, Gypsum Resources and a lot of others. The need to have accreditation in South Australia is something we all agree on, and this bill certainly goes a long way towards making that accreditation nationally recognised. The bill will:

- contribute to improved rail and workplace safety as well as protect existing rail infrastructure;
- clarify the criteria for and purpose of accreditation;
- strengthen the requirements for rail transport operators' safety management systems and consultation requirements;
- allow for approval of compliance codes;
- enhance audit and enforcement powers and options;
- improve existing review mechanisms; and
- provide for better sharing and reporting of data and information regarding rail incidents and accidents.

South Australia's existing legislative position in relation to independent inquiries into rail accidents or incidents, and provisions relating to drug and alcohol offences and testing, will be retained. The bill introduces consistency with the Road Traffic Act by introducing a new offence of having a prescribed drug in one's oral fluid or blood while carrying out rail safety work, and provides for a rail safety worker to be required to submit to a drug or alcohol test following an accident or incident. The bill also allows for a range of local minor variations; the detail of these is probably too great to go into now but they are seen as being relevant to rail safety. While this bill does not specifically apply to rail crossings, the issue of rail crossing safety is being discussed by federal and state governments and specific legislation, either stand-alone or amendments to this legislation, will be introduced once agreed upon. This is expected to be completed in early to mid-2008.

I would like to raise one other matter. An email was sent to the office of Dr McFetridge, the member for Morphett in another place, in relation to this bill and I would be grateful if the minister would bring back a response to this in the committee stage. The email asks about tramline and rail safety accreditation, and queries whether minister Conlon and Mr Hook, from the department, had gone through the proper rail safety accreditation processes to build a tramline. I wonder whether the minister would put the explanation of that on the record. My understanding is that the tramline was overseen by TransAdelaide and that TransAdelaide has accreditation, but it would be good to have that on the record.

I would like to take the opportunity to make some general observations about rail safety and rail transport, and rail passenger transport in particular. There has been considerable attention in recent times to derailments, whether they happen in other parts of this country or, quite recently, not very far from this building one afternoon, and I think the Hon. Mr Hunter was well aware of that situation as it was occurring. Of course, those matters are of concern to all of us.

Another matter is the publicity given to issues like doors on passenger trains not closing. As I say, we are concerned about those matters, but I would like to put those things into perspective with a little bit of personal history. As a young secondary student in 1969 and 1970 I travelled up and down the Gawler rail line for those two years and spent a lot of time on what were the old Red Hen trains. It is interesting that we now complain about doors opening while we are travelling, yet in those days everybody used to leave the doors open to get some air into the train. That was the only way of getting any air in, because often the windows were jammed.

The Hon. Carmel Zollo interjecting:

The Hon. J.S.L. DAWKINS: I wouldn't go too far with that, Carmel. Again, in the mid to late 1980s, when I was working part-time for Mr Neil Andrew and he still had his Wakefield electoral office in the city at that stage, I spent quite a bit of time travelling on the train and, in the mid 1990s when I was working for Alexander Downer in the Hills once a week, instead of driving up through the Hills I would catch a train into Adelaide and a bus up to Stirling. So, I spent quite a bit of time travelling on the train and, since my election to this place, I have used the train quite regularly. In fact, this week I have used trains as varied as the 6:40 a.m. from Gawler Central and the 9:50 p.m. train from Adelaide to Gawler Central. That gives you the experience of seeing the range of people who use our rail passenger service and the way in which that service is administered, and the behaviour of people in general is very good.

I am pleased to say that, particularly since former minister for transport Hon. Diana Laidlaw introduced customer service officers and security personnel to trains after 7 p.m., the number of people using the train services in the evening has increased enormously. When I first came here the trains were running up and down at night time with very few people on them but now, even with the 9:50 train on which I went home last night, a large number of people are using the train.

I think we need, however, to talk about some other aspects. Of course, we have the 2000 and 3000 series trains, which are a great improvement on the old Red Hen, but those trains themselves have been in service for a significant period of time. Obviously, there has been the incidence of doors not closing and other matters, but I am concerned about the amount of overcrowding we see on the trains. On some days, by the time some of the morning express trains that leave Gawler Central get to the Gawler station they are almost full. That is ridiculous, given that even those express trains then go on to pick up people at Smithfield, Elizabeth, Salisbury, Mawson Lakes and other places.

To my eyes, the overcrowding situation came to a head during the recent royal show week. The planning for services that week and the number of carriages provided on those services were very poor. A large number of people were travelling by train to the Adelaide Railway Station and using the excellent express service that goes out to the showgrounds, and there were several examples that week—certainly on the Gawler line but I know also on other lines—where ridiculous numbers of people were standing without any opportunity to hang onto anything as they were travelling. In fact, one morning I was on a train that was supposed to be an express train, but an announcement came that, because the train in front was completely full, the train I was on had to stop at other stations to pick up the overflow of people. That is unfortunate, and I am sure TransAdelaide can do some work to rectify that, particularly for the next royal show week.

Some might say that the cleanliness of trains is not a safety factor, but I certainly think that more work could be done in relation to the cleanliness of trains. It is almost impossible to see out of the windows of many of the carriages. In the case of the recent derailment, the first thing a lot of people wanted to do was to look out of the window to see what was happening. In many cases, you cannot see a jolly thing through those windows. Another thing that amused me the other day in relation to the cleanliness of the trains was that a lady who is vision impaired boarded the 6.40 a.m. train at Gawler Central, and she was very careful to make sure that her seeing eye dog did not lick the floor of the train because she was concerned about what it might pick up—

The Hon. R.I. Lucas interjecting:

The Hon. J.S.L. DAWKINS: That's right. I am just making a point. I know there are cleaners and I know they do as good a job as they can, but probably more work could be done in that area. No-one in this place would be surprised to know that I feel very strongly that there should be an extension of the passenger rail line into the Barossa Valley. There are many people who drive from the Barossa Valley to the Gawler Central station or other stations in Gawler to catch the train to Adelaide. When I was a young lad, one of the express trains coming down from Gawler originated from Angaston, another from Robertstown and, although it was on a different line, there

were passenger trains that joined in with the main line at Salisbury that originated at the metropolis of Bowmans.

If you talk to people around Mallala, Two Wells and Virginia, many of them travelled to school or to work on a train line from Bowmans, going down through Mallala, Two Wells and Virginia. It is a great shame that we do not have that facility any more. Regardless of the Minister for Transport saying that it would be too costly to upgrade the track, the reality is that that track from Gawler out into the Barossa Valley and Angaston does carry very heavy stone trains every day. In my mind, if those tracks can carry those stone trains, they can carry passengers. I think the government should seriously look at that, particularly given the proposed changes to the urban growth boundary to the east of Gawler.

We heard much in the last budget about the upgrade of the sleepers on some of the lines in the Adelaide rail network, but a very minimal amount of money has been budgeted for the Gawler line and, in my view, that is a great pity because the lateness of trains is increasing. I heard the comment from TransAdelaide the other day that very few trains run late. My own personal observation is that very few trains ever arrive on time. If I choose to travel by train on a Tuesday morning now that we have 8 o'clock party room meetings, I should be able to catch the 7.04 train from Gawler, which is scheduled to get to the Adelaide Railway Station at 7.47. However, the unreliability of that train arriving at 7.47 means that I need to catch the 6.40, which stops at every station. The train is supposed to arrive at the Adelaide Railway Station at 7.41, and the other day it was five minutes late, and I thought that was a bonus. I think that is something we need to look at. I compliment the government and the developers for the addition of the Mawson Lakes station, which is very well used, but I think the time it is taking for every train to stop at Mawson Lakes has not been factored in very well.

One other matter that I want raise in relation to safety on passenger rail is the public address system in the trains. Some are very good and are used well by the drivers, and the drivers give excellent information about the stations they are approaching and also about any other matters. Certainly, the one I mentioned earlier, where the express train had to become a 'stop at all stations' train, we all knew about that because the driver let us know, and I think people are happy about that. However, there are cases where the PA system either does not work or is used very poorly by the drivers, and I think that is something that should be addressed.

The Hon. Sandra Kanck: When you can't see out of the windows, you need that.

The Hon. J.S.L. DAWKINS: Indeed. If you are in an aeroplane, train carriage or a bus and you are in the hands of other people who are transporting you, it is nice to know the best information about what is happening. If that happens, you do not get situations where people panic. I am concerned about the fact that, if you have a situation where the train is very full and there are lots of people standing and a situation happens and people are not aware of what is happening, you do get panic and people are hurt in those situations.

I do want to reiterate that I am a great supporter of public transport. I recognise that there are great costs involved in running public transport. However, I do urge the government to think more about some of the factors I have raised here in relation to rail transport in particular, because I think that the safer people are in using rail the more people we will get to use rail transport. It would certainly be a great advantage to have fewer people driving their car. With those words, on behalf of the Liberal opposition, I am very happy to support the bill.

Debate adjourned on motion of the Hon. I.K. Hunter.

ELECTRICITY (FEED-IN SCHEME—RESIDENTIAL SOLAR SYSTEMS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 26 September 2007. Page 795.)

The Hon. C.V. SCHAEFER (12:08): This bill has been dealt with in another place and I will merely reiterate the views of my colleague in the House of Assembly, the shadow minister, Mr Mitch Williams. However, all members of the Liberal Party in the upper house and, I would imagine, all other members (other than the government) were circulated a letter from Mr Hurrell of Port Noarlunga South. I think it is worth commenting on that letter, in which he writes:

I have just signed up for a bank of solar panels, hoping to leave a smaller carbon footprint on our planet. Reality says, however, that this is costing us more than it should. By 'investing' in solar power, I am forgoing $1,120 a year (8 per cent interest on $14,000) in order to save $400 (half my power bill), a loss of over $700 a year. This sounds a rather poor investment. Now I've heard that 'this year' legislation will be brought in to make AGL and Origin

pay 44c per kW/hr for any solar generated power 'exported' to them, but so far no firm date for this to happen has been announced.

This is the part that I want noted:

> I'm assured by a Government office that the bill is waiting for Legislative Council assent. If this is so, what is the holdup? By now you should know whether you are for the proposal or not. If solar energy makes sense I would think it is your duty to agree to any measure that will accelerate the installation of more and more solar energy systems. Therefore, I look forward to hearing of the bill passing through the Legislative Council in the very near future.

That is the sort of misleading information that is being peddled by government officers at the moment in an effort to make the Legislative Council look recalcitrant, slow and lazy. This bill actually arrived here on 26 September; we then rose for two weeks and so this is the first opportunity the Legislative Council has had to deal with this piece of legislation. This man has been deliberately misled by a government office. I do not know who did it but I think whoever it was should either ring or write to Mr Hurrell and point out the error of their ways.

Having said that, I note that this bill does, indeed, allow for a 44¢ rebate to those who are connected to the grid through their own photovoltaic solar system. Mr Williams pointed out at some length in another place that the Liberal Party believes that this is nothing more than a political stunt; it will not do what it purports to do; it will not reduce greenhouse gases; and it will not materially change the consumption, generation or supply of power to South Australians. Mr Hurrell's letter suggests that AGL and Origin have been forced into this deal; however, in his second reading speech, the minister says the retailers will take the opportunity to participate in the scheme and said:

> Two electricity retailers, AGL and Origin, are already offering their customers a net-metering arrangement.

It seems to me, in this case at least, that the energy retailers are quite agreeable to this arrangement. It is to be of five years' duration and will be reviewed in order to assess how effective the scheme has been and to accommodate the changing environment, as it may be in five years' time. In his second reading speech the minister also says that, regardless of the commencement date, the scheme will conclude on 30 June 2013. As I have said, the Liberal Party will not be opposing this bill. However, we remain sceptical as to how effective it is and, in fact, it may well be yet another publicity stunt. Having said that, it sounds good, looks good, so we will not be opposing it.

The Hon. SANDRA KANCK (12:13): The Democrats welcome this bill but we see it as being only a start. It has been a few years now since my party began campaigning for a decent rate of return for householders who feed sustainable energy into the electricity grid. When I am talking about sustainable energy, I am particularly talking about solar and wind. People who generate their own electricity from sustainable sources deserve this because they are actively installing either photovoltaic cells (which I will refer to as PV cells in the future) or small wind turbines. It is something that costs them, yet they are producing a benefit for our society and our environment. They are reducing their demand for electricity from the grid; electricity which, in the main, is powered by non-renewable fossil fuels with greenhouse gases as a by-product.

There are a number of benefits that come from this: first, if enough people were to do it we could subvert the need for a new fossil-fuelled power station; secondly, it reduces the draw-down on non-renewable fuels; and, thirdly, it reduces greenhouse gas emissions. I was, therefore, quite surprised to read the *Hansard* contributions of the shadow minister, Mitch Williams, who could not see a justification for those with household PV systems getting a rate twice that of mainstream domestic consumers. The bill proposes to pay 40¢ per kilowatt hour for electricity that is fed back into the grid, which is estimated to be approximately twice the amount charged for electricity for consumers over the five-year period that this act will be enforced. I refer to the latest newsletter of the Alternative Technology Association, appropriately titled *The Sun*, which states:

> Whilst it is encouraging to see the first feed-in mechanism introduced in Australia, the proposal is disappointing to say the least and will not do a great deal to increase the adoption of renewable energy in that state. In contrast, a private member's bill proposed in the ACT looks set to introduce a far more progressive scheme. The proposal is for a feed-in tariff of 3.88 times the retail rate paid for 18 years on gross production—

and I stress that—gross production—and I will get to that in a minute—

> for all renewable energy systems up to 10 kilowatts.

So, it is all renewable energy systems up to 10 kilowatts. This one excludes the smaller ones. The newsletter continues:

Victoria has passed legislation requiring all electricity retailers to publicly disclose fair and reasonable price, terms and conditions for the grid connection of all small-scale renewable energy systems and is proposing a mandated feed-in tariff to follow.

I think it is important that, as we are in a sense setting the tone for other states, what we have is solid. I am not convinced that it really is. Nevertheless, just for once, the environmentally conscious consumer might get a cross subsidy from those who use the electricity in a profligate manner. Although I will not be able to benefit from the scheme because mine is too small, I will not feel at all bad about cross subsidising other household consumers who have done the right thing by installing a domestic grid-connected system.

