LEGISLATIVE COUNCIL

Thursday 14 May 2009

The PRESIDENT (Hon. R.K. Sneath) took the chair at 11:05 and read prayers.

SITTINGS AND BUSINESS

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (11:05): 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 2.15pm.

Motion carried.

SECOND-HAND VEHICLE DEALERS (COOLING-OFF RIGHTS) AMENDMENT BILL

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy) (11:06): Obtained leave and introduced a bill for an act to amend the Second-hand Vehicle Dealers Act 1995 and to make a consequential amendment to the Magistrates Court Act 1991. Read a first time.

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy) (11:07): I move:

That this bill be now read a second time.

This bill amends the Second-hand Vehicle Dealers Act 1995 by introducing a cooling-off right on the sale of second-hand vehicles, with the following features:

- The cooling-off right does not apply to private sales, auction sales and purchases by companies or dealers.
- The cooling-off period will begin at the signing of the contract and expire at the end of two business days (defined to include Saturdays).
- The dealer is entitled to a non-refundable deposit from the purchaser of 2 per cent of the value of the vehicle up to a maximum of $100.
- The dealer is entitled to offer a third party an option on a vehicle that is subject to a cooling-off period.
- The purchaser will be entitled to waive his or her rights to a cooling-off period (the mechanism for waiver will be set out in the regulations but is intended to involve the purchaser signing a waiver form that includes a warning notice).
- Legal title and physical possession of the vehicle remain with the dealer during the cooling-off period (although the dealer is required to allow the purchaser reasonable access to test drive or have the vehicle inspected).
- Legal title and physical possession of a trade-in vehicle offered by the purchaser remain with the purchaser until the completion of the cooling-off period.
- A credit contract entered into to finance the sale cannot take effect until the expiration of the cooling-off period and will be void if the contract for the purchase of the vehicle is rescinded.
- It will be an offence for the dealer to induce someone to waive their cooling-off right.

Secondly, to enhance the ability to prosecute unlicensed dealers, the definition of 'dealer' is widened to include buying and exchanging of second-hand vehicles and a rebuttable presumption included that, if a second-hand vehicle is transferred into and out of a person's name, that person bought and sold the vehicle. A rebuttable presumption is also created that a person and a close associate are dealers if the person and close associate buy or offer to buy or sell or offer for sale more than six second-hand vehicles, in aggregate, in a 12 month period.

The bill also amends the existing rebuttable presumption that a person is a dealer if he or she sells, or offers or exposes for sale, four or more second-hand vehicles in a 12 month period by extending the presumption to the purchase as well as the sale of the second-hand vehicles.

Penalties in the act have been increased to at least double, and expiation fees increased to the maximum of $315. A negative licensing scheme is also introduced for salespersons employed or otherwise involved in second-hand vehicle dealerships. The objective is to address recent cases of which the Office of Consumer and Business Affairs is aware where people with convictions for dishonesty offences or who have been previously disqualified as second-hand vehicle dealers have effectively remained involved or run dealerships through a third person licensee, such as a spouse or another dealer—a 'compliant third party'.

Their conduct (negotiating sales, etc.) would in many cases be within the definition of 'second-hand vehicle salesperson'. Under this scheme it would be an offence to act, or employ a person to act, as a second-hand vehicle sales person if the person has been convicted of an indictable offence of dishonesty or, within the past 10 years, a summary offence of dishonesty, or the person has been disqualified from another regulated occupation. The scheme will allow disciplinary action to be taken against salespersons for unlawful, improper or negligent conduct and to exclude persons from being involved in the industry where they have a relevant criminal history or are suspended or disqualified from this or any other regulated occupation.

The responsibility for determining claims on the second-hand vehicles compensation fund (the fund) is transferred from the Magistrates Court to the Commissioner for Consumer Affairs. The fund is created under the act and administered by the Commissioner for Consumer Affairs. Dealers pay an annual contribution to the fund of an amount prescribed by regulation. Payments are made out of the fund to compensate consumers who suffer losses arising from the purchase of second-hand vehicles in circumstances where the loss cannot be recovered from the dealer because, for example, the dealer has died, disappeared or become insolvent. The types of loss covered by the fund include costs of repairing vehicles under the dealer's statutory duty to repair and failure by the dealer to pay out a prior loan over the vehicle.

Currently, consumers may apply to the Magistrates Court for determination of a claim on the fund. Transferring responsibility for determining fund claims to the commissioner would have the following advantages:

- it would be faster and cheaper for consumers. Government fund administration costs are paid from the fund in any event, and may reduce given that the commissioner is currently represented by the Crown Solicitor in Magistrates Court fund claim actions;
- it would free up the Magistrates Court for other matters; and
- it brings the claim process into line with claims on the agents indemnity fund under the Land Agents Act, which are determined by the commissioner.

The bill will allow the Second-hand Vehicles Compensation Fund to be used to fund:

- prescribed education programs for the benefit of consumers or dealers;
- investigating compliance with the act;
- the costs of disciplinary proceedings and prosecuting offences under the act; and
- conciliation of disputes between purchasers and dealers relating to the dealer's duty to repair.

I commend the bill to members, and I seek leave to have the explanation of clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause is formal.

2—Commencement

The date for commencement of the measure is to be fixed by proclamation.

3—Amendment provisions

This clause is formal.

Part 2—Amendment of *Second-hand Vehicle Dealers Act 1995*

4—Amendment of section 3—Interpretation

This clause inserts some new definitions. *Close associate* is defined by reference to section 3A. The *cooling-off period* in relation to a contract for the sale of a second-hand vehicle is the period commencing when the contract is made and ending at the conclusion of the second clear business day following the day on which the contract is made.

Offer for sale includes exposure for sale, an invitation to treat (ie, an invitation to another to make an offer) and the publishing, or authorising the publication, of an advertisement.

A *salesperson* is a person who does any of the following for or on behalf of a dealer:

- buys or sells second-hand vehicles;
- induces or attempts to induce, or negotiates with a view to inducing, a person to buy or sell a second-hand vehicle;
- performs a function of a kind prescribed by regulation.

The definition of *dealer* is amended so that it refers to buying second-hand vehicles, and the definition of *sell* is amended to make it clear that 'sell' includes exchange.

5—Insertion of section 3A

This clause inserts section 3A, which provides that two persons are *close associates* if any of the following circumstances apply:

- one is a spouse, domestic partner, parent, brother, sister or child of the other;
- they are members of the same household;
- they are in partnership;
- they are joint venturers;
- they are related bodies corporate;
- one is a body corporate and the other is a director, manager, secretary or public officer of the body corporate;
- one is a body corporate (other than a public company whose shares are quoted on a prescribed financial market) and the other is a shareholder in the body corporate;
- one is a body corporate whose shares are quoted on a prescribed financial market and the other is a substantial shareholder (within the meaning of the *Corporations Act 2001* of the Commonwealth) in the body corporate;
- one has a right to participate (otherwise than as a shareholder in a body corporate) in income or profits derived from a business conducted by the other;
- one is in a position to exercise control or significant influence over the conduct of the other.

6—Amendment of section 4—Application of Act

As a consequence of this amendment, Part 3 Division 1 Subdivision 3 of the Act, which sets out the cooling-off rights of a purchaser, does not apply to a sale of a second-hand vehicle by a dealer to a credit provider on the understanding that the vehicle will be sold or let on hire to a third person.

7—Amendment of section 7—Dealers to be licensed

The maximum penalty for carrying on business as a dealer without a licence is increased from $20,000 to $100,000.

8—Amendment of section 13—Incorporated dealer's business to be properly managed and supervised

The maximum penalty for failing to ensure that a business is properly managed and supervised by a licensed dealer who is a natural person is increased by this clause from $20,000 to $100,000.

9—Insertion of section 13A

Proposed section 13A provides that it is an offence for a dealer to employ a person as a salesperson unless the person has not been convicted of an indictable offence of dishonesty and has not, during the period of ten years preceding the employment, been convicted of a summary offence of dishonesty. Also, a dealer must not employ a person who is suspended from practising or carrying on an occupation, trade or business.

The maximum penalty is a fine of $100,000.

The proposed section also prohibits a person from acting as a salesperson unless the person—

- has not—
  - been convicted of an indictable offence of dishonesty; or
  - during the period of 10 years preceding the employment, been convicted of a summary offence of dishonesty; and
- is not suspended or disqualified from practising or carrying on an occupation, trade or business.

If a person is employed or acting as a salesperson immediately before the commencement of the new section, the prohibition against employing the person as a salesperson, or acting as a salesperson, if the person is convicted, disqualified or suspended will only apply in relation to a conviction, disqualification or suspension that occurs after the commencement.

10—Amendment of section 14—Registration of dealer's business premises

This clause increases the penalty for carrying on business as a dealer at premises that are not registered from $2,500 to $5,000. The expiation fee is increased from $105 to $315. A similar amendment is made in respect of the offence of failing to notify the Commissioner within 14 days of ceasing to carry on business at registered premises.

11—Insertion of heading to Part 3 Division 1 Subdivision 1

Part 3 Division 1 is to be divided into three Subdivisions. This clause inserts a heading to Subdivision 1.

12—Amendment of section 15—Application of Division

Section 15 provides that Division 1 of Part 3 does not apply to the sale of a second-hand vehicle by auction or the sale of a second-hand vehicle to a dealer. An exception is made for section 17. This clause makes a consequential amendment to section 15. The effect of the amendment is that section 18E, which is a new section, will apply to sales to which Division 1 does not otherwise apply. Section 18E deals with the options for the purchase of vehicles subject to a contract of sale.

13—Insertion of heading to Part 3 Division 1 Subdivision 2

This clause inserts a heading to Subdivision 2 of Part 1.

14—Amendment of section 16—Notices to be displayed

This clause increases a number of penalties relating to notices dealers are required to display. References to 'exposure of sale' are also deleted by this clause because the definition of *offer for sale*, inserted by clause 4, makes it clear that an offer for sale includes exposure for sale.

15—Amendment of section 17—Form of contract

Section 17(1) lists certain requirements in relation to contracts for the sale of second-hand vehicles. As a consequence of the first amendment made by this clause, such a contract will, if subject to a cooling-off period, be required to set out when the cooling-off period will expire in addition to other prescribed information.

Other amendments to section 17 increase penalties and expiation fees relating to requirements in respect of contracts for sale.

16—Amendment of section 18—Notices to be provided to purchasers of second-hand vehicles

This clause increases the maximum penalty for failing to provide certain notices to the purchaser of a second-hand vehicle. The penalty is increased from $2,500 to $5,000.

17—Insertion of Part 3 Division 1 Subdivision 3

This clause inserts a new Subdivision in Part 3 Division 1.

Subdivision 3—Cooling-off

18A—Interpretation

Section 18A provides a definition of the term *approved form*, which appears only in Subdivision 3 and means a form approved by the Commissioner.

18B—Cooling-off

Section 18B deals with the cooling-off rights of purchasers. The section applies to contracts for the sale of second-hand vehicles entered into following the commencement of the section, other than contracts for the sale of a vehicle of a prescribed class or in prescribed circumstances.

A purchaser under a contract to which the section applies may rescind the contract by giving the dealer written notice of his or her intention not to be bound by the contract before the end of the cooling-off period.

The purchaser cannot be required to make a payment in respect of the sale before the expiration of the cooling-off period, other than payment of a deposit towards the contract price of the vehicle that does not exceed 2% of that price or $100, whichever is the lesser.