In relation to the issue of costs and who pays, the minister's explanation is lacking in information about who is paying for what. I would like some information from the minister either at the second reading summing up or I can question him some more at the committee stage about the cost of this scheme. It will be a retailer who pays the actual dollars to the consumer who has the domestic PV system installed, but who will pay for the metering costs? Does ETSA have any administration or management costs arising out of the system, and what costs are there for the retailers who participate in the scheme?

Again, because of the lack of information in the minister's explanation, I seek clarification about the application of this bill once it becomes law. Retailers will not be obliged to participate is the way I read it, which means that the domestic electricity producer might have to change their retailer. If my PV system was large enough and I wanted to participate in this, although I am with a retailer that offers the green energy rate, I would need to change. I would also like to know whether retailers who offer a feed-in tariff to domestic PV electricity producers are obliged to offer it at 44¢. Can they offer a higher or a lower rate?

Another limitation of this bill is that it provides only for PV systems, with wind power systems excluded. I was told at my briefing on the bill that this was because there was not yet a meter available for domestic wind energy production, but this is not the case. A new meter called Windy Boy—as opposed to Sunny Boy that is used for PV metering—has just been introduced into the Australian market. In light of this, I ask the minister whether he would consider amending the bill so that it could apply to wind systems at the domestic level. If the minister is not prepared to amend the bill to include wind power, does he anticipate that there will be a separate bill for domestic consumers feeding wind power into the grid?

I also note the comments made in the House of Assembly about payback periods. This is always something that has perplexed me. As members know, I drive a Toyota Prius, and I am occasionally asked what the payback period is. It is a very strange question. I went to the Toyota website to check the price range of the Toyota four-wheel drives and SUVs. They range in price from $63,000 to $94,000 compared to the price range of $38,000 to $47,000 for the Prius, yet I have never heard anyone ask the driver of a four-wheel-drive vehicle or an SUV what the payback period is for their car. Obviously, there never would be and, in fact, there is a huge cost to the environment.

When someone buys a plasma TV, which costs about five times the price of a standard TV set and uses about four times the amount of energy, no one asks them what the payback period is. In the days of public ownership of ETSA—paid for, of course, by the taxpayer—no one asked Tom Playford what the payback period would be. There is no real logic to asking this of people who are doing the right thing in outlaying their own money in the first instance so as to reduce fossil fuel and our ecological footprints.

I mentioned the issue of gross metering versus net metering. Looking at this issue of the sun, the ACT's proposal is for a feed-in tariff of 3.88 times the retail rate paid for for 18 years on gross production. The difference between having gross or net metering is that net metering only measures the electricity that is fed into the grid. There are many people who would argue that because people who have these systems are making the contribution I mentioned before—that is, not putting demand for having another power station built, not putting demand for fossil fuels and not putting those extra greenhouse gases in the air—they should be rewarded for all of the power that they create.

Unfortunately, that is not the case. I will not be able to benefit from my small PV system because it provides only for the lights in my house. What that system does is reduce the demand for electricity for my husband and me from fossil fuel greenhouse gas producing sources by 200 Kilowatt hours per annum, which equates to about 3 megajoules of fossil fuel energy that is no longer required. Because of those sorts of positive impacts that result from the use of ecologically-friendly sources such as PV, the Business Council for Sustainable Energy has advocated a rate of

approximately five times the going domestic tariff. On that basis, factoring in the real benefits, the rate that ought to be offered in this bill would be five times 22¢.

It is a bill that could have gone a lot further. It is a cost-neutral activity for the government, so I do not think there is any justice for claiming this as part of any environmental credentials of the government. Meanwhile, it will continue to give millions of dollars of subsidies for car races, which spectacularly squander precious fossil fuels. This is a fair to middling start on this matter of giving a decent reward to people who are attempting to reduce their impact on the planet. I indicate Democrats support for the second reading.

The Hon. M. PARNELL (12:24): The Greens support this legislation because the need to address climate change is urgent. In fact, it is the major issue of our time. While the current federal election campaign will range over all the usual issues of education, health and transport, one would have to be not paying attention at all not to realise that climate change is there in the policies and statements of all the players. As I say, it is the major issue of our time. The main difficulty I have with this legislation is not its subject matter—which we support—but the fact that it is a very cautious step. In fact, it might be described as a baby step. It belies the urgency we face in dealing with climate change. As the Hon. Sandra Kanck said, this legislation could and should have gone much further.

The Greens are supporting the bill, but I have a number of questions which I will put on the record shortly; and, depending on the response to those questions, we may have amendments to improve this baby step to a toddler step. One of the myths that we need to explode is the myth that South Australia is a renewable energy leader. We often hear statistics quoted about the proportion of wind power that is physically present in South Australia compared with other states. We also need to realise that the proportion of homes in South Australia that have a solar hot water service is only 3.2 per cent. I recently received some email correspondence, which included some observations of visiting secondary students from Europe.

One of their observations was how surprised they were that we did not have solar on every roof. They could not understand how in a country like Australia, in particular a city like Adelaide with its climate, every house did not have a solar hot water service. If one looks at the proportion of total energy used in South Australia that is provided by solar power, one will find that it is 0.0006 per cent of our total energy. It is a minuscule amount of energy that we derive directly from solar power. Our overall use of energy and our demand for energy is increasing year after year.

Not that long ago we debated legislation in this place to deal with climate change. I was critical then—and remain critical—of this government's so-called mandatory renewable energy target in the climate change bill. I was critical because it is not mandatory. The bill contains no real or clear mechanism of how we will meet that target. I am also concerned that in this state we are not meeting our fair share of effort. We are not paying our way. In fact, we are sponging off other states, in particular New South Wales. We will see new renewable energy projects appearing in South Australia that have been driven by the New South Wales renewable energy target, yet political leaders will take credit in this state saying that it is due to South Australian policy. It will not be: it will be due to New South Wales policy.

One problem that we have in using all the market-based and other mechanisms available to us is that we have broken up the electricity system. The generation is now separate from the distribution and the wholesaling and the retailing, and it is very hard to drive positive change for climate change reasons when the system is broken up as it is. For example, there are issues with demand management and peak purchasing issues, where we have to expensively buy energy on those hot summer days when the prices are peaking. We have issues such as marketing for retailers in relation to green energy. We have problems with transmission and distribution infrastructure and our capacity to offset the creation of new infrastructure.

All these things are important and they are part of the policy mix for reducing our greenhouse gas emissions, yet because of the fragmented system it is difficult for us to do it. Members would have heard stories from the United States where energy companies, in fact, made more money by paying people to use less energy because it did offset the need for new infrastructure. However, the feed-in laws and the feed-in tariff in this bill is welcomed as an important policy tool, albeit a first step, and we know that this works well overseas. One advantage, of course, is that it supports the renewable energy industry. It supports the jobs in that industry: the jobs in the manufacture or importation and, certainly, the installation of solar panels. At the end of the day, it is being driven by a desire to reduce greenhouse gas emissions, and that is a good thing.

In the briefing that I had on this bill I was told that the setting of the initial price of 44¢ per kilowatt hour (which is roughly twice the retail price of electricity) was largely a political decision. My question of the government is: rather than it being a political or a pragmatic decision, why was it not based on science? Why was it not based on the need to meet clear greenhouse gas reduction targets, for example? I am a big fan of interfering in markets, and we already interfere with the market in electricity—for example, we have the postage stamp pricing, where you pay the same for your electricity whether you are at one end of the grid or another.

The Hon. S.G. Wade interjecting:

The Hon. M. PARNELL: As the Hon. Stephen Wade pointed out, we have similar policies in relation to water. So, it is not a free market but a manipulated market and, for the reason that we need to reduce our greenhouse gas emissions, we need to manipulate that market even further. In terms of some specific questions that I have in relation to the bill, first, I am interested in the scope of the scheme; the length of time that the scheme is to operate. The government's discussion paper, entitled 'South Australia's feed-in mechanism for residential small-scale solar photovoltaic installations', states the following (on page 5):

> The long-term stability and security of the German feed-in program [which is 20 years] and a generous payment regime that ensures photovoltaic investment is profitable, all contribute to the success of the scheme.

This scheme that we are debating today is only a five-year scheme and the payment is not as generous as the German scheme. My question is: why not? If the government's discussion paper sings the praises of a more generous and longer scheme operating in Germany, why can we not have that scheme here in South Australia? It is a 20-year scheme in Germany and Canada, and the scheme is indefinite in its duration in Spain. I refer honourable members to a discussion paper entitled 'Tariff implications for the value of PV to residential customers'.

This paper was produced by the Centre for Energy and Environmental Markets at the University of New South Wales and BP Solar Australia. The abstract to that report states, 'The appropriate tariff for PV in Australia may need to start at around 85¢ per kilowatt hour and decrease over 15 years.' What we are looking at here is 44¢ per kilowatt hour. I was interested to hear the Hon. Sandra Kanck's contribution, when she talked about an appropriate tariff being in the vicinity of four times the market rate-even up to five times, I think she said. That is similar to what the University of New South Wales and BP Solar are saying that we need. The tariff implications paper goes on to state:

> If the cost is spread across all residential and commercial users it would add less than 2 per cent to electricity bills yet could result in the Australian PV Industry Roadmap target of 350 megawatts installed capacity by the year 2010.

The questions that arise from that for the government are why the rate of 44¢ has been set as it has: why is it not higher? Also, why do we not extend the scheme to small commercial customers as well? You may, for example, have a situation where a person at their home does not have the facility to install PV, but perhaps at their shop they do have the facility, and they want to do it because it is the right thing to do. Why can we not include small business in this as well?

Another question I have—in fact, probably the most important question—is that, if this legislation is designed as a greenhouse gas reduction measure, what is the anticipated reduction in greenhouse gases that will flow from this bill? I asked this question of the officials who provided the briefing, and I would appreciate the minister's response in his second reading conclusion. I also want to know how much the government believes this legislation will drive the uptake of solar panels in South Australia. Surely the government must have some indication of the number of households likely to be influenced by the incentive of this feeder tariff, and we would like to know what government research indicates the take-up rate will be.

I would briefly like to challenge the idea of cost-shifting, which was given to us as one of the reasons not to increase the feed-in tariff—in particular, the price. I refer to the same government discussion paper to which I referred earlier, which states that in Germany the monthly extra cost per household due to feed-in tariffs of solar electricity was less than €0.30. It seems to me that there is no massive cost-shifting taking place when the extra monthly cost is such a small amount. The Australian government, in its 2004 Energy White Paper *Securing Australia's Energy Future* made the following statement:

> As a form of distributed generation, solar energy can reduce the need for transmission and distribution infrastructure—something not fully attributed in the market. Peak output from solar energy often coincides with peaks in demand for electricity, generally hot days with high air-conditioner use. Wholesale prices for electricity in these periods can be 100 times the average.

In fact, you can go onto the web and look at the spot prices on hot days to see how high the price of electricity actually goes. The South Australian discussion paper argues:

> It is likely that PV systems make some contribution to reducing the impacts on the electricity system but well short of their full capacity.

The Greens believe that the benefit of greater distributed household level PV generation on infrastructure, and the reduced necessity to buy wholesale electricity when the price is peaking, has not been fully reflected in the proposed tariff in this bill, and we ask the government to further investigate the tariff in light of those comments. So, the question is whether the government will provide us with more information on the impacts they think this legislation will have on other residential customers—in particular, the price of electricity—and to what extent the benefits of PV have been used to offset that cost. It is my suspicion that the government has been overly conservative in its estimations. The South Australian government discussion paper also says:

> By contrast, householders could offset the cost of a feed-in mechanism by installing a single compact fluorescent light bulb, which would reduce household electricity costs by around $6 per annum.

If that is all that is needed—a single compact fluorescent light globe—to offset the cost of the feed-in mechanism, it begs the question: why not get households to put in two compact fluorescent light globes and then we can increase the tariff? Of course, it can carry that argument forward with three, four or five; in some cases, people have installed those energy-saving light globes right throughout their homes. It seems to me that if it is such a powerful tool to promote energy then surely it is something we should be embracing more and for which we should be giving greater incentive. I also ask the government to clarify the issue of renewable energy certificates and their relationship to this legislation, because the government's feed-in law discussion paper states:

> Retailers may also be able to on-sell this electricity at a premium outside of the national GreenPower accreditation scheme. It should be noted that the feed-in mechanism is not intended to require PV owners to surrender their RECs [renewable energy certificates] to participate. The REC effectively separates the 'green' from the 'energy' and PV owners will remain free to assign their RECs in whatever way secures the maximum return for them. Presently, it is understood that RECs have greater value in the GreenPower™ program than in satisfying [mandatory renewable energy target] observations.

The importance of that is that we can get into the area of double counting. When you start double counting you start misleading the community. I think I have mentioned in this place before the case of the desalination plant in Western Australia which claimed it was being fuelled by renewable energy when in fact the renewable energy certificates for that generation facility were held elsewhere. So, I ask the government to clarify exactly how retailers can on-sell the energy outside the national GreenPower accreditation scheme.

It is also important to note that, once the RECs have been sold, householders can no longer claim that they run on green electricity, because they have sold the right to claim that green electricity to someone else. So, whilst you might have a solar hot water service or PV panels on your roof, if you have sold those renewable energy certificates you can no longer claim that that is yours, yet people would, because the physical infrastructure is on their roof. So, when we get into double counting we get into a situation where governments and individuals take credit that they are not properly entitled to. The problem with the PV system is the same with solar hot water as well. So, when we double count we find that we are lulled into believing that far more renewable energy is in place than it really is.

The final question for government is in relation to GST and to ask how that is accounted for. One good measure in this business is the mid-term review, and we support that. In fact, all legislation dealt with in this parliament, in other jurisdictions and at the federal level is very likely to become redundant very quickly. We are not looking at legislation that will last decades because, as the impact and awareness of climate change grow around the world, more drastic action will be needed and we will find that baby steps such as this legislation are not up to the task. The Greens will support this legislation, but we look forward to the answers from the minister and, depending on those answers, we may have amendments to this bill, but for now we are very pleased to be supporting the second reading.

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (12:44): I thank honourable members for their contributions to the debate. Several questions have been asked by the Hons Mark Parnell and Sandra Kanck in particular. I will continue my remarks later so that I can get answers to those questions. If we have the answers this afternoon perhaps we can complete the debate; otherwise, we will do it next week.

Debate adjourned.

STATUTES AMENDMENT (TRANSITION TO RETIREMENT—STATE SUPERANNUATION) BILL

In committee.

Clauses 1 to 6 passed.

Clause 7.