If a contract is rescinded, the purchaser is entitled to the return of money paid under the contract. However, the dealer may retain money paid by way of deposit.

If the purchaser enters into a credit contract (that is, a contract for the provision of credit) in connection with the purchase—

- if the contract for the purchase of the vehicle is rescinded—the credit contract is void and any associated mortgage or other security taken by the credit provider is discharged; and
- if the contract for the purchase of the vehicle is not rescinded—the credit contract does not take effect until—
  - the purchaser waives his or her right to a cooling-off period in relation to the contract for the purchase of the vehicle (this can be done under section 33); or
  - if the right to a cooling-off period is not waived—the expiration of the cooling-off period.

18C—Legal title to vehicle remains with dealer during cooling-off period

Legal title to a vehicle under a contract to which section 18B applies does not pass from the dealer to the purchaser until the cooling-off period has expired. The dealer is entitled to retain possession of the vehicle during the cooling-off period but must allow the purchaser reasonable access to the vehicle for the purpose of test driving or inspecting it. The vehicle may not be driven by a party more than 100 kilometres during the cooling-off period. The dealer is required to ensure during the cooling-off period that the vehicle is roadworthy, insured against loss or damage and is registered.

18D—Trade-in vehicles

The purchaser is to retain possession of any trade-in vehicle during the cooling-off period. Details of the condition of the trade-in vehicle at the commencement of the cooling-off period are to be recorded. Legal title to the trade-in vehicle does not pass to the dealer until the expiration of the cooling-off period.

If the vehicle is damaged during the cooling-off period, the dealer may rescind the contract for the sale of the vehicle (and any associated contract). If the contract for the sale of the vehicle is rescinded, any associated contract entered into by the purchaser for the provision of credit is void ,and any associated mortgage or other security taken by the credit provider is discharged.

18E—Option to purchase vehicle subject to contract for sale

Section 18E prohibits a dealer from, during the cooling-off period in relation to a contract for the sale of a second-hand vehicle, selling or offering for sale the vehicle or an interest in the vehicle. However, the dealer may sell or offer for sale an option to purchase the vehicle in the event that the contract for the sale of the vehicle is rescinded. The dealer cannot offer for sale more than one option. The maximum penalty for a contravention of, or failure to comply with, this provision is a fine of $20,000.

If a dealer proposes to grant an option to a person to purchase a second-hand vehicle during the cooling-off period in relation to a contract for the sale of the vehicle, the dealer—

- may require the person to pay a deposit towards the proposed contract price of the vehicle that does not exceed 2% of that price or $100, whichever is the lesser; and
- must provide the person with a notice in the approved form—
  - advising that the vehicle is subject to a contract for sale and the person will only be entitled to purchase the vehicle if the contract is rescinded; and
  - containing other prescribed information.

The maximum penalty for a contravention of, or failure to comply with, this provision is a fine of $5,000.

18—Amendment of section 20—Notices to be displayed in case of auction

19—Amendment of section 21—Notices to be provided to purchasers of second-hand vehicles

20—Amendment of section 22—Trade auctions

These clauses increase the maximum penalties that apply in respect of various offences. Where an expiation fee is included in a provision, the fee is also increased.

21—Amendment of section 26—Interpretation

In Part 5, a reference to a salesperson includes a reference to a former salesperson.

22—Amendment of section 27—Cause for disciplinary action

This clause amends section 27 so that there is proper cause for disciplinary action against a salesperson if the salesperson has acted unlawfully, improperly, negligently or unfairly in the course of acting as a salesperson.

23—Amendment of section 31—Disciplinary action

The maximum fine that can currently be imposed by the District Court where there is proper cause for disciplinary action is $20,000. This amendment increases the maximum to $100,000.

24—Amendment of section 32—Contravention of orders

This clause increases the maximum penalty for contravening or failing to comply with a condition imposed by the District Court. The maximum penalty is increased from $35,000 or imprisonment for six months to $175,000 or imprisonment for 1 year.

25—Amendment of section 33—No waiver of rights

Section 33(2) provides that a person of or above the age of 18 years may waive a right conferred by the Act in connection with the purchase of a second-hand vehicle. Under the section as amended by this clause, it will be an offence for a dealer to induce or attempt to induce a person to waive his or her right to rescind a contract for the sale of a vehicle during the cooling-off period.

If a dealer is found guilty of this offence, a person who has suffered loss or damage as a result of the offence may apply to the Magistrates Court for an order that the dealer compensate the person.

The regulations may require a prescribed person or body to report to the Minister on the extent to which rights conferred by the Act have been waived under section 33.

26—Amendment of section 34—Interference with odometers prohibited

27—Amendment of section 41—False or misleading information

28—Amendment of section 42—Name in which dealer may carry on business

These clauses increase various penalties and expiation fees.

29—Amendment of section 50—Evidence

This clause amends the presumption set out in section 50(1) of the Act that a person who has sold, or offered or exposed for sale, four or more second-hand vehicles during a 12 month period will be presumed (in the absence of proof to the contrary) to have been a dealer during that period.

The section as amended extends the presumption to the purchase, as well as the sale, of second-hand vehicles. The presumption is also extended to the purchase and sale of second-hand vehicles by close associates of a person. If a person and another person who is a close associate of the person buy or offer to buy, or sell or offer for sale, an aggregate of at least six second-hand vehicles during a 12 month period, the person and the close associate will both be presumed to have been dealers during that period (in the absence of proof to the contrary).

A further presumption is added to section 50(1). If the registration of a second-hand vehicle is transferred from one person to another, the transferor will be presumed to have sold the vehicle to the transferee, and the transferee will be presumed to have bought the vehicle from the transferor.

30—Amendment of section 53—Regulations

This clause amends the regulation making power so that regulations can be made requiring salespersons to comply with a code of conduct. The maximum penalty that can be imposed for contravention of, or non-compliance with, a regulation is increased from $2,500 to $5,000. The maximum expiation fee is increased from $210 to $315.

31—Amendment of Schedule 3—Second-Hand Vehicles Compensation Fund

Schedule 3 deals with the Second-hand Vehicles Compensation Fund. The Schedule is amended so that the Commissioner for Consumer Affairs, rather than the Magistrates Court, will be responsible for authorising payments from the Fund.

A number of new provisions are also added to the Schedule. These provisions provide for the following:

- a claim for compensation is to be made to the Commissioner in a manner and form determined by the Commissioner;
- the personal representative of a claimant (including a deceased claimant) is entitled to make the claim on behalf of the claimant or the claimant's estate;
- the Commissioner may require a person making a claim to furnish further information or to verify, by statutory declaration, information furnished for the purposes of making or establishing a claim;
- the Commissioner must, on receipt of a claim for compensation—
  - give the claimant and the dealer concerned written notice of the claim; and
  - allow the claimant and the dealer a reasonable opportunity to appear before the Commissioner personally or by representative to make submissions as to the claim;
- the Commissioner must on making a determination on a claim, give the claimant and the dealer written notice of the determination.

A new appeal provision is also inserted. Clause 2A provides that the claimant or dealer may appeal to the District Court within three months after receiving notice of the Commissioner's determination.

New clause 2B provides that, in determining a claim for compensation, any possible reduction to which the claimant's entitlement may be subject because of insufficiency of the Fund is to be disregarded.

Clause 3(2) of the Schedule lists the amounts that are to be paid out of the Fund. The list as expanded by this clause will include the following:

- amounts authorised under the Schedule;
- expenses incurred in administering the Fund;
- the costs of investigating compliance with the Act or possible misconduct of dealers or salespersons;
- the costs of conciliating disputes;
- the costs of disciplinary proceedings;
- the costs of prosecutions for offences;
- amounts, approved by the Minister, to be paid towards the cost of prescribed educational programs conducted for the benefit of dealers, salespersons or members of the public;
- amounts required to be paid into the Consolidated Account in accordance with clause 3.

Schedule 1—Related amendment

Part 1—Amendment of *Magistrates Court Act 1991*

1—Amendment of section 3—Interpretation

This clause makes a related amendment to the definition of *minor statutory proceeding* in section 3(1) of the *Magistrates Court Act 1991*. This is to ensure that proceedings under section 33(5b) of the *Second-hand Vehicle Dealers Act 1995* are minor statutory proceedings for the purposes of the *Magistrates Court Act 1991*. Under section 33(5b), which is new, a person who has suffered loss or damage as a consequence of being induced by a dealer to waive his or her right to rescind the contract may, if the dealer has been found guilty of the offence set out in subsection (5a), apply to the Magistrates Court for an order that the dealer provide compensation for the loss or damage.

Debate adjourned on motion of Hon. J.M.A. Lensink.

SUPPLY BILL

Adjourned debate on second reading.

(Continued from 12 May 2009. Page 2251.)

The Hon. M. PARNELL (11:16): We have just had the federal budget delivered, and we will shortly see the Rann government's latest state budget. To a large extent, both of these budgets are an exercise in spin. However, the reality is that a government's priorities are proven by cold, hard cash. So, we need to forget the spin and the rhetoric, and we need to look at where the money is going.

Another feature of the economic debate in this state is that the government is fond of perpetuating a number of myths, particularly around jobs and the direction of future jobs growth. There is no doubt that our economy is changing and that it will need to change further into the future. Forty years ago, one in three jobs in South Australia were manufacturing. Today, it is only one in eight, with only one in 10 jobs being in the field of consumer durables, such as white goods.

The Premier's statement yesterday continued the perpetuation of myths around mining and defence. These two industries are seen by the Premier to be the salvation of the South Australian economy, yet recent economic statements by the Economic Development Board contain some surprising figures. In relation to mining, the South Australian mining industry contributed just 3.9 per cent to gross state product in 2006-07, which was down from 4.5 per cent in 1994-5. In relation to mining jobs, in 1996, 0.7 per cent of employment was in that sector; in 1986, it was 1.5 per cent; in 2000, it was down to a half of 1 per cent; and it was only 1 per cent in 2008. In relation to the defence sector, only 13,383 people were employed in that sector in 2007-08; in other words, 1.4 per cent of the state's employment.

So, we see a huge focus on these two sectors, yet they make up less than 3 per cent of the state's employment and, in the case of mining, it is only 3½ per cent of gross value added shares by industry. To put this into context, the collection of activities known as 'services' provide the majority of South Australia's employment; in fact, it is a staggering 73 per cent and, in terms of economic output, it is 58 per cent.

What I want to do in my Supply Bill contribution today is to focus on what should be a green direction for our economy and for jobs. In short, we need to create new jobs for a new economy. The Australian Conservation Foundation has done some analysis on the potential for green jobs in Australia, and it points out that the significance of green jobs is not only in relation to the jobs themselves but, more importantly, it is in the multiplier effect in the economy as a whole. The ACF's focus is on jobs that help our economy to move to a low carbon state.

The direct jobs are in fields such as construction, in the retrofitting of buildings to make them more energy efficient. It is also manufacturing jobs in areas such as wind and solar power. The indirect jobs include manufacturing and service jobs created in associated industries that supply intermediate goods for building retrofit or wind turbine manufacture, and that includes timber, steel and transportation. However, there is also a third category of induced jobs; for example, retail and wholesale jobs created by workers in these construction, manufacturing and service industries.