The Hon. R.I. LUCAS: Due to the closeness to the lunch break and the fact that I know that at least one or two Independent or minor party members of the chamber are still contemplating their position in relation to this series of amendments, I will formally move the first amendment and speak to it, but it would be my suggestion to the committee that we delay the vote on it until after the lunch break. I move:

Page 4, after line 12—Insert:

and

(d) the member has not applied for the benefit of section 30B.

In my view, this amendment should be treated by the committee as a test case for the two pages of amendments; they are all part of a package. So, if the first amendment is defeated, I do not intend to proceed with the remaining amendments. Of course, if they are successful, I would suggest to the committee that we have the debate on the first part of the amendment and the rest of it can be taken as consequential. This issue, which is the substance of this particular amendment, was canvassed at length by myself and some other members (I think the Hon. Sandra Kanck and possibly other members) during the second reading contribution.

Put simply, South Australian Superannuants, the PSA and the umbrella body, the Superannuation Federation—which represents the interests of public sector workers and those with interests in superannuation—have all expressed a view that they would like to see some change to the legislation as it has been introduced into the parliament. Certainly, I have had discussions with the PSA and with Mr Ray Hickman and have had conveyed to me the views of the PSA and SA Superannuants.

As I understand it, an executive meeting of the Superannuation Federation (I think last Wednesday) agreed in principle with the purpose of the amendments that are before the committee at the moment. It may well be that some of those groups have raised issues of detail in relation to the amendments and, given that the opposition's office was going backwards and forwards to people with various drafts of the amendments, it was sometimes hard to catch up with which particular draft was being commented on by the individuals. Nevertheless, the bottom line is that, at the end, the PSA, SA Superannuants and, as I understand it, the executive meeting of the Superannuation Federation have agreed with the thrust of the amendments that are before the committee at the moment.

Put simply, everyone agrees with the bill insofar as it goes—that is, the government has some provisions there for people transitioning to retirement; the government put in a range of tests which need to be met before you can qualify for the transition to retirement provisions and, put simply, they are that you move from full-time work to part-time work. I think there are other provisions in relation to going from a higher-classified job or paid job to a lower-classified or paid job, as well. What the PSA, SA Superannuants and others have put is that they believe that in most, if not all, other schemes there is an additional option which is available to members of the Triple S scheme. We are really only talking here about the Triple S scheme; we are not talking about any of the defined benefit or pension schemes available to public servants.

Put simply, what they want is access to some of their superannuation entitlements, in a wider variety of circumstances prior to retirement. They argue that some people are not in a position to be able to move from full-time work to part-time work, even though they may well be, in their own minds, preparing themselves for retirement. They are also not in a position to move from a higher-paid job to a lower-paid job prior to retirement. This amendment is seeking to provide the additional option that they have sought. I hasten to say that the government, on advice, has indicated to the parliament that this will be at no cost to the government or to the taxpayers, so there is no argument against this proposition in that it will cost taxpayers.

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: That may well be an issue. We will leave that for the government to argue its case. It may well be the government's position that it does not want people in a wider variety of circumstances to access some of their superannuation because they might waste it and then the federal taxpayers, at a later stage, will have to provide them with an aged pension. That is the government's argument, if it wants to choose to go down that path. The key issue in relation to a lot of these amendments is: in the first place, does it impact on the South Australian government and its taxpayers in terms of the budget? The government has confirmed in advice to us that that is not the case.

My advice is—and I will ask some questions of the government to confirm this—that the average benefit or amount that a Triple S scheme member has at the moment is about $50,000. My understanding is that the overwhelming majority of those people in the Triple S scheme have left the Public Service by the age of 60. It is also my understanding that the peak retirement age is about 55, with another peak at about 57. We are talking about providing an option for public servants from the age of 55. You cannot access this if you are under 55. You would have an option from the age of 55, bearing in mind, as I said, that virtually everyone on the Triple S scheme has gone by the age of 60. I thought that in recent times—under the example of the Prime Minister and others, urging people to stay on longer in the service—there would have perhaps been some significant change but, again, we have not seen much indication of state public servants following the Prime Minister's lead.

If, for example, someone has $50,000 in a Triple S scheme package—as under the government scheme, except for those who have taken part-time work, but in this case it will be a wider group of people—they would be able to take it out and put it into an approved or regulated fund. So that might mean that it might go into AMP or some other superannuation provider—as opposed to Super SA—or they can roll it over into an appropriate product, as I understand it. A person can then access no more than 10 per cent of that lump sum in each 12-month period. So, if it is $50,000, they can access 10 per cent of that—which is $5,000—each year. Given that, on average, the peak retirement age is 55 or 57, many of these people—if they are going to access this option at all—may well access $5,000 each year for two years and then retire at 57.

I hasten to say that, given the commonwealth taxation arrangements which provide significant tax benefits for those over the age of 60, there will be a considerable tax incentive for people not to take money out of their superannuation prior to the age of 60. So, I do not think anyone should assume that, just by giving the option—as the government is doing under the government scheme, or under this additional option—everyone will race out to take their money out and spend it. So, if the Leader of the Government was suggesting that in any way, I would strongly dispute that that is likely to be the case. There are significant reasons why you might not do it.

Equally, however, SA Superannuants and others are arguing, 'This is our money; we're entitled to it. If we are transitioning to retirement and we don't want to take part-time work, we may well want to access just a little bit of the money that we've got.' There might be any number of reasons why that might be the case. You might want to assist one of your children; it may well be that you have a partner with ailing health and you want to go for a short holiday whilst that partner is still in robust health; it may be that there is something in the house that you want to do in order to make your life more comfortable; it may well be that you have other moneys coming to you after the age of 60 from some other scheme, or whatever it might happen to be. There is a range of options that may well present themselves for individuals.

Progress reported; committee to sit again.

[Sitting suspended from 13:00 to 14:17]

VOLUNTARY EUTHANASIA

The Hon. A.L. EVANS: Presented a petition signed by 7,504 residents of South Australia concerning suicide and euthanasia and requesting that the council will reject proposals to legalise euthanasia as proposed by the Hon. Bob Such in the Voluntary Euthanasia Bill 2006.

VOLUNTARY EUTHANASIA

The Hon. I. HUNTER: Presented a petition signed by 453 residents of South Australia concerning voluntary euthanasia and requesting that the council will support the Voluntary Euthanasia Bill 2006 to enable law reform in South Australia to give citizens the right to choose voluntary euthanasia for themselves. Such legislation, if enacted, would contain stringent safeguards against misuse of the provisions of the act.

PAPERS

The following papers were laid on the table:

By the Minister for Police (Hon. P. Holloway)—

Reports, 2006-07—
Director of Public Prosecutions
Industrial Relations Court South Australia and Industrial Relations Commission ofSouth Australia
WorkCover SA

By the Minister for Environment and Conservation (Hon. G.E. Gago)—

River Murray Act 2003—Report 2006-07

QUESTION TIME

ELECTRONIC WASTE

The Hon. J.M.A. LENSINK (14:20): I seek leave to make an explanation before asking the Minister for Environment and Conservation a question about electronic waste.

Leave granted.

The Hon. J.M.A. LENSINK: For the benefit of members, electronic waste is defined as all electrical and electronic products nearing the end of their useful life. I am advised that approximately 13,500 tonnes, or approximately 9 kilos per person, of electronic waste items are disposed of each year in South Australia. These products contain many non-renewable resources, such as metals, and, indeed, some noxious chemicals, such as lead and mercury, and so on. As I understand it, currently they are disposed of mostly into landfill. Indeed, if constituents believe that they are disposing of things correctly via hard waste collection, apart from three councils those objects are going directly into landfill. I note that the minister said on radio last week that a lot of our landfills do not comply with current standards in terms of leaching into the underground. My questions are:

1. What strategies does the government have in place specifically to address the issue of electronic waste?

2. Is she aware that on the Zero Waste website some of the contacts for computer recycling include people who are known to be shipping it illegally overseas and disposing of it in developing countries in ways we would not tolerate in Australia?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (14:21): The issue of electronic waste is vexed. One of the things we have been doing at a national ministerial level has involved looking at corporate stewardship in respect of electronic waste, such as computers, phones and microwave ovens. We are trying to work with companies to ensure they incorporate into their retail prices responsibility for the safe waste disposal of those particular items. Work is being done at a national level. There are considerable issues around the fact that a lot of these products are imported from overseas, and many computer companies set up and sell a range of different brands rather than a single line of product. It is a vexed issue. We are aware that it does pose some quite special waste challenges.

We know that electronic waste involves computers, TVs and a wide range of electrical appliances, including mobile phones. Disposal of this material into the environment is a national and international concern. New requirements in Europe are driving manufacturers to use less hazardous materials to manufacture appliances—which is a step in the right direction at least. The waste electronics and electrical equipment directive was introduced in 2003 and became operational in 2005. This directive, in part, states that the objective of improving the management of this particular waste cannot be achieved effectively by members of the states acting individually. It is clear that this is a difficult issue to deal with world wide, although some progress is being made. At present these waste products are collected at a local level through hard rubbish collections, and we will continue to work, together with my national counterparts, to find a path forward for this difficult issue.

ELECTRONIC WASTE

The Hon. J.M.A. LENSINK (14:24): I have a supplementary question arising out of the answer. Can the minister guarantee that none of the companies listed as places for disposal on the Zero Waste website are, indeed, shipping materials overseas to be disposed of unethically in developing countries?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (14:25): I am happy to take that question on notice and bring back a response. To the best of my knowledge they are not, but I am happy to check that and bring back a response.

COUNTRY FIRE SERVICE VOLUNTEERS

The Hon. S.G. WADE (14:25): I seek leave to make a brief explanation before asking the Minister for Emergency Services a question about volunteers.

Leave granted.

The Hon. S.G. WADE: The Victorian, New South Wales and Western Australian governments have promulgated charters in similar terms recognising the contribution of volunteer firefighters. I understand that Queensland is about to do the same. When it does, South Australia will be the only mainland state without such a charter. The Country Fire Service Volunteers Association has been lobbying for some time for South Australian volunteer firefighters to be afforded the same respect. Most recently, on 25 September 2007, the association wrote to the minister, conveying its eagerness to pursue the signing of a volunteers charter. In that letter, the association quoted a letter from the minister to a large number of volunteers who had written to her requesting that the charter be signed. The letter states:

> The SAVFBA were advised that the charter they presented was not appropriate for South Australia in the circumstances. It was inconsistent with the provisions of the Fire and Emergency Services Act (2005) and was in conflict with the Advancing the Community Together Volunteer Compact.

This claim of inconsistency is not supported by the CFSVA legal adviser nor by the fact that the proposed draft is substantially in accord with the draft approved by the Crown Solicitor's Office. In any event, the association has indicated its willingness to negotiate any inconsistencies or conflicts. It is hamstrung by the fact that neither the minister nor her office has advised what the inconsistencies and conflicts might be. My questions to the minister are:

1. Can she advise the council in what ways the draft volunteer charter is inconsistent with the provisions of the Fire and Emergency Services Act?

2. In what ways the draft volunteer charter is in conflict with the Advancing the Community Together Volunteer Compact?

The Hon. CARMEL ZOLLO (Minister for Emergency Services, Minister for Correctional Services, Minister for Road Safety, Minister Assisting the Minister for Multicultural Affairs) (14:27): I think a few months after I became a minister, or towards the end of that first year, members of the association approached me with the idea of having a volunteer charter for just the CFS. I said that I was not opposed to it in principle and thought that perhaps it might be a good idea to have a sector wide volunteer charter. They went away with that but came back and thought that it was not. Since that time, we have been endeavouring to progress a charter—myself to start with, and Euan Ferguson, the chief officer of the CFS, Vince Monterola, the SAFECOM board and, subsequently, the SAFECOM advisory board, which, of course, is representative of our volunteers in South Australia.

I requested the chair of that board to organise a working party to sit down with the volunteers and ensure that a charter that was acceptable to everyone would be presented to the board and then, of course, to me. I was very disappointed ultimately to hear that, without any reason, the association withdrew from those negotiations, when I understood that a charter was ready for everyone to have a look at. Since that time, I have written to the association (as far as I know, it does not have a legal adviser because, of course, the government funds the volunteer association) and again indicated my support in principle for a volunteer charter, if that is what it wants, for just the CFS, even though the state has a Working Together Partnership, on which the Minister for Volunteers worked very diligently with the Premier in our first term in office.

If that is what the sector wants, I have indicated all along that I am very happy to see a charter. They need to tell us what was wrong with what they came up with. They have refused to

go back to the negotiating table. I have asked the board (and, obviously, it has very good intentions for everyone concerned) to work it through. So, I have invited them again to at least take it back to the board. They are very happy to listen to you. The chair of the board expressed her disappointment that they had withdrawn from the negotiations, and we are simply now waiting for the association to go back and say, 'We are not happy with this.' I have also said to the chief officer, 'Please engage anyone else you want to bring in.' The Office for Volunteers is also happy to work with them. However, in the end, they have to say, 'Yes, we want to proceed with it,' and go back to the board. I repeat that I am happy with the principle of a charter.

COUNTRY FIRE SERVICE VOLUNTEERS

The Hon. S.G. WADE (14:30): I have a supplementary question. Do I take it from the minister's answer that she does not see any encumbrances to the resolution of a charter in terms of inconsistency with the Fire and Emergency Services Act or the government's Advancing the Community Together Volunteer Compact?

The Hon. CARMEL ZOLLO (Minister for Emergency Services, Minister for Correctional Services, Minister for Road Safety, Minister Assisting the Minister for Multicultural Affairs) (14:30): The first version that was presented to me was a copy of the volunteer charter from Victoria. I do not think there was even any reference to SAFECOM. We do have a different structure here in South Australia; we do not have paid country fire services, we have volunteers. That is what the reference would have been about. However, since that time (and as I have said), I have requested the SAFECOM advisory board, which is full of volunteers, to look at that and progress that charter. I have not even seen the final result; the association decided to withdraw it from the working party and the board itself, and until they bring it back I do not even know what is wrong with it.

XENOPHON, HON. N.

The Hon. R.D. LAWSON (14:31): I seek leave to make an explanation before asking the Leader of the Government in this place a question about Mr Xenophon's replacement.

Leave granted.

The Hon. R.D. LAWSON: Yesterday, in response to a question about when the government proposed to fill the vacancy left by the resignation of the Hon. Nick Xenophon, the minister said:

> My experience in the past is that these vacancies normally take a month or so to fill.

The records show that the minister himself was appointed to this council about two weeks after the resignation of the Hon. Barbara Wiese—far from a month or so. More importantly, Mr President, there were no sitting days of this parliament—this council did not sit at all—between the date of Ms Wiese's resignation and the appointment of the Hon. Paul Holloway. Indeed, when my colleague the Hon. Ms Schaefer was appointed to fill the vacancy left by the Hon. Bob Ritson there were no sitting days between the resignation of that former member and the appointment of Ms Schaefer.

Similarly, Mr President, when you yourself were appointed to replace George Weatherill in 2000 there were no sitting days when the Labor Party was missing any representative of this council, because this council did not sit—nor was there in the case of Paolo Nocella, nor in the case of the Hon. Ms Lensink, nor in the case when former Democrat Ms Kate Reynolds was appointed. In fact, looking over the records for the past 20 years, parliament sat only one day when new members, who were replacing former members, were not present—and that was last year when the Hons Bernie Finnigan and Stephen Wade were both appointed on 2 May. Parliament had sat on one day, which was the ceremonial opening day in April, following the state election last year. Of course, one can say that there was no political advantage at all there, because it was one member of the government and one member of the opposition who were missing on that one ceremonial day.

Around the corridors, members of the Labor Party are saying (contrary to the statement made by the minister yesterday) that crown law advice has already been obtained to the effect that there is no constitutional impediment to the appointment of Mr John Darley to replace Mr Xenophon. The Attorney-General has been on public radio saying that the Labor Party will be campaigning against Mr Xenophon on the ground that his claim that he will not come back and fill his own vacancy is false because, as the Attorney-General is telling radio listeners, it is legally possible for him to do so. Of course, the longer the parliament sits the longer the Labor Party can

run that particular campaign, and I suggest that is why it wants to keep the appointment open until after the Federal election. My questions to the minister are:

1. Will he apologise for misleading the council regarding the suggestion that, in his experience, filling these vacancies takes a month or so?

2. Will he also apologise for suggesting yesterday that crown law advice will be sought at some time in the future, whereas in fact it has already been sought and obtained?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (14:35): Of course I will not. What I can say is that there has never been such an occasion in this council. If we were to fulfil what the Hon. Robert Lawson is suggesting, we would have had a joint sitting yesterday or Monday or Tuesday, a day or two after the Hon. Nick Xenophon resigned. That has never happened before; I will guarantee that in the history of this place there has never been a joint sitting of the parliament the day after someone resigned. It is not the government's fault. If Mr Xenophon chooses to run for the Senate and resign from this council that is fine, but he cannot expect that suddenly this parliament will jump into action.

It is it is absolutely disgraceful for members opposite to suggest that in some way this government is playing games. For heaven's sake! He resigned on Monday, and on Wednesday they are asking questions about when he will be replaced. One might ask why the Liberal opposition is so keen to get Nick Xenophon's nominated successor. He apparently has suggested that he and he alone can appoint his successor. The Hon. Ms Bressington was elected on that ticket. If you are talking about a Nick Xenophon replacement, the Hon. Ms Bressington was elected on that ticket, so there is a replacement there. Why is the Liberal Party so keen—

Members interjecting:

The Hon. P. HOLLOWAY: The Democrats? What a joke! Let us just end this nonsense now. Mr Xenophon resigned on Monday. It is his choice to run for the Senate. In all those other cases that were mentioned by the Hon. Mr Lawson, members of this council resigned at a time that was convenient for the parliament. They did not resign at a time when it was convenient for their political ambitions: they resigned at a time such as the end of a session so that the proper procedures could be put in place and their replacement could be here in due course. That is what has happened in the past.

I do not criticise Mr Xenophon for resigning and running for the Senate if he so wishes, but it is totally and utterly unacceptable to expect that somehow or other this parliament should jump to his wishes at a moment's notice. As I said, his replacement will be addressed in the appropriate time and in the appropriate way. In relation to legal advice, as I indicated yesterday, it is my understanding that legal advice has been sought. It has not been done through me. Obviously, the Premier's office has done that. I am not sure whether or not it has advice.

Members interjecting:

The Hon. P. HOLLOWAY: There are far more important things. I know people opposite have nothing to do in their lives. I know they think the Legislative Council should exist purely for their amusement, but in fact the Legislative Council has a role apart from keeping members opposite amused: we do actually have to pass—

Members interjecting:

The Hon. P. HOLLOWAY: Yes, I do; and how much better this state would be. Perhaps we could have a chance of catching up to Queensland and other states that do not have this massive and costly impediment imposed on them, but that is another story. While this place is here, we have to get through some government legislation. I have been trying to get that legislation through. That is my priority and, if members here decide to pursue other careers, that is their business and we will deal in the appropriate time and in the appropriate way with their replacement. Legal advice was sought, and it may well be that the government has that advice, but either way there have to be gazettals.

Members interjecting:

The Hon. P. HOLLOWAY: We are coming towards the end of a busy session. What you people want is to hold up and obstruct government legislation. Economic sabotage is the sole resort they have. They cannot govern; they failed at that. They love diversions. Anything they can do, other than sit and pass the government's legislation, they will consider. We get something on

trees, which we have had for a year, and they cannot even make up their mind on that. They have been dithering on all these things for over a year. They cannot decide whether they will vote yes or no, so they want to send it off to a committee. They are just not fit to govern.

XENOPHON, HON. N.

The Hon. J.M.A. LENSINK (14:40): I have a supplementary question. Is the minister saying that, as Leader of the Government, he has absolutely no idea as to the status of the legal advice, or is he just refusing to tell us?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (14:40): I have not had a chance. I have been so busy trying to get legislation through, I have not spoken to the Premier's office to see whether they have advice on Mr Xenophon's replacement. Quite frankly, there are far more important things facing this state than Mr Xenophon's replacement; he resigned only on Monday. At some stage, we will deal with Mr Xenophon. The whole world will not stop because Mr Xenophon is not here. There are much more important things we can deal with than with his replacement. I am sure that at some stage, probably in cabinet next Monday, we will get a report on that legal advice. However, given that we have not had a chance to have a cabinet meeting since Mr Xenophon resigned, it is not appropriate—

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

The Hon. P. HOLLOWAY: Well, he didn't resign until Monday.

APY LANDS, MINERAL AND PETROLEUM EXPLORATION

The Hon. B.V. FINNIGAN (14:41): I seek leave to make a brief explanation before asking the Minister for Mineral Resources Development a question about mineral and petroleum exploration on the Anangu Pitjantjatjara Yankunytjatjara (APY) lands.

Leave granted.

The Hon. B.V. FINNIGAN: The state is currently undergoing a mineral resources boom, and an area that has been identified as prospective falls within the APY lands. Will the minister advise what the state government is doing to facilitate responsible mineral and petroleum exploration on the APY lands?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (14:42): What a contrast to move away from internal games—

Members interjecting:

The Hon. P. HOLLOWAY: They're going on with it; they are obsessive. You love it, don't you! It is all a game. We can see here what is happening. These people just exist to play games. However, we have here a substantial question about something of real importance to the state, an issue that will affect this state for years to come; something that will affect the economy of this state, not whether or not the Hon. Mr Xenophon's replacement has been appointed.

I am pleased to report that there has been an impressive increase in the number of land access approvals for both mineral and petroleum exploration licences in the Anangu Pitjantjatjara Yankunytjatjara lands during the past six months. There are now 13 active mineral exploration licences in the APY lands, which is more than a four-fold increase compared with just three active mineral exploration licences in early 2007; and six petroleum exploration licence applications in the APY lands, which is a 50 per cent increase, compared to just four in early 2007. The applicants are near to finalising the finance for a key reflection seismic survey as well as deep drilling in these petroleum exploration licence areas. In fact, in the past two months, in August and September, more approvals for mineral exploration in the APY have occurred than at any time since the launch of the government's Plan for Accelerating Exploration (PACE) initiative 3½ years ago.

To ensure that South Australia and all parties involved gain the full benefit of the government's PACE initiative, Primary Industries and Resources is implementing a strategic planning process, working with APY communities and industry to identify opportunities and develop appropriate projects to boost exploration and future mining in the APY lands. In particular, the PACE initiative has helped APY communities to establish ongoing working relationships which enable them to process exploration licence applications and negotiate with traditional owners over access to their lands. The encouraging progress seen in the past few months can be largely attributed to the greater confidence of APY communities in the process. This achievement is the

result of greater understanding of mineral exploration codes of practice and the government's stringent regulation of exploration processes within the APY lands. This strengthening in confidence in turn has generated a healthy increase in approvals in the APY lands and, just as importantly, an improved relationship between the APY communities and the resources sector.

This burgeoning relationship has led to support for APY in developing anthropological and legal expertise; support for APY in appointing exploration liaison staff; a development of understanding of PIRSA's geological mapping practices and objections; APY community education and skills training in geosciences and exploration; development of standard exploration approvals processes and deeds between APY, PIRSA and industry; and community engagement activities by PIRSA and industry. All of these encouraging developments have been aided by the exemplary attitude and work practices of the new entrant exploration companies.

There are numerous examples of companies actively seeking to support and integrate with APY communities. Recently, PepinNini Minerals sponsored the Amata Sports Carnival that ran from 28 September to 2 October. Joint venture partners Independence Group NL and Goldsearch Ltd have contributed $2,000 to APY land management to enable its staff and Anangu rangers to attend a Caring for Country conference in North Queensland earlier this month. It is worth noting that both of these sponsorships were initiated without any influence from PIRSA. We also expect that the petroleum licence holders will, similarly, want to support programs that benefit the people of the APY lands. This combination of factors, fostered by PACE and assisted by the South Australian government through PIRSA, has empowered the traditional owners and APY administration and given them greater assurance about their capacity to manage access for mineral exploration within their own lands.

I am pleased to inform the council that the increased activity on these tenements is anticipated to eventually make a major contribution to the financial stability of APY communities, as exploration possibly leads to new mining ventures within the APY lands, and this will benefit South Australians. The potential opportunities and benefits for the APY and the state through the company activities on these tenements are many and varied, ranging from gaining significant improvements in community welfare, education, employment, business opportunities and infrastructure for the local communities, to wider benefits flowing to the state as a whole. All in all, it is great news for South Australia. As I said, these are the concerns of the government rather than the internal undergraduate-type activities of members opposite.

AIDS COUNCIL OF SOUTH AUSTRALIA

The Hon. D.G.E. HOOD (14:47): I seek leave to make a brief explanation before asking the Minister for Substance Abuse a question about the AIDS Council of South Australia Sex Industry Network.

Leave granted.

The Hon. D.G.E. HOOD: Time and again I have raised concerns in this place that the AIDS Council of South Australia is operating in a vacuum of unaccountability and that it is simply out of control. Last year Family First raised the fact that the AIDS Council of South Australia, through its taxpayer-funded SHine SA program, was referring some of its clients to prostitutes. Then, in June, I raised the outrageous fact that this organisation (this time through its SAVIVE program) was printing a magazine, again using taxpayer funds, which contained pro-drug use articles, including statements like. 'You mean taking as many drugs as you can isn't the meaning of life?'; 'You say I'm smashed like it's a bad thing'; 'Alcohol is fun, but take drugs instead and you'll remember your night out'; and perhaps the worst of all, 'Children are a blessing. You never know when you'll need someone to go out and score for you.'

Sadly, it does not stop there. Today I raise a further concern, this time with the AIDS Council Sex Industry Network program. On 22 September this year, the AIDS Council placed an advertisement in the *The Advertiser* for three positions within its Sex Industry Network program. When Family First obtained the job specifications and the specific advertising for these positions, it was shocked. Indeed, I have a copy of the document here. The job specifications indicate that 'sex work experience is essential for the position'. Two other positions also indicate 'personal experience of injecting drugs is also essential to achieve the position.'

The Hon. A. Bressington: Taxpayer funded.

The Hon. D.G.E. HOOD: Taxpayer funded. My questions are:

1. Is the minister shocked and disappointed at finding that the AIDS Council continues to act in this way?

2. Why is the minister, as the Minister for Substance Abuse, funding an organisation that demands job applicants use drugs or participate in prostitution as a mandatory prerequisite for employment in this organisation?

3. Does the minister agree that this is a gross misuse of taxpayers' funds, and what action will she take to immediately address this deplorable situation?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (14:50): The AIDS Council of South Australia conducts a wide range of very important programs aimed at improving the health and well-being of key client groups and preventing the transmission of HIV and other blood-borne diseases. The funding for these programs comes from a range of sources, including both state and commonwealth. State government funds are provided by Drug and Alcohol Services South Australia. A key program is the South Australian Sex Industry Network (SA SIN) program, which is funded through the Council of Australian Governments (COAG)—an illicit drug division initiative supporting measures relating to needle and syringe programs. SA SIN provides an Outreach Clean Needle program service to street-based sex workers in metropolitan Adelaide, a highly marginalised population that is particularly vulnerable to the transmission of blood-borne diseases, including HIV.

It is important to put this really important work in perspective. Not only does SA SIN provide a clean needle program but also education and information about safer injecting and also the dangers of sharing injecting equipment, including needles. It provides information about safe disposal practices, as well as providing referrals to drug treatment services and referrals to the health, legal and other social services; so it provides a wide range of important services. It should be stressed that accessing people who become vulnerable to these blood-borne disease transmissions by engaging in these high risk behaviours is an incredibly complex thing to do.

Paramount to that prevention, it is important to be successful with this group in order to, in turn, help prevent those diseases spreading further into the broader community. It is therefore vital that government-funded agencies such as the AIDS Council do this very important work. The AIDS Council has a proven history of engaging these very hard to reach groups, and Australia has been very successful in its AIDS and HIV prevention efforts. A significant component has been the provision of peer education services such as those provided by SA SIN. Peer education has been demonstrated to be a very successful way of engaging drug users to change this very high-risk behaviour.

Earlier today I was advised that the AIDS Council informed the department that there was an advertisement for a commonwealth-funded project to prevent AIDS and HIV amongst injecting sex industry workers. I have asked for this matter to be further investigated as I was made aware of it only late this afternoon. I certainly do not endorse the requirement that it is essential to employ an injecting drug user. However, I am informed that the advertisement could equally apply to a former injecting drug user. A peer educator may be someone who has significant personal knowledge of or experience in injecting drug use, enhancing their credibility and effectiveness with clients while themselves not engaging in these risk behaviours. So it is important that we reach this community. I am advised that Australia has one of the lowest rates of HIV amongst injecting drug users, and I have been advised that the peer support workers are an important part of that very successful outcome. I have asked for the matter to be further investigated, and I do not endorse the position that it be an essential requirement for the position.