The United States' economy is going through perhaps an even worse crisis than the Australian economy. In the United States, it has been stated that two million jobs could be created through a $1 billion green stimulus package, and that would be at around $50,000 per job. There is a range of sectors that the Americans are looking at to transform their economy. The jobs would be similar in Australia. The ACF identified key market areas in which Australian businesses are particularly well positioned to succeed. They include renewable energy, energy efficiency, sustainable water systems, biomaterials, green buildings and the waste and recycling sector.

In South Australia, we are particularly well placed for renewable energy jobs. We have the best wind profile in the country, which explains all the interstate investment in wind farms in South Australia. We have excellent solar resources, including not only solar voltaics or photovoltaics but also solar thermal, which has the great advantage of being a baseload supply option, with the energy being stored as heat rather than in expensive batteries.

In relation to water, we know that we have within our state the intellectual resources to provide many more solutions to our water security problems than are currently being promoted by the government. The advantage of working in the water sector is that, once we have solved our problems, we can then export those solutions. That is why I shake my head in disbelief at the government's undermining of more sustainable water options, such as stormwater recycling. The reason the government's approach undermines these options is that it puts all its eggs into the desalination basket, and we know that that is the most expensive way there is of producing freshwater. It is more expensive than all the other options, including demand management, effluent recycling and stormwater harvesting, particularly when done in association with managed aquifer storage and recovery.

Yet, having sunk what will eventually turn out to be around $2 billion into desalination, and then announcing the end of water restrictions, we have to ask: where is the incentive for investment in these more sustainable options and the jobs associated with those options? We have to ask ourselves what happened to the findings of the Adelaide coastal water study, which showed that we need to stop putting polluted water into the gulf, where it kills the seagrasses.

When governments make poor decisions on water security, the cost is borne by future generations. Outside the environment sector there are also new jobs that need to be created in the health sector, in particular in preventative health. The South Australian Department of Health has estimated that, if we do not change the health system, by the year 2032 total health spending will be higher than the total South Australian budget. So we look, for example, at the government's response, and that is what used to be called 'the Marj' and now has a different name. Forgetting the name, the most important question is to ask whatever happened in the government's planning to the Generational Health Review, which argued for less spending on hospitals and more spending on preventative health. The government has overturned those priorities in its desire to create a new hospital or a new disease palace, if you want to look at it like that. The focus is not on health but on 'illth'. It is baffling why the government is doing this, and it has scary financial consequences for our state in the long term.

The next thing we need to look at in relation to new jobs for a new economy is the area of training, in particular the skills shortage. Despite the opportunities that exist in new industries that focus on reducing our carbon footprint, there is a real danger that Australia will be left behind in the international market in particular if we do not develop the right skills base. We know that we already have in South Australia and elsewhere in the country a shortage of tradees with the skills to install

things like solar panels and water saving technologies. If we do not have these skilled tradespeople we cannot put solar panels on roofs or retrofit our houses the way we know we need to.

At the national level, the Greens have proposed an Australian Green Jobs Task Force to tackle the urgent need to develop a workforce capable of rolling out the energy efficiency, renewable energy and public transport infrastructure that Australia will need to build a zero emissions economy. The present economic climate provides an opportunity to develop a green collar workforce, creating new job opportunities for those losing their jobs and offering transitional training and skill development options, and ensuring Australia is taking the lead as a green economy. It is particularly important at a state level, because so much of education and training is a state responsibility.

When we look at South Australia and compare our advantages and disadvantages with the other states, we note that wages in South Australia tend to be lower than in other states, we have a higher proportion of the population on benefits and allowances (not counting the age pension), we know that job participation rates are lower and unemployment rates are higher, and generally skill levels are lower. That is why it is baffling in the extreme why the state government allows for crucial training schemes to be downgraded or axed. I have had a fair bit to say in this parliament over the past several months about TAFE courses, in particular cuts to important programs such as women's education and other entry level courses. Once we can get people engaged back in the workforce and train them, then they are ready for these new jobs in the new economy.

We also have a responsibility to advance our economy through the development of specialised knowledge. One of the most disappointing decisions to come out of the federal budget this week was the loss of funding for Land and Water Australia. That is why I backed the call from the South Australian Farmers Federation to keep funding for climate change research in agriculture, so that our farmers stood the best possible chance of being able to adapt to climate change. Certainly the calls of the Greens and those of the Farmers Federation fell on deaf ears, and $16 million was lost to agricultural research and development funding. Now more than ever we need to invest in finding out how our farmers can respond to our changing climate.

If we are serious about maintaining a viable farming sector in this state, and ensuring that farmers can grow the food we need in future years, research and development funding is absolutely vital. Climate change is forcing many farmers to rewrite the rule book when it comes to rainfall, propagation and breeding patterns, and we need to invest funds to help farmers respond. Now that the Rudd government has cut that funding, the state government needs to step in and fill that breach. Of course, we also need to spend money on mitigating climate change by cutting our emissions, but we also need to invest in adaptation, especially when it comes to helping our farmers stay viable into the future.

There is another area of information where the government has failed, and that is illustrated by the recent example of mini wind turbines on government buildings. In light of the very poor experiences of that program, the government needs to engage in an honest conversation with the South Australian people about what can and should be done about renewable energy.

One of the frustrations that individuals, businesses and governments find is that they do not have adequate data, they do not see independent testing of new technologies (especially renewable energy technologies), and they often have to rely on just the glossy company brochures that spruik these products and then hope for the best—hope that they work. I think that is where the state government can step in. The government is ideally placed to road test new technology and provide free, independent advice to all. I think that would be a much better contribution from the state government to the greenhouse debate than the waffle that we usually hear.

In relation to the project that I mentioned, the mini wind turbines on government buildings, if the government was genuine about that being a demonstration project of new technology, it has to publish its findings, good or bad. As it is, we know the findings were bad; we know that the project was unsuccessful. However, finding out that something does not work as well as we had hoped is often just as useful as finding out that something does work; and, also, we need more specific information to help others not to make mistakes that we might have made.

So, when it comes to those wind turbines, did they work on certain buildings and, if they did, why did they; and why didn't they work in other locations? Were they too small? That is all information that the government now needs to publish and share with the community. It was public funding that went into those programs. The government owes it to us to share the results. I say

good on it for trying new and promising technology, but what is the point of having done it if no-one is allowed to know the results?

There have been two environmental impact statements released recently which both have big consequences for the South Australian future economy. The first is the Roxby Downs expansion. We know that the impacts and the costs will be huge, not just environmentally but socially and economically as well, which is why we need to ensure that if that project goes ahead it maximises the benefits for our state, not just in the present but for future generations of South Australians as well.

That is why the Greens call for an increase in mining royalties and for the increased proceeds of those royalties to be invested in a South Australian future fund to ensure that South Australia has an ongoing source of wealth once mining at Roxby Downs ends. Mining royalties in South Australia are generally less than half the other mining states such as Western Australia or Queensland, so what we are doing is allowing big mining companies to waltz in, extract our mineral wealth and pay us far less than they should in return.

When it comes to the Olympic Dam expansion at Roxby Downs, the world's richest mining company reckons the mine will make $1 trillion over its life. So, we have to ask: why is the Rann government afraid to ask for our fair share? According to SA Unions, South Australian mining royalties are less than half other mining states, with our state earning only 3.5 per cent compared with 7.5 per cent in Western Australia for bauxite and iron ore, and between 7 and 10 per cent in Queensland. So, the Greens are calling for the royalty rate for all mining in South Australia, including Olympic Dam, to be doubled to 7.5 per cent, with half the increase invested in a future fund.

When using mining royalties, we have two choices. We can spend it all at once, as we do now, or we can keep some for that inevitable time in the future when the minerals run out. We can learn a lot from what happened with North Sea oil. The UK government chose to spend its royalty share on current expenses and now, with the oil coming to an end, it has very little to show for it. Norway, on the other hand, invested its share in a future fund that will provide ongoing income to the Norwegian people forever. We have a huge responsibility to future generations to use the proceeds from non-renewable resources wisely. Part of that responsibility is not blowing it all straightaway—or, even worse, giving it away at bargain prices.

The second environmental impact statement that I want to refer to in relation to its impacts on supply and the South Australian economy is the Buckland Park development. If this project goes ahead, it will have huge future consequences for state finances and spending, and much of it will be directed to fixing social, economic and environmental problems that are completely avoidable. We had some discussion in question time yesterday about the Buckland Park development during which the minister referred to it as a satellite city. It is not a satellite city: it is an old-fashioned, American-style, car-dependent commuter suburb, and the EIS makes a virtue of its siting within the greater metropolitan Adelaide region, but it is a suburb, not a city or a township, and labelling it any other way does not detract from what it really is.

The EIS is a weak and poorly constructed document and gives scant attention to very important issues. For example, there are only a couple of paragraphs on issues of smell, even though the facility shares a common boundary with the Jeffries composting facility and demonstration farm. As members would know, the only reason for that facility to be at Buckland Park is that it had to move from the residential area where it was previously located.

In relation to flooding, the EIS talks about dealing with a one in 100-year flood, yet what we previously thought of as a one in 100-year flood risk is now happening much more frequently, and with climate change it will happen more frequently still. Planning authorities have recently rewritten the flood maps for areas around the Gawler River. The minister praises the proponent's consideration of water, yet the project will only capture and store for reuse a very small proportion of its stormwater.

The minister is plainly wrong when he said yesterday that the Greens are opposed to all development. What we are opposed to is bad development. We are all in favour of good development, and that is why we have publicly praised the Clipsal site redevelopment, and we are firmly behind any genuine transit-oriented development.

Despite what the minister said, I have not referred to this development as a ghetto. I have referred to it as a 'ghetto in waiting', and the distinction is very important because people will be attracted by cheap land, but they will then be marooned by high petrol prices. The social damage

will not emerge straightaway, but only in years to come. Then a future government will be saddled with the huge cost as the community struggles. The Greens say that it is economically reckless and short sighted.

Urban form is critically important to our future budget health. By placing thousands of people far away from services without adequate public transport we are setting up that community for failure—and that is irresponsible. I am certainly not opposing the 15 per cent affordable housing in new developments, but to make a virtue of affordability in this case is a false claim because affordability goes far beyond the cost of land, bricks and mortar: it includes the cost of living there, and that means car travel.

The minister made the point that the project looks to embrace green building design. Now, that is just meaningless spin because the project will have only a five star energy efficiency rating, despite imminent moves at the national level in COAG to increase the standard to six stars and beyond. Even worse, the environmental impact statement states that the project, especially in its early years, will have higher greenhouse gas emissions than the average for metropolitan Adelaide. That is absolutely bizarre and foolhardy. How can any government say that it is serious about climate change and approve a brand new 25 year development that will guarantee its residents have a larger greenhouse burden than the average Adelaide resident?

A big part of that is the woeful lack of public transport. Even though there is a train line nearby, train services will not be provided. Even worse, a new bus service for the site is not scheduled to start until the year 2022. It is not surprising, therefore, that the EIS estimates that only 5 per cent of trips in 2036 will be by public transport.

We should contrast that with the South Australian Strategic Plan target, which is to increase public transport use to 10 per cent of all metropolitan kilometres by the year 2018. This proposal thumbs its nose at the government's own Strategic Plan. The minister tried to imply yesterday that I was expecting a direct bus route to the city—that is not true—but it surely should not be too much to ask for a direct bus to the nearest shops at Munno Para or Elizabeth some time over the next 11 years.

If there is a genuine need for housing in the city's north, why do we not follow Perth's lead and put down a train extension first, with planned housing developments afterwards? In the case of Buckland Park, the jobs are 22 kilometres away and it is a massive petrol guzzling commute. They will expect every household to have two cars and, therefore, be subject to petrol prices which we know will get higher.