AIDS COUNCIL OF SOUTH AUSTRALIA

The Hon. A. BRESSINGTON (14:56): By way of supplementary question, will the minister explain to the council exactly what professional qualifications are required for these outreach workers within the AIDS Council? Are they required to have a diploma of professional counselling or anything like that or are they just prostitutes and drug users?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (14:56): I am not aware. I am happy to provide details of the person specifications required for this position. I do not have those details in front of me. I have been very clear that these peer educators may be someone with significant personal knowledge or experience with injecting drug use, and that has been shown to be very effective in their credibility in engaging other clients. I have made very clear that the information I have is that the advertisement could pertain to someone with former

experience, and I certainly do not endorse its being a requirement for the holder of the position to be a current drug user. I have asked for the matter to be fully investigated.

AIDS COUNCIL OF SOUTH AUSTRALIA

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:57): By way of supplementary question, will the minister guarantee that none of the funding provided to the AIDS Council and the Sex Industry Network is used for social functions, such as the annual whores party held this year at the Directors Hotel, where I am informed that free drinks were served? It features in the centrespread of *SIN Mag* No.59.

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (14:57): Not that I am aware of, but I am happy to take the question on notice and bring back a response.

AIDS COUNCIL OF SOUTH AUSTRALIA

The Hon. R.D. LAWSON (14:58): Was any member of the minister's ministerial or departmental staff made aware of SHine's proposal to place these advertisements prior to today? The minister said that she learnt about this today. Were any members of her staff made aware of this matter, or were approval sought for the placement of these advertisements?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (14:58): To the best of my knowledge, no. I was only informed of this quite recently. To the best of my knowledge none of my staff were aware of it either, but if the answer is different from that I am happy to bring back that response to the chamber.

AIDS COUNCIL OF SOUTH AUSTRALIA

The Hon. A. BRESSINGTON (14:59): By way of supplementary question, is the minister saying that an NGO (non-government organisation) is being funded by state taxpayer dollars and that she has no idea of the qualifications necessary to work in that organisation? Why does that not apply to other non-government organisations in the drug and alcohol sector?

Members interjecting:

The Hon. A. BRESSINGTON: That is a pathetic excuse. You should know what qualified people are working with vulnerable groups of people. There is no excuse for this. There is no excuse.

The PRESIDENT: Order! The Hon. Ms Bressington will come to order or I will name her and she can leave the chamber.

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (15:00): I remind members of the chamber that the position which is being advertised is a commonwealth-funded position. I want to stress that it is a commonwealth-funded position. The suggestion of the Hon. Ann Bressington that the minister would know the person specification and job requirements for every single position that is placed within our agency or our NGOs is outrageous. We have service contracts with about 20 NGOs that employ hundreds of different people. It is absolutely outrageous to suggest that I would be expected to know the person specification and qualification requirements of every single position within my agency, and all the service agreements that we have with NGOs. If there is anything specific the honourable member wants to know, I am happy to take it on notice and bring back a response.

AIDS COUNCIL OF SOUTH AUSTRALIA

The Hon. A. BRESSINGTON (15:01): I have a supplementary question. Is the minister saying that Mr Keith Evans, a director of Drug and Alcohol Services, who was in charge of the NGO sector and was responsible for the service agreements for the organisation DrugBeat of South Australia, does not report back to her on the requirements of people to work in the drug and alcohol sector? What is the minimum training required?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (15:01): Mr Keith Evans is not here on the chamber floor today.

The Hon. A. Bressington interjecting:

The Hon. G.E. GAGO: It is outrageous to suggest that a chief executive would provide me with information that would go to the detail of all the person specifications and qualifications of every single person. That is an administrative matter and chief executives are expected to get on with it. That is their job and that is what they are employed to do. If there is an issue of concern—as has been raised today—it is appropriate and reasonable that that level of detail be sought. I have indicated that I do not have that level of detail here with me today. I am happy to obtain the information and bring it back to the chamber.

EID AL-FITR

The Hon. R. WORTLEY (15:03): My question is to the Minister Assisting the Minister for Multicultural Affairs. What has the government done as part of Eid Al-Fitr celebrations?

The Hon. CARMEL ZOLLO (Minister for Emergency Services, Minister for Correctional Services, Minister for Road Safety, Minister Assisting the Minister for Multicultural Affairs) (15:03): Thousands of South Australians have been celebrating the Muslim festival of Eid Al-Fitr during recent days. There are more than 10,000 Muslims in South Australia. Eid Al-Fitr—the Festival of Breaking the Fast—marks the end of the Islamic Holy Month of Ramadan and the culmination of a month of fasting for Muslims. The festival is a period of celebration usually lasting three days. On Sunday afternoon I was delighted to represent the Premier at the annual Eid Al-Fitr Afghan United Association of South Australia picnic in Bonython Park. Several hundred members of the Afghan community were joined by representatives from other communities to give thanks and to share goodwill, food and gifts. This was just one of the many Eid Al-Fitr celebrations that have been organised by our diverse Muslim communities during October this year.

It has become a tradition that the South Australian government host an Eid Al-Fitr reception each year. This year I was honoured to jointly host, with the Minister for Multicultural Affairs, the Eid Al-Fitr reception in the Members Dining Room in Parliament House on Monday evening. Almost 200 guests from about 70 different community organisations were invited to the reception. On behalf of the government, I would like to wish members of the South Australian Muslim community eid mubarak, or happy eid, and peace, health and prosperity in the year ahead. I am sure that members of the council would share those sentiments.

COMPONENT UNLOADING FACILITY

The Hon. M. PARNELL (15:05): I seek leave to make a brief explanation before asking the Minister for Mineral Resources Development a question about a proposed component unloading facility south of Port Augusta.

Leave granted.

The Hon. M. PARNELL: I understand that BHP Billiton is close to finalising the location of a large component unloading facility and purpose-built haul corridor to service the expanded Olympic Dam mine. I understand that the company intends to ship in large pre-assembled modules (PAMs) into a specially constructed port facility and then transport these PAMs along a purpose-built road that is 55 metres wide. Pictures of these PAMs are quite extraordinary. They tower 60 metres high, are tens of metres wide and can weigh up to 2,000 tonnes each. Basically, it appears that the processing facilities for the Olympic Dam expansion will be designed in sections, assembled off site (presumably, in Asia, where the labour costs are cheaper, and perhaps giving lie to some of the job creation spin around this project), and then reassembled on site in Roxby Downs.

The Greens have been contacted by some of the 284 shack owners on the western side of Spencer Gulf south of Port Augusta who are concerned that their properties will be compulsorily acquired to build this large industrial port. Naturally enough, they are concerned about the impact on their lifestyles, but they are also concerned about the impact on the fragile marine environment of the Upper Spencer Gulf, an area that has been flagged as a possible marine park. These coastal home owners want to have a say, and they are concerned about the lack of information provided to them so far about this development. Members should also note that a company cannot compulsorily acquire land, only a government can do so. My questions to the minister are:

1. What sort of local approval processes are in place for this facility, or will this be wrapped up in the broader environmental impact statement for the Olympic Dam mine?

2. Will any information about this facility be made publicly available before the release of the EIS?

3. What contribution, financial or otherwise, will the government make to build this component unloading facility (or the haul road)?

4. Does the government intend to compulsorily acquire any land from shack owners on the company's behalf?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:07): The honourable member is jumping the gun. At present, a pre-feasibility study and an environmental impact statement are being undertaken by BHP. It is still drilling out, trying to find the extent of the resource. There are a number of unknowns. Parts of its proposed expansion are being looked at as we speak. There is a trial desal plant providing information to inform those studies. However, how BHP transports its equipment to the mine at Roxby Downs is an issue. It has obviously been looking at a number of alternatives. It has been in discussions with government agencies, and we have a special task force that is looking at that issue. At this stage, all that is still in the melting pot, as far as I am concerned. We do not expect the environmental impact statement to be completed until some time next year.

Obviously, if there are any alterations or changes (such as what is being suggested by the honourable member), obviously, that would be part of any study. However, at this stage, I think it would be premature to suggest that any particular option has been selected by BHP. I think it is premature to expect that a determination will be made or that some studies will be undertaken until BHP has completed all that pre-feasibility work.

SALISBURY POLICE STATION

The Hon. J.S.L. DAWKINS (15:10): I seek leave to make a brief explanation before asking the Minister for Police questions about the Salisbury Police Station.

Leave granted.

The Hon. J.S.L. DAWKINS: The City of Salisbury is the second largest council in the metropolitan area with a population of more than 123,000 people and an area of 161 square kilometres. However, despite the size of the council, the Salisbury Police Station operates only from 8:30 a.m. to 9:30 p.m. and this has forced Salisbury residents to rely upon Elizabeth and Holden Hill for out-of-hours police services, as both those stations are open 24 hours a day. This is an ongoing concern to many residents of Salisbury, who believe that as their city continues to grow the need for a 24-hour police station escalates. My questions are:

1. Will the minister acknowledge that a highly populated community such as Salisbury should have a 24-hour police station operating in that council area?

2. Will the minister indicate whether the government has considered opening the Salisbury station for longer hours?

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:11): The important issue is whether police are available on a 24-hour basis to act within significant population centres in our state—and the answer is that they are. The police have a number of 24-hour patrol bases located strategically throughout the metropolitan area and in large country areas that enable police to provide that service, and it is really up to the Commissioner to ensure that that service is delivered.

Obviously, a lot of people would like particular stations open, but the point about a 24-hour police station is that essentially it is a patrol base; where police are needed on a 24-hour basis is out there on the ground. We need patrols out there so that they can attend where they are required rather than have people coming into police stations. That is really the key issue. As I have said, this government has provided not only a whole lot of new police stations but also significant extra resources to police in a whole range of areas—including, most importantly, the number of police on the ground—so that they can provide greater services to the people of this state.

CONSERVATION PARKS

The Hon. I. HUNTER (15:13): I seek leave to make a brief explanation before asking the Minister for Environment and Conservation a question about conservation parks.

Leave granted.

The Hon. I. HUNTER: South Australia is well known for its extensive system of conservation parks. From Wilpena Pound in the Gammon Ranges to the Naracoorte Caves, this

state has something to offer anyone looking to experience true Australian wilderness. Will the minister advise the council on moves to better promote parks to the public?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (15:14): I thank the honourable member for his important question; indeed, South Australia is blessed in the diversity and beauty of our lovely natural environment. Conservation is a vitally important part of why we proclaim conservation parks in this state. They are a vital habitat for the native flora and fauna and are tremendously important in maintaining a natural biodiversity, which is why the Rann Labor government has proclaimed so many new parks since it was first elected.

However, these parks are also meant to be places that are enjoyed by South Australians and tourists alike, and for this reason this government has declared October 'Parks Month'. Obviously, spring is one of the best times of the year to visit our state's parks; animals are often at their most active and, of course, the wildflowers are blooming and the weather is often ideal. It is a great time to connect with our natural environment, and increasing our fitness through physical activity is an added benefit. Special events during Parks Month include unique and informative guided tours through some of our beautiful national parks, as well as open days. Events planned are many and varied, and examples of what is on offer include night tours for those who want to experience wildlife after dark. Tomorrow night is the time to do that, for those who are interested, with guided tours taking place in Cleland Wildlife Park, where I am sure there would be the opportunity to see a bettong or two, and no doubt a possum as well, among other things.

For youngsters who are not up and about after dark, tomorrow marks the start of Children's Week at Cleland when children 15 years and under can enter free with a paying adult—and this is an excellent chance for young and old alike to experience the wonderful displays and wildlife at Cleland. Other events stretch beyond our natural environment and include built-heritage open days at Fort Glanville, the only fort in South Australia that remains largely unaltered from colonial days. Audience participation is also encouraged, and guided tours of the fort are also available. Mr President, being a keen bushwalker—myself that is; I was not suggesting you were, Mr President—I have been lucky to visit a number of our very impressive state parks, and I would urge all members of this chamber to make the most of our parks and to get out there and experience what is on offer. More information about the Parks Month is available online at the DEH website or by phoning the park offices directly.

PERPETUAL LEASE FREEHOLDING PROGRAM

The Hon. C.V. SCHAEFER (15:16): I seek leave to make a brief explanation before asking the Minister for Environment and Conservation a question on perpetual lease freeholding programs.

Leave granted

The Hon. C.V. SCHAEFER: My colleague the member for Flinders has raised a number of issues with regard to the government compulsorily acquiring coastal and waterfront land as part of a process of freeholding perpetual lease land. My questions are:

1. How many properties are affected by such compulsory acquisitions, if indeed they are talking place?

2. How many properties are involved in the setting up of these—what are colloquially known as—conservation leases?

3. How many agreements have been reached and completed?

4. Has the Coastal Protection Branch compulsorily acquired any land as part of these agreements?

5. Have buildings been included in coastal leases, or are they included in the freehold section of these agreements, as was the original understanding?

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health) (15:17): I thank the honourable member for her important questions. Indeed, the PLAF program has been very successful. It has been a very important program in acquiring coastal and waterfront stretches of land, with the aim of being able to protect those very important processes and better manage those important strips of land into the future.

As members know, in response to individuals' concerns, the lease arrangements were amended to provide the condition of conservation leases, and that was welcomed by landholders. I understand that a number of people have taken up those options. My understanding is that the overall program has been extremely successful in acquiring these strips of land. I do not have the specific numbers with me, but I am more than happy to find out those exact numbers and bring them back to this chamber. I commend landholders and all of those who have successfully completed this program for their cooperation. As I said, the land management, planning and maintenance for that important coastal and waterfront land is in a much better position for the future.

ANSWERS TO QUESTIONS

CARBON CREDITS

In reply to the **Hon. A.L. EVANS** (28 March 2007).

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health): The Treasurer has provided the following information:

The Hon. Member has asked a number of questions regarding stamp duty and carbon credits. South Australia does not, at present, have any specific policies or legislative mechanisms that make carbon credit trading possible in this State.

The South Australian Government and other States and Territories are leading the way in Australia in commissioning work on designing a national emission trading scheme, following the formation of the NETT (National Emissions Trading Taskforce) in 2004. The Council for the Australian Federation supports the national emission trading scheme put forward by NETT and has announced that States and Territories will introduce a national scheme by the end of 2010, if the Commonwealth Government does not commit to a scheme prior to this.