I say that it is irresponsible and economically reckless to promote developments such as this, which will create suburbs of real disadvantage into the future. The government will stand condemned by future generations if it saddles those generations with the cost of servicing such obviously flawed developments.

Another example of the government's short-term planning and economic irresponsibility comes from the very recent announcement that the Adelaide desalination plant is to be doubled. The federal budget included an extra $228 million, on top of the $100 million already promised to double the size of the Port Stanvac desalination plant from 50 gigalitres to 100 gigalitres; and the state has now agreed to match that extra funning.

This means that South Australia's bottled electricity will now come in a jumbo sized pack. This is supersizing gone mad. Unlike other water supply options that get cheaper in the longer term, desalinated water uses huge amounts of electricity for each and every litre produced. South Australians will be saddled with a huge ongoing electricity bill and householders will be hit big time in the hip pocket. This is economically reckless, as well as environmentally and socially irresponsible, and to make it worse the Premier and the Treasurer are out in the media saying that a larger desalination plant will mean no more water restrictions. Not only are they saddling households with future water costs but their message to South Australians is: turn your back on water saving.

In a dry year we know that Adelaide gets up to 170 gigalitres of water from the River Murray. The desalination plant will produce 100 gigalitres, so we will still be 70 gigalitres short, even with a doubling of the desalination plant. The Greens alternative water policy that prioritises stormwater infrastructure and wise water use is a much more economically responsible path. Instead South Australia will bear the cost of the Rann government's reckless water policy for years to come.

In relation to the taxation base, we do need to shift from taxing goods, if you like, or things we want more of, like employment, and that means shifting from payroll tax to taxing bad things, things we want less of, such as pollution and carbon pollution, in particular. Yesterday we passed some minor changes to payroll tax legislation, but we should have been looking at abolishing the tax altogether and replacing it with a tax that does not discriminate against employment but, rather, does tackle problems of pollution.

In conclusion, in my contribution to the Supply Bill I draw the council's attention to the economic recklessness of many current decisions being either made or contemplated by the Rann government. The Greens are weighing into this debate as serious players. We are a party of economic responsibility. We are the only party that is looking at the economy in terms of the long term, and that means we need to make wise policy choices now in order to avoid unacceptable costs in the future.

Debate adjourned on motion of Hon. J.M. Gazzola.

PETROLEUM PRODUCTS SUBSIDY ACT REPEAL BILL

Adjourned debate on second reading.

(Continued from 30 April 2009. Page 2174.)

The Hon. D.W. RIDGWAY (Leader of the Opposition) (11:45): I rise on behalf of the opposition to speak to the bill, and I indicate that we will be supporting it. I note in the *Hansard* from the House of Assembly that my colleague, Mitch Williams, managed to keep his contribution to 5½ lines. I do not know whether I will be quite that brief. This is a relatively minor matter. It repeals the Petroleum Products Subsidy Act which gave the parliament the mechanism to allow the disbursement of funds paid as a subsidy by the commonwealth government for transport of fuel to remote communities.

The commonwealth no longer provides those funds, and so, as a consequence, that scheme is now quite redundant. I also believe that the fuel was often used for the generation of electricity and other things in the remote communities of South Australia, such as the Aboriginal lands and other parts of Outback South Australia. As the commonwealth no longer pays that subsidy, this act is redundant. The opposition has much pleasure in supporting the bill.

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (11:46): I thank the Hon. Mr Ridgway for his indications of support for this bill on behalf of the opposition. I understand other members also support the bill. I commend it to the council.

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

SUPPLY BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 2350.)

The Hon. C.V. SCHAEFER (11:49): I rise to make what will be my last contribution to a Supply Bill, and I look back at the 16 years that I have been here and, in particular, the seven years of a Rann Labor government and I find it utterly depressing. The purpose of a Supply Bill is to guarantee money so that the government of the day can meet its obligations, particularly in payment to the Public Service. Given that the Public Service has traditionally been the darling of the ALP, it must find this as depressing as I do. This government has reduced and continues to reduce the Public Service to an extent where it cannot possibly be expected to fulfil its obligations and, in particular, it cannot be expected to fulfil its obligations in rural South Australia.

I have made no secret of the fact that, for the 16 years that I have been here, I have seen my primary role as representing people from outside the metropolitan area and the larger cities of South Australia, and I do not shrink from that at this stage. Having said that, I find it extremely depressing, as I have said, to watch the shrinking of services and, in particular, government services either north of Gepps Cross or south of the tollgate.

An example of this is, indeed, the primary industries department, which has taken a cut of 70-odd staff, together with 75 FTEs to go to the magical Shared Services department. In my role as simply a backup to the brilliance of the Hon. Rob Lucas, I have learned that Shared Services rented an entire building, two floors of which still sit empty. We have what is typical of this government: it is vintage *Yes Minister*. This is an extremely efficient department because no-one is

in it. No-one is working on those two floors, so they do not cause the government any great pain whatsoever.

Primary Industries, in particular, languishes as the forgotten cousin in South Australia, in spite of the fact that we are still dependent on Primary Industries' income for the majority of our income and certainly the majority of our exports in South Australia. In that, of course, I include mining, but I wish to speak particularly about agriculture.

We have seen a shrinkage, to the stage where it is almost invisible, of any research and development, particularly in the grain and wine grape industries. There is no research paid for within this state or, if there is, it is eked out like a miser throwing a few coins to a beggar. On top of that, we have seen the Rudd government cut $95 million from CSIRO research and another $66 million from grain and agricultural research across Australia.