Property created through the establishment of a national emissions trading scheme is likely to be considered a form of non-real property and so would be liable under the Stamp Duties Act. However, as part of the 2005 06 Budget, the Government committed to the abolition of stamp duty on transfers on non-real property in response to commitments made under the Intergovernmental Agreement on the Reform of Commonwealth State Financial Relations (IGA). This would remove such forms of property, including carbon credits, from the stamp duty base. Stamp duty on non real property transfers will be reduced by one half from 1 July 2009, with full abolition from 1 July 2010.

GREAT ARTESIAN BASIN

In reply to the **Hon. J.M.A. LENSINK** (5 June 2007).

The Hon. G.E. GAGO (Minister for Environment and Conservation, Minister for Mental Health and Substance Abuse, Minister Assisting the Minister for Health): I have been advised that:

Provision has been made in the business plan for the inclusion of pastoralists who previously did not take up the offer to participate in the bore drain replacement scheme to replace open bore drains with piped water distribution systems. The contingency covers up to three pastoral properties, one major and two with minor systems.

PAEDOPHILE REGISTER

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (15:19): I lay on the table a copy of a ministerial statement relating to the Paedophile Register made earlier today in another place by my colleague the Attorney-General.

STATUTES AMENDMENT (TRANSITION TO RETIREMENT—STATE SUPERANNUATION) BILL

In committee (resumed on motion).

(Continued from page 1022.)

Clause 7.

The Hon. R.I. LUCAS: To summarise the brief contribution I made before the lunch break for the one member who was not here at that time, without going through all the detail, the

amendment that has been moved is a test amendment for the remaining two pages of amendments I am about to move (that is, they will be consequential on the first amendment). Therefore, I intend to flag all the issues that relate to it. This issue is being pursued by the South Australian Superannuation Federation, the SA Superannuants and the PSA. In a moment, I intend to read part of a letter I received on 11 October from Bill Hignett, the President of the South Australian Government Superannuation Federation. In summary, those organisations support the thrust of the amendment that is being considered by the Legislative Council at the moment. I repeat that it will be at no cost to the taxpayers of South Australia; it relates only to the Triple S scheme. It will provide an additional option for members who do not want to go into part-time work prior to retirement after the age of 55 to access a portion of their accumulated benefit, if they so choose.

I am told that the average accumulated benefit of public servants in the Triple S scheme is $50,000. If that is the case, they will transfer the $50,000 into an approved arrangement, and they would be able to take only 10 per cent of that ($5,000) per year for whatever purpose they are seeking. I made the point prior to the break—and I seek confirmation from the minister—that my understanding is that virtually all the participants in the Triple S scheme have retired by the age of 60. The peak of retirement at the moment is around the age of 55, and the second peak is around the age of 57. Significant numbers of public servants are retiring in that age group 55 to 57, so we are not talking about large numbers of people staying around in the public sector beyond the age of 60, based on both past and recent experience.

I think the final point I made before the lunch break was that, in my view, there are very significant taxation reasons why a lot of people will not access this particular option anyway—or, indeed, the option the government is looking at. They may well want to keep as much of their benefit until after age 60, at which time there would be a very significant commonwealth tax benefit in relation to accessing their superannuation. I know there are swings and roundabouts and that different circumstances apply to different people and different taxation arrangements. That might mean, in certain cases, that would apply to some people under the age of 60, but I am speaking in general terms.

In conclusion, I will read part of the letter sent to me on 11 October by Mr Bill Hignett, the President of the South Australian Government Superannuation Federation. I understand that there was a meeting of the executive last Wednesday. The letter states:

Dear Mr Lucas

Re: Statutes Amendment (Transition to Retirement—State Superannuation) Bill

You will be aware that the South Australian Government Superannuation Federation has expressed concerns about the *Statues Amendment (Transition to Retirement—State Superannuation) Bill, 2007*. The Federation's most urgent concern is that the Bill places unnecessary restrictions on members of the Southern State Superannuation (SSS) scheme who might wish to use transition to retirement arrangements. In particular it requires SSS members who have reached preservation age to reduce their level of employment in order to access any part of their accrued benefit. This is not acceptable to the Federation which is committed to seeing SSS members have full access to their accrued benefit without a requirement to reduce their level of employment. The Government has acknowledged that this can be done without increasing its superannuation costs.

Knowing that SSS members can be given full access to their super at no cost to the Government the Federation has been interested to read in *Hansard* the reasons which the Government has for its intention to make SSS members move to a reduced level of employment at or after preservation age in order to become eligible to obtain access to just part of their accrued SSS benefit under transition to retirement provisions.

The Government's reasons as given in *Hansard* seem very weak. They have the Government praising its own proposed arrangements when no other State Government has sought to apply the same arrangements, and dismissing the alternative which all the other State Governments have accepted. No other State Government, and, to the best of our knowledge, no superannuation fund trustee, supports the South Australian Government's claim that a legitimate transition to retirement arrangement requires a person belonging to a simple accumulation scheme, like the SSS, to reduce his/her level of employment in order to obtain access to just part of his/her accrued benefit. The Federation wants to see SSS members enjoying the same transition to retirement options which nearly everyone else in similar schemes across Australia already has. This includes the option of full access while remaining in full-time employment.

The Government, and those advising it in superannuation matters, appear to see the world as a place where everyone, at age 55, has accrued sufficient superannuation to allow them to reduce their income and enjoy additional leisure time. In the real world there are very few people in that position. In the real world many people in Australia today, at age 55, face a difficult shift to retirement because of limited superannuation savings and a limited capacity to enhance those savings due to their incomes being quite modest. People in this position need to make the most of every opportunity they have to enhance their superannuation savings. In the Federation's opinion the new rules for superannuation access at preservation age represent the best opportunity that people on modest incomes and belonging to simple accumulation schemes like the SSS have ever had to enhance their retirement savings.

The Government's position characterises an effective strategy of saving for retirement that such people might use as merely 'tax minimisation' when this strategy is being recommended by the nation's most highly respected and conservative financial institutions. It is a strategy which the Federal Taxation Commissioner has accepted as legitimate and which the Federal Government must expect to be applied widely. The rules allowing use of this strategy had bi-partisan support in the Federal Parliament.

The Government seems to think it would be untenable for SSS members to have full access to their superannuation. If pension scheme members do not also have full access to their (quite different) benefit. In response to this we ask all members of either of the Parliamentary Superannuation Scheme's PSS1 or PSS2 divisions to consider whether they would regard it as unfair for PSS3 members to be given better access to their benefit than they have. We doubt that any PSS1 or PSS2 members would feel this way.

Interposing there, I did raise the issue in relation to the parliamentary scheme and I think the government did respond that it was not contemplating any changes. The letter continues:

Providing members of relatively costly pension schemes such as the PSS1, PSS2 and State Pension Schemes early access to the pension while they continue to work full-time would further increase the cost of the schemes, but this is not the case for simple accumulation schemes like the SSS. Early access has no effect on the cost to employers of such schemes regardless of a person's work status. No fair-minded person, knowing this and belonging to a pension scheme which involves employer support well above the standard 9 per cent of salary, would begrudge those receiving only the minimum 9 per cent support better access to a smaller benefit. The Federation requests you to consider proposing and/or supporting an amendment or amendments to the *Statutes Amendment (Transition to Retirement—State Superannuation) Bill, 2007* such as the following:

It then proceeds to outline a structure of a particular amendment, which in my judgment and in the judgment of others, is covered by the amendment which I have moved in this chamber and a copy of which I have provided to the federation, to the PSA and to SA Superannuants. In conclusion, the federation says:

The federation is aware that this matter is listed on the *Notice Paper* under Orders of the Day in the Legislative Council on Tuesday 16 October. We are seeking your support for this amendment.

Yours sincerely,

Bill Hignett, President.

In summary, that is the proposition.

I ask the minister to comment on my understanding of the peaks in terms of retirement within the Triple S scheme. I will not repeat them; I think he is aware of the claims that I have made and my understanding in relation to that.

The Hon. P. HOLLOWAY: The amendment which the Hon. Mr Lucas has moved, seeking to insert a new section 30B in the Southern State Superannuation Act, which established the Triple S accumulation scheme, only impacts on the Triple S scheme, which is a non-defined benefits scheme. If passed, the amendment will enable all employees who are members of the Triple S scheme to access their accrued superannuation benefit without any change in their existing employment arrangements after attaining the preservation age. In short, they really have nothing to do with transition to retirement. The amendment will mean that employees who are currently aged over 55 years will be able to access their accrued superannuation benefit in the Triple S scheme whilst continuing to work full time for the government.

Under the amendment, employees will be able to access their accrued superannuation without any evidence of their genuinely transitioning to retirement. In fact, they will be able to access their superannuation even if they are not transitioning to retirement. Whilst an option to access superannuation benefit before full retirement or even a reduction in the level of employment is permissible under commonwealth law, it does cause one to question the wisdom of the commonwealth policy.

The concern must surely be that the policy will simply encourage many employees to start eroding their accrued superannuation benefits before they start any form of genuine transition to retirement. If passed, the amendments will not result in any increased cost to the state government, because the proposal is limited to Triple S only, although, to the extent that people are drawing down their super, I think that at some stage in the future there is likely to be an impact in higher levels of pension. So, in our capacity as federal taxpayers it may have a cost but, in terms of the state, it will not have a cost: I concede that.

Whilst under the amendment members in the Triple S scheme will be able to access their accrued superannuation on reaching the preservation age, members will still be limited to taking the accessible superannuation in the form of an income stream, a non-committable allocated pension. The ability to have a lump sum will not be permitted in accordance with the

commonwealth standards. The government's view is that the amendment should be opposed on the grounds that the government's package of proposals before the parliament is about only allowing access to accrued superannuation if those persons show evidence of a genuine transition to retirement. An employee can only show evidence of their genuinely transitioning to retirement by moving to a less responsible job or having a reduction in their level of employment.

When the changes to superannuation were introduced by the Federal Labor government back in the 1980s, clearly, the philosophy behind that was to recognise that the Australian population was ageing and to encourage people to provide for their own retirement. I was at a luncheon earlier this year and a prominent demographer from the University of Tasmania made the point that, I think in her state of Tasmania, in 2009 the number of people leaving the workforce would exceed those entering. In our state that will happen in, I think, 2011, followed by other states soon after. So, when our Prime Minister campaigns during the election campaign that he is going to cure employment, it is a pretty easy thing to do when the number of people who are leaving the workforce will start to exceed those who are entering it.

Who could not cure unemployment? This is the first time in centuries that that demographic phenomena will hit our community, and that is why we need a superannuation scheme to encourage people to stay in the workforce to address those issues. We are now almost at the point where those demographics lock in. Paul Keating as treasurer in the 1980s extended the superannuation scheme and there have been a number of changes since, but the purpose of that was to provide self provision for retirement. If one has access to superannuation at 35 years, regardless of whether one is transitioning to retirement, without it being aimed at encouraging people to stay in the workforce, surely the outcome will be that ultimately there will be a greater burden on the taxpayers of this country through the pension and other schemes, which was the whole purpose of introducing superannuation in the first place.

Philosophically I am happy with the position that we oppose the amendment on the basis that the Labor Party has consistently tried to improve the level of self provision for retirement within this country, and the measures we have introduced have been consistent with that. Faced with a fist full of dollars, we know which policy tends to win out, but ultimately the question is raised that, if we are facing this demographic issue where people will be leaving the workforce faster than those coming in, who will pay all the pensions in future? We know there is under-provisioning for retirement through our superannuation schemes. I suggest that this amendment can only serve to make that worse.

The Hon. Rob Lucas asked for confirmation on a number of issues. He asked questions in relation to the average benefit in the Triple S scheme. The median balance in the Triple S scheme for persons aged over 55 years is $59,000, and 90 per cent of persons aged over 55 years have balances below $160,000. The present experience gained over the past five to 10 years indicates that 70 per cent of people aged 55 will be fully retired by aged 60 years. Clearly there will be a huge impact on our society. We are already getting questions in this parliament about a shortage of people. We are reading today that the shortage of pilots is affecting country areas.

The demographic changes taking place in this country will be enormous. We can easily solve unemployment—that will not be a problem at all. The dilemma is how we will find enough doctors, pilots, nurses, teachers and mining engineers, which will be a far greater challenge. Clearly superannuation is one way of trying to encourage people to remain in the workforce. It is certainly not a panacea to that huge demographic issue, but it can help.

The other information we have is that 15 per cent of employees in the state pension and state lump sum schemes aged over 50—that is, 1,300 employees—are senior employees on packages of over $100,000. This represents a huge loss of valuable skills and corporate knowledge if 70 per cent of those employees retire before they reach age 60, so we can see the issue we are facing. The government will oppose the amendment on that basis. It is a philosophical issue. There are two issues. We believe the bill is about transition to employment. Whether you give employees their full lump sum at 55 years is not about transition to retirement but is a different issue. Philosophically the Australian Labor Party has been endeavouring over two or three decades to ensure that people are better prepared for retirement and that the massive fiscal burden of years to come can be addressed, as well as the loss of skills, which is what this bill is all about.

For those reasons we will be opposing the amendment. We do concede that it is legal under commonwealth law. It does beg the question about what a future commonwealth government would do and whether the changes are ultimately sustainable financially, but that is another issue. As confined to the Triple S scheme it will not cost the state taxpayers, although it may cost us as federal taxpayers.

The Hon. R.I. LUCAS: In relation to those people within the Triple S scheme, is it correct that 90 per cent or more of Triple S scheme members will have retired by the age of 60?

The Hon. P. HOLLOWAY: I will just repeat the information. Experience gained over the past five to 10 years indicates that overall 70 per cent of people at age 55 will be fully retired by age 60.

The Hon. R.I. LUCAS: Do you have advice in relation to the Triple S scheme?

The Hon. P. HOLLOWAY: My advice is that it is 90 per cent; so it is 70 per cent of all people and 90 per cent of Triple S scheme members.

The Hon. R.I. LUCAS: In relation to the amendment, we are talking about the Triple S scheme. The point I was making earlier is that over 90 per cent of Triple S scheme members would retire by age 60. Is it correct that in relation to the Triple S scheme the peak in retirements in the public sector at present is around age 55 with another peak at around 57?

The Hon. P. HOLLOWAY: That is correct.

The Hon. R.I. LUCAS: The minister has raised the issue of long-term impacts if the amendment is passed. In my second reading contribution I placed on the record advice from financial advisers such as Glenn Todman and George Mileski (a financial planner from Mercer Wealth Solutions) in relation to the superannuation/tax arrangements for people and the benefits as a result of most recent commonwealth government changes. In relation to the sorts of scenarios I pointed out in my second reading contribution—which his advisers would have seen—if this amendment passes, is it possible for public servants to structure their superannuation and tax position so that they can see a significant financial benefit from having this particular option, should they choose to go down the path that Mr Todman, Mr Mileski and other financial planners have talked about?

The Hon. P. HOLLOWAY: It may be true in theory that through restructuring their tax people do get that benefit but, if most of them are going before age 60 in any case, it may be that the theory is not realised.

The Hon. R.I. LUCAS: It is a complicated superannuation/tax arrangement, but the bottom line (which the minister has just confirmed) is that Mr Todman, Mr Mileski and others have highlighted a complicated set of tax and superannuation arrangements which can provide benefits for public servants who may want to structure financial and taxation arrangements in a certain way. I acknowledge the point the minister has talked about and it may be an incentive to stay longer than age 60 in the public sector, if they have the capacity to structure their financial arrangements so that there is a benefit to them. Whilst I acknowledge the potential argument that the minister is raising that some people may end up spending the money in the short term on a range of things, it is possible (as has been indicated) that a number of people would structure their financial and superannuation arrangements at a net benefit to them and at no cost to taxpayers.

There may be some cost to the federal income tax arrangements but, if we are looking at who might have the capacity to absorb a financial hit, federal income tax collection is probably best positioned to be able to sustain a potential hit. It may well have the benefit of encouraging some of these people to stay on in the public sector for longer because they are able to extract some financial benefit from the sorts of options that will be provided if this amendment is passed.

The Hon. P. HOLLOWAY: The only point I would make in relation to that is that the great bulk of members of the Triple S scheme—those on salaries of $50,000 or less—are much less likely to have the cash available to be able to restructure their schemes to draw benefits. Those who are most likely to benefit from such tax arrangements that the Hon. Rob Lucas was talking about are more likely to be those who already have much higher levels of superannuation, anyway. The problem is with the lower paid workforce, for whom it will be very difficult to be able to gain the benefits of those sorts of arrangements; they obviously have less capacity to pump that extra money into superannuation to receive the benefits from it.

The Hon. M. PARNELL: I suppose one of the great dilemmas of life is that none of us knows the precise date of our demise, and on retirement we try to err on the side of caution and make sure that we have enough put aside. I have listened very carefully to what the minister has been saying about the demographics and, in fact, it is an issue that arises in lots of debates. The traditional pyramid, with a broad base of young people at the bottom and a few old people at the top, is becoming distorted. At a conference I attended recently I saw the transition of the pyramid into a shape that strongly resembled a coffin: the peak of the pyramid was knocked off with older

people and there was this bulge of baby boomers coming through. It raises the question, with an older population and more people retired, as to who will pay for the pensions in the future. There has been talk, in connection with the election campaign and outside, about people working longer and that being a necessity for our society if we are to properly look after each other.

One of the questions, I guess, will be whether 55 year olds who stay in employment will waste the superannuation that they access or whether they will invest it wisely. Will they genuinely apply it to their own future? It is a difficult question to answer. The whole rationale of the compulsory superannuation scheme is that people needed not only to be encouraged but also forced to save for their own retirement and that, effectively, has happened through superannuation, which is a trade-off, I suppose, for wage increases; we receive some of our pay in the form of compulsory savings. I am a little nervous about the federal income tax implications. Whilst I understand that there are no direct implications with respect to the state, people may be able to structure their affairs so as to pay less federal income tax. If that is the case, it may well be that the federal tax regime needs to deal with that.

I have before me the letter of the South Australian Government Superannuation Federation, which has been read out at some length, in which the federation says that it wants to see Triple S members enjoying the same transition to retirement options that nearly everyone else in similar schemes across Australia already has, and this includes the option of full access while remaining in full-time employment. It would seem to me that, if there are federal taxation implications, they will need to be dealt with in relation to other superannuation schemes that already provide the types of entitlements that the amendments of the Hon. Rob Lucas seek to introduce into this legislation.

On the question of equity across comparable super schemes, I am inclined to support the amendment. I have received quite a large amount of correspondence from organisations and individuals urging support for such an amendment. However, I would pose a question of the mover, which relates to the technical side of the amendment. In the South Australian Government Superannuation Federation letter (which I assume was to all members of parliament), its preferred model of amendment was to delete existing section 30A and replace it with another section 30A. However, I note that the honourable member's amendment leaves 30A as it is and inserts a new section 30B. My question of the mover is: can he assure us that both the intent and effect of his amendment are the same as requested by the South Australian Government Superannuation Federation?

The Hon. R.I. LUCAS: That is why, in my phrasing, I talked about my amendment picking up the essential elements or thrust of what was being sought by this group. The answer to your question is: yes, that is my advice. However, the reason for continuing to retain the two—30A and 30B—is, as the minister pointed out, that the government's clause is headed 'Transition to retirement', whereas mine is 'Early access to superannuation benefits'. I think the technical point the minister made on behalf of the government is that, while it can be argued that mine is a transition to retirement, in essence it may not be; it is early access to superannuation benefits. I expect in many cases that will be a form of transition to retirement but, to be fair, the minister's point is reasonably accurate—that is, there are two essential groups.

One group consists of those catered for by the government (which is transition to retirement), which is characterised by a decision to move to part-time work and/or a lower classification level; and my amendments seek to provide early access to superannuation benefits. Clearly, you could draft them as they were intending—put them all together and call it one if you wished—but my advice here is clear; it makes it easier. The government's bill is there, which I assume we are all going to support. We can simply support this add-on as 30B, without having to restructure the bill. If we do not, the government's bill stays as it is without having to restructure amendments, etc.

The Hon. SANDRA KANCK: Under those circumstances, if the Hon. Mr Lucas's amendment is successful should not the bill be retitled to reflect early access to superannuation benefits in the title rather than transition to retirement?

The Hon. R.I. LUCAS: To be honest, I am not fussed either way. I think it is a good point from the Hon. Sandra Kanck, and I must admit that in the drafting I did have a fleeting thought about it, but I was not particularly fussed. I thought we might see whether the amendment passes; if it does then I am happy to take advice from the minister if he wants to have the title changed (and parliamentary counsel is here, so we can do so). It is not an issue that I have strong views about one way or another. Of course, if the amendment does not pass we do not have to worry about changing the title of the bill.

The Hon. SANDRA KANCK: As a consequence of comments I made in my speech, I received an email from Mr Ray Hickman of SA Superannuants which, in part, reads as follows:

> On reading *Hansard* I have seen that the departmental briefing provided to you characterised a strategy for retirement savings that I and others have outlined as 'tax minimisation' and something that the government could not support. This appears to have given you a concern that the strategy might be unethical. As your colleague the Hon. Rob Lucas pointed out, it is tax avoidance, and not tax minimisation, that is unethical (and illegal). Tax minimisation does not involve any question of unethical conduct where it simply involves a person arranging his/her affairs in a transparent fashion that meets the requirements of taxation law. In my opinion, the arrangement which the government claims to have ethical reservations about is a perfectly respectable strategy for any person to employ.

It then goes on to talk about a couple of examples of people salary sacrificing and so on. I have to confess to knowing probably zilch about salary sacrifice; I do not know what it is and I have never done it.

I am one of those strange creatures who actually believe in paying my tax, because I look around me and see the things that are provided to me. I know that on my own I cannot pay for a hospital, but if I put my money in with other people then we can all get a hospital. I cannot pay for a tram on my own, but if we all put our money in together we can get a tram. It is clear to me that, if I set about to minimise my tax, notwithstanding the fact that tax minimisation is strictly legal, it does mean that someone else has to pay more tax to make up for the fact that I have minimised my tax. So, there remains an ethical component in my decision making on this.

I note that the Hon. Robert Lucas's amendment is about only those in the Triple S scheme and, clearly, of the three schemes that are involved in this legislation, they are the most disadvantaged. I note the comments of the Hon Mr Lucas and the Hon. Mr Holloway that it will not cost the South Australian taxpayer; however, it could cost the federal taxpayer. It does seem to me that, if you use it in some way by continuing to work full-time and use it to assist your son or daughter with maybe a home loan deposit or something, you use it up and then become dependent on the commonwealth-funded pension.

However, having then listened to what the Hon. Mr Holloway had to say about the savings of those who are in the Triple S scheme, it is fairly clear to me from those amounts that when they retire those people in the Triple S scheme would not be living off their super for very long anyhow before it was exhausted and they would be going onto a commonwealth funded pension.

I guess there are ultimately two issues: the one that Mr Parnell raised about parity or equity with interstate counterparts, and then there is the other issue about what this bill is. As I said in my second reading speech, I welcomed it, because I think the idea of being able to transition to retirement is a good one. If this amendment is passed, then it is clear that people in that Triple S scheme will be able to continue working full-time and also access their superannuation. That is obviously not genuinely transitioning to retirement. So, in the final analysis, having listened to all the arguments, I have come to the conclusion that I will not be supporting the amendment.

The Hon. P. HOLLOWAY: In regard to the question about what would happen if money were to be rolled over into the Triple S scheme from other funds, my advice is that that is money that they would be able to access as well, under the amendment.

The committee divided on the amendment:

AYES (10)

Bressington, A.	Dawkins, J.S.L.	Evans, A.L.
Hood, D.G.E.	Lawson, R.D.	Lensink, J.M.A.
Lucas, R.I. (teller)	Parnell, M.	Ridgway, D.W.
Wade, S.G.		

NOES (6)

Finnigan, B.V.	Gago, G.E.	Holloway, P. (teller)
Hunter, I.	Kanck, S.M.	Zollo, C.

PAIRS (4)

Schaefer, C.V.	Gazzola, J.M.
Stephens, T.J.	Wortley, R.

Majority of 4 for the ayes.

Amendment thus carried.

The Hon. R.I. LUCAS: I move:

Page 7, after line 16—Insert:

30B—Early access to superannuation benefits

(1) For the purposes of this section, the basic threshold is an amount prescribed by the regulations for the purposes of this subsection.

(2) Subject to this section, a member may apply to the Board for the benefit of this section if—

(a) the member has reached—

(i) the age of 55 years; and

(ii) his or her preservation age; and

(b) in the case of the first application by the member under this section—the combined balance of his or her eligible contribution accounts equal or exceed the basic threshold; and

(c) the member has not applied for the benefit of section 30A.

(3) An application under this section may be made for the payment of the whole, or a specified proportion, of the balance of the member's eligible contribution accounts but, in the case of the first application by a member under this section, the application must seek the payment of an amount that is at least equal to the basic threshold.

(4) Once a member has made an application under this section, a second or subsequent application cannot be made—

(a) unless at least 12 months have elapsed from any preceding application; and

(b) unless the combined balance of his or her eligible contribution accounts equal or exceed an amount prescribed by the regulations for the purposes of this subsection.

(5) The Board may require that an application under this section be made in such manner, and comply with such requirements, as the Board thinks fit.

(6) A payment pursuant to an application under this section will be drawn from the member's contribution account first and then, to the extent (if any) that an additional amount is required for the purposes of the payment, from the member's other eligible contribution account or accounts in accordance with the regulations.

(7) The payment will, according to an election made by the member as part of his or her application, be invested by the Board (on behalf of and in the name of the member)—

(a) with the Superannuation Funds Management Corporation of South Australia; or

(b) with another entity that will provide a non commutable income stream for the member while the member continues to be employed in the workforce,

so that the member receives (and only receives) a payment in the form of a pension or annuity (a drawn down payment).

(8) An investment under subsection (7) will be on terms and conditions determined by the Board.

(9) An entitlement to a draw down payment is not commutable.

(10) However, the value of an investment may be redeemed in due course under subsection (14).

(11) When the Board makes a payment on an application under this section—

(a) the member's contribution account and, if relevant, any other eligible contribution account, will be immediately adjusted to take into account the payment; and

(b) section 12(2) and (3) will apply with respect to the relevant components constituting the payment.

(12) When a member retires from employment (and is thus entitled to a benefit under section 31), the member's entitlement under section 31 will be adjusted to take into account an entitlement provided under this section (and that section will then have effect accordingly).

(13) If a member's employment is terminated on account of invalidity or by the member's death, any entitlement under section 34 or 35 (as the case requires) will be adjusted to take into account an entitlement provided under this section (and the relevant section will then have effect accordingly).

(14) When a member retires, has his or her employment terminated on account of invalidity or dies (whichever first occurs), an investment being held under subsection (7) may be redeemed (subject to any rules or requirements applicable to the exercise of a power of redemption).

(15) The making of a payment under this section must take into account the operation of any provision under Part 5A.

(16) The Governor may, by regulation, declare that any provision of this section is modified in prescribed circumstances (and the regulation will have effect according to its terms.

(17) In this section—

eligible contribution accounts of a member means—

(a) the member's contribution account; and

(b) the member's employer contribution account; and

(c) if the regulations so provide—

(i) the member's rollover account;

(ii) the member's co-contribution account.

As I said, the rest of the amendments are consequential, so I do not intend to speak to them. The Legislative Council has adopted a position—and I accept that this is an issue really for the Treasurer and the government to address—where public servants who receive 9 per cent superannuation as part of the Triple S scheme will be able, in certain circumstances, to have early access to superannuation.

I raise the issue of whether the government is at least prepared to think through the equity for those members of parliament, for example, who are in exactly the same situation with the PSS3 scheme whereby their only superannuation is exactly the same benefit that public servants receive, which is the 9 per cent superannuation. Is the Leader of Government prepared to take up this issue with his colleague the Treasurer? I hasten to say that neither the Leader of the Government nor I are in a position of potential benefit from this as we are older serving members of the parliament, if I can put it that way—or longer-serving members of the parliament.

A number of the Leader of the Government's own backbenchers and members and, indeed, on this side of the council there are a number of newer members of parliament, who are members of the PSS3 scheme, receiving the 9 per cent superannuation and, ultimately, if public servants are allowed by the parliament early access to superannuation benefits in certain circumstances, is the Leader of the Government prepared to at least have that discussion with the Treasurer as to whether there ought to be, at some stage, consideration of that option being provided to parliamentary members? I notice that the shop steward for the government members is not currently present in the chamber, so I will forward my comments to the government members' shop steward on these particular issues.

The CHAIRMAN: He is not here, anyway.

The Hon. R.I. LUCAS: Well, perhaps I need to speak to someone else if your advice is correct, Mr Chairman's. I will leave that with the Leader of the Government as an issue.

The Hon. P. HOLLOWAY: I will raise it with the Treasurer.

Amendment carried; clause as amended passed.

Clause 8.

The Hon. R.I. LUCAS: I move:

Page 7—After line 24—Insert:

(6) If a member has received the benefit of a payment under section 30B—

(a) the superannuation interest of the member will be taken to include the balance that is being held under section 30B(8) and (9);

(b) any entitlement under section 30B will be adjusted to take into account the effect of a payment split under this Part.

Amendment carried; clause as amended passed.

Remaining clauses (9 to 18) , schedule and title passed.

Bill reported with amendments; committee's report adopted.

Bill read a third time and passed.

OCCUPATIONAL HEALTH, SAFETY AND WELFARE (PENALTIES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 31 July 2007. Page 572.)

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (16:10): I thank honourable members for their contribution so far on this important legislation. The approach of the bill as foreshadowed by honourable members varies and, indeed, three amendments have been filed. Although the government may have different views on some of the contributions and proposals put forward, I welcome the recognition that a review of the penalties under this act, and the introduction of a revised offence for more serious conduct, is appropriate.

However, I would like to respond to a suggestion that appears to have emerged from some quarters during the debate on this bill; that is, that the government has hidden objectives with this measure. Government objectives have always been clearly stated at every opportunity, both in this council and any other place: namely, to act on the recommendations contained in the Stanley report. This report was to conduct a comprehensive review of the penalty regime under the OHSW Act and develop a credible range of penalties and offences as part of an enforcement program for OHSW offences in this state, which would contribute to improving OHSW compliance and reducing incident and injury rates.

The need for a credible range of penalties as part of enforcement programs is clear from that report. A review of penalties applying within other comparable South Australian legislation, and OHSW legislation applying in other states, also supports the need to dramatically increase the maximum level of fines applying to corporations and the public sector under the act. Further, and significantly, the link between a credible deterrent and increased compliance is well demonstrated by research, and the proposed increase in maximum fines is part of that deterrent. The Maxwell report to the Victorian government in March 2004 entitled, 'Occupational Health and Safety Act Review', in chapter 35 summarises the case on this aspect.

I now turn briefly to each of the amendments proposed by members in this council, first of all opposition amendments. The Hon. Caroline Schaefer has put forward an amendment to clause 5 of the bill to amend the new section 59 offence provisions. The opposition has made a number of assertions about how such an offence provision will operate and has referred to a number of employer concerns regarding the proposed new offence of reckless endangerment in section 59(1). I am advised that many of the alleged unintended consequences are alarmist and are not a fair portrayal of how the provision would be applied.

It is true that the proposed offence does not replicate the approach found in section 32 of the Victorian Occupational Health and Safety Act 2004 as is favoured by some employer groups, but the proposed section 59(1) within the bill is directed at the same sort of conduct. As such, the new section 59(1) offence is designed to apply only to serious breaches of the act and to allow for the prosecution of individuals, officers and/or corporations where appropriate. It provides that a person must not knowingly or recklessly act in a manner that may seriously endanger the health or safety of another person.

We know that the opposition's amendment preserves the bill's coverage of both knowing and reckless behaviour and, unlike other amendments which I will refer to later, does not expressly require the death or severe injury of a person to trigger the offence. That much is consistent with the bill. However, this amendment has limitations which, if passed, would not be consistent with the existing principles of the OHSW Act. The phrase 'creates a substantial risk of death or serious harm' would still inevitably require a focus on the outcome of the workplace accident, that is, the resultant harm that has been caused to a person or persons rather than the focus on the seriousness of the conduct and the risk that was created by the behaviour.

The Hon Sandra Kanck has also put forward an amendment to clause 5 of the bill to amend the proposed new section 59 offence provision by creating a whole new offence provision. This amendment is similar in concept to an industrial manslaughter offence and is completely at odds with the recommendations of the SafeWork SA Advisory Committee and employer and union groups who provided submissions to the penalty review in 2006. It also makes actual death or serious injury a prerequisite to the operation of the offence, which is not consistent with the approach adopted within the bill or, more importantly, the act itself.

I now come to the Independent amendments. The Hon. Ann Bressington has also put forward amendments to the bill which contain a whole raft of proposals, some of which in the government's view are not directly related to the bill and appear to be more directed at workers compensation issues. Those amendments that touch on OHSW matters propose significant changes to parts of the OHSW Act that have not been the subject of appropriate consultation with stakeholders in the community to this point. The honourable member's amendment to the section 59 offence provision is again an attempt to introduce change that is contradictory to the

recommendations made after extensive consultation that then led the government to put forward this bill.

The proposed amendment seeks to further narrow the potential field of operation of this offence and substitutes established concepts with alternative and untested replacements. As I have already stated, this bill and the changes it represents for OHS legislation have the support of many of the stakeholders and have arisen from continuing and detailed consultation by the government, SafeWork SA and the SafeWork SA advisory committee, including that conducted since the bill was first tabled in the other place in December 2006. The government is committed to constructive legislative reform and to pursuing this important reform to the OHSW Act, which we believe will result in better occupational health and safety outcomes and performance in our community. I commend this important bill to the council and look forward to the debate on specific clauses in committee.

Bill read a second time.

STATUTES AMENDMENT (VICTIMS OF CRIME) BILL

Adjourned debate on second reading.

(Continued from 17 October 2007. Page 973.)

The Hon. R.D. LAWSON (16:18): I rise to make a couple of comments on this bill. As my colleague the Hon. Stephen Wade indicated, Liberal members will support the passage of this bill. However, a couple of significant points ought to be made. The government claims to be interested in the affairs of victims of crime. This amendment is well overdue. It has in a couple of respects increased the compensation payable to individual claimants under the Victims of Crime Act. There seems to be no acknowledgment in government speeches in support of this bill that, as is so often the case, the government is walking both sides of the street on this matter.

On the one hand compensation to victims is increasing, but on the other, and unstated, is the fact that the levies chargeable for the victims of crime fund to persons who commit offences, mainly traffic offences, have increased far more. For example, the budget papers this year show that the amount collected by way of the levy in the past has not been expended on payments to victims. For example, last year it was budgeted that victims of crime levy collections by South Australia Police would be $3.7 million, but they managed to collect only two thirds of that, $2.6 million. Next year they hope to collect $5.9 million. The Courts Administration Authority last year collected $7 million; this year it proposes to collect $14.6 million. The Attorney-General's Department, through levies for fines and penalties, will in 2008 collect some $20 million. Payments to victims last year were only $9 million.

Notwithstanding the additional compensation that might be paid for pain and suffering, grief and funeral expenses (and it is likely that payments will increase), it is hardly likely that they will increase from the $9 million levied last year, so they are in fact proposing to double the levy, but the payments to victims are not expected to rise by much. For example, payments to victims this year were $12 million; it is budgeted that they will be $12.3 million next year, so the government is budgeting for increased payments of only $300,000, but it will collect another $11 million in levies through that source. The government is saying to victims of crime, 'We are concerned about you so we propose to increase the amounts you might be able to recover if you are able to jump through all the hoops already in the legislation which are not being removed. We the government will make $10 million out of our increase, but there will be only another $300,000 for payments to victims.'

Most of the amendments to the existing scheme are not important. For example, the declaration of principles in the legislation are slightly amended. Currently the act provides that the objects of the legislation are to give recognition to victims of crime and 'to establish principles governing how victims of crime are to be treated in the criminal justice system'. That is being amended by the deletion of the words 'treated in the criminal justice system' and the insertion of 'how they are treated by public agencies and officials'.

It is said that that is to emphasise the fact that some other organisations, which would not ordinarily be described as within the criminal justice system, are covered. The Attorney-General in his second reading explanation indicated that the sorts of organisations the government has in mind include government services such as domestic violence services and rape and sexual assault services. No evidence is provided to suggest that those services are not appropriately treating victims. I would have thought that, by this definitional change it might be better to leave the criminal justice system, which is normally said to be something apart from government agencies, and the persons who work in it something apart from government officials, but independent statutory

officers, and that we are reducing the emphasis on the need for the prosecuting authorities, the police and the court system to treat victims appropriately. Of course, all victims should be treated appropriately. However, I believe this amendment will take the spotlight off the court system. At best it is window-dressing, albeit window-dressing that some victims organisations may have requested.

It is significant that this government has been talking about amending the victims of crime legislation for quite some considerable time—certainly well before the 2006 election. Although it made promises in that election, they were only a repetition of announcements that the Attorney-General had made previously. While better late than never is not a bad principle, it is a fairly slack one. There is no doubt that this government has been delaying, or has delayed, the introduction of not only this bill but also the cognate bill relating to the appointment of the commissioner for victims' rights.

I note that the shadow attorney-general in another place made a request to the Attorney-General that he give thought to a suggestion in relation to amendments to the Bail Act. She requested that he give thought to that matter during the passage of the bill to this council. Of course, on that occasion in response to that request we had a supercilious remark, 'I promise to think about the matter which the member for Heysen has asked me to think about', but there has been no response at all to that matter; so I will be pursuing that matter in committee.

Debate adjourned on motion of the Hon. B.V. Finnigan.

ELECTRICITY (FEED-IN SCHEME—RESIDENTIAL SOLAR SYSTEMS) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1021.)

The Hon. P. HOLLOWAY (Minister for Police, Minister for Mineral Resources Development, Minister for Urban Development and Planning) (16:29): I thank members for their contributions to this debate and their indications of support. I was asked a number of questions during the debate. The first was: who will pay the metering costs? The answer that I have been provided with is that consumers will pay all costs. The next question was: does ETSA have administration costs? I am advised that people who install photovoltaic buy the panel and meter, as is the case now.

The next question was: do retailers have administration costs? ETSA pays for the administration, etc, and passes the costs on to consumers. This is the current arrangement. It is likely to be only a small increase in these costs due to feed-in, if there is any increase at all. ESCOSA will assess the amount of the increase. Retailers might have some costs. These will be recovered in the market, as they are currently. The next question was: can they offer a higher rate? My advice is that, as per section 36AD(2) of the bill, it will be a condition of a retailer's licence that they pass on all money they receive from ETSA for their electricity generated by solar panels. As is currently the case, retailers can pay as much as they like for their electricity: 44¢ a kilowatt hour is the minimum.

The Hon. Sandra Kanck then asked about wind turbines. My advice is that trials are underway in Adelaide, Perth and Melbourne. A number of planning issues remain, but it is certainly the intention to consider any progress on micro wind turbines as part of the mid-term review. The Hon. Mark Parnell then asked a question about why 44¢ was the figure, and why a higher figure was not used. This is not the only measure being put in place to tackle climate change. There is a portfolio of responses, including (as mentioned) the national emissions trading scheme, which has been supported by this government since 2004.

Then there is the government's purchase of green power. I refer the honourable member to the government's greenhouse strategy of tackling climate change if he wants some more information on that. The figure chosen—the 44¢ a kilowatt hour—has to balance the benefit to photovoltaic owners with the costs that are borne by other consumers. We believe that this is a good balance. I also remind the council that we do have the mid-term review and, clearly, the effectiveness of that figure can be assessed then.

The Hon. Mark Parnell then asked about small business. I point out that this is not intended to be a scheme for people to make a profit, but the scope of the scheme will be on the agenda for the mid-term review. The Hon. Mark Parnell then discussed the greenhouse implications. Again, I make the point that each kilowatt of photovoltaic installed replaces 1½ megawatt hours of electricity

from the grid, since each megawatt hour on the grid results in about one tonne of emissions, and we expect the current three megawatts to grow severalfold over the life of this scheme.

Some of this will, no doubt, be due to the legislation before us—and, again, we have the mid-term review and, certainly, this issue of greenhouse implications will be looked at when that mid-term review is undertaken. The Hon. Mark Parnell then spoke about the impact on the price of electricity. If we saw photovoltaics grow from the current three megawatts to 10 megawatts (which is more than triple but likely by the end of the scheme), the cost spread across all householders would be less than $5 per household per year.

The Hon. Ms Kanck said that she would not benefit because her panel is too small; it will only power her lights. The point is that feed-in will give her a benefit whenever (a) her solar panel is working (that is, it is sunny) and (b) her lights are turned off. The feed-in, based on net metering, provides an energy efficiency incentive: use as little power as possible during the day to maximise the earning and benefit from the scheme.

The Hon. Mark Parnell then said that our renewable energy position is due to New South Wales policy. I wish to address that question. We have a consolidated planning regime for wind farms to facilitate them. South Australia has been working hard since 2004 to secure a national emissions trading scheme to put a cost on carbon and to provide the necessary certainty to support greenhouse abating technology. Earlier this year, the Prime Minister finally agreed, after years of pressure from the states, to implement an emissions trading scheme.

A question was also asked about who will pay the GST. My advice is that consumers pay GST on the electricity they buy. That is the unavoidable truth. When businesses sell things such as electricity they can claim input tax credits, because they are registered for GST. If you are not registered for GST, you cannot claim an input tax credit. The commonwealth, of course, makes the rules in relation to the goods and services tax. The Hon. Mark Parnell then referred to the dramatic variability in wholesale electricity prices, and he implied that domestic photovoltaic owners should benefit from very high peak prices.

I make the point that consumers are not exposed to spot market prices. Electricity retailers are exposed to them, but they are large, sophisticated businesses, which make complex financial arrangements with merchant banks and other market participants to manage their risk. Consumers cannot reasonably be expected to do this. On average, if consumers were exposed to the spot market—and, presumably, that would mean to buy and sell—they would be financially worse off than they are at the moment.

The Hon. Mark Parnell then asked about the arrangements for renewable energy certificates and this legislation. I point out that this bill does not change the arrangements for renewable energy certificates at all. Consumers who install photovoltaic systems will be entitled to some renewable energy certificates under the current EMRET scheme. This might change in the future. Anyone with a renewable energy certificate, whether consumer or generation company, can sell that REC to whomever they please. The feed-in does not change this. The legal position around ownership of the electricity generated by photovoltaic panels is quite complex. This bill is not intended to change it. Whether or not retailers can sell the power generated from these panels will not change. I trust that addresses the issues raised during the debate and, again, I commend the bill to the council.

Bill read a second time.

At 16:40 the council adjourned until Tuesday 23 October 2007 at 14:15.