We have seen it within this state. Yesterday, I raised the fact that, unfortunately, if you have children and choose to live outside of a major town and your isolated children have to undertake distance education, you will be disadvantaged not only against every other child in South Australia but against every other child who has isolated education across Australia. We are the only state which does not meet its obligations to provide broadband coverage for those children.

We have seen the debacle of this government's attempt to close most of our country hospitals. For once, country people—who generally simply shrug their shoulders and get on with it—stood up and said, 'No, you will not take our hospitals from us.' Having said that, what we are seeing is that they are slowly being starved to death. I expect that, in my lifetime, the place where I was born and my three children were born will be little more than a nursing home.

We saw just last night this government putting pressure on parents in the Mid-North, Whyalla and Port Augusta to amalgamate (which is a nice word for close) 44 schools and turn them into five schools. We have no details of what schools; we have no details of how much notice these parents will have; no-one has been told and, yet, they have to give notice by the end of June.

I have covered health, education, agriculture and, just to top it off, we now have a bill before us which talks about imposing a system of rating on people who live in isolated areas. We have a process put before us by this government, hand-in-hand with the Rudd government, which will see our regional development boards shrink from the 13 that are there now to five. I serve proudly on the Natural Resources Management Committee and what we see there is that, after seven years, the local natural resources management boards are still writing plans.

I keep hearing about weeds being out of control, about feral pests being out of control, about goats in the north that need shooting, but no-one sprays weeds any more, no-one shoots goats any more; what they do is write plans. They are so busy writing plans and handing those plans down to the next layer down and the next layer down that no-one has any funding to do on-ground works.

So, after 16 years, I have watched, in the past seven years, rural South Australia be absolutely forgotten, cast off and become an area to be pitied. They will not be pitied because they will—most of them—survive but it will be in spite of the Rann government and in spite of the Rudd government, not because there is any care factor whatsoever. As the kids would say, 'Care factor: zero.'

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

NATIVE VEGETATION (MISCELLANEOUS) AMENDMENT BILL

In committee.

Clause 1.

The Hon. S.G. WADE: In relation to the bill as a whole, I reiterate that the opposition supports the bill. Indeed, the main thrust of the bill was proposed by a former Liberal government. We have proposed a number of amendments. Since the council last considered this matter there has been a number of discussions between members and, as a result, a number of amendments have been tabled. First, I apologise that this was necessary, but it was the result of consultation. It would be neater for everyone just to stick to their original position, but the nature of a consultative chamber is that ideas develop as discussions proceed. I indicate that, while we are open to further enhancements on the amendments, the Liberal opposition is fundamentally committed to the protection of human life as being the highest duty of this parliament, and that must take priority over native vegetation.

Clause passed.

Clauses 2 and 3 passed.

Clause 4.

The Hon. S.G. WADE: I move:

Page 3, after line 6—After subclause (1) insert:

(1a) Section 3(1), definition of 'clearance', (d)—delete paragraph (d)

This amendment seeks to remove burning from the definition of clearance under the act. I remind the committee that we need to appreciate that fire is part of the natural cycles of the Australian continent; fires are not a scourge introduced to this continent by European settlement, like rabbits and infectious diseases. The reality is that bushfires have been part of the ecology of our continent for hundreds of thousands of years.

At the beginning of the 2008-09 fire season, I had the privilege of being briefed on the upcoming season by Chief Officer Ferguson and Deputy Chief Officer Lawson of the CFS. They explained to me how the CFS monitored bushfire conditions, particularly using the Bureau of Meteorology network. I was stunned to see how this technology allows the CFS to monitor lightning strikes and to see the sheer magnitude of such strikes. The screen for South Australia for the night before was peppered with lightning strikes. In fact, in January 2009 the CFS issued a warning in relation to the fire risk from lightning strikes. It read:

> The Country Fire Service (CFS) is asking farmers and landowners who may have experienced lightning and storm activity overnight to thoroughly inspect their properties today for any burning stumps. The Bureau of Meteorology recorded about 5,700 lightning strikes in South Australia over a 24-hour period up to 6am this morning…
>
> CFS Region 2 Commander John Hutchins said a lightning strike can have a lingering effect by causing a fire. 'Even though the storm activity may have abated, the potential to start a fire as a consequence remains a concern' he said. 'We're asking rural property owners and farmers to check where there may have been lightning strikes and if they find anything burning, such as tree stumps, to contact the CFS,' Commander Hutchins said. 'It's not uncommon to have a wooden stump or even a tree smouldering for several hours after a lightning strike, to go unnoticed and later develop into a significant fire.'

I reiterate that the key statistic from that release is that in January this year 5,700 lightning strikes were recorded in South Australia in a 24-hour period.

In the modern era a lot of fires that result from lightning strikes are nipped in the bud by landowners and the CFS; however, before European settlement those fires would have run. Bushfires would have been a more common phenomenon in the past and would have provided a stable equilibrium of vegetation, flora and fauna. Europeans did not introduce lightning to the Australian continent; what we did introduce was fire suppression. In the past, lightning—and, for that matter, fires lit by indigenous people—had the effect of reducing the fuel load on a regular basis. European practices seek to suppress fires, whether they are started by lightning or otherwise, and we end up with an unnatural build-up of vegetation which results in unnatural risk.

If native vegetation is built up too long without a burn, the resulting fire may be so intense that it actually destroys the plant life; it destroys the capacity of the native vegetation to regenerate. More regular burning allows the fuel load to be reduced, respects the native patterns, and allows flora to regenerate. So let us be clear: there would be no vegetation left in South Australia if burning destroyed it because it has all been destroyed in the past.

We also need to accept that burning is part of fire protection. In South Australia a series of fires have demonstrated the danger presented by high fuel loads where the fires are fed by years of accumulated fuel. I remind the committee of fire events such as Ngarkat, Kangaroo Island and more recently the Proper Bay fire at Port Lincoln. The recent tragedy in Victoria also brought to national attention the importance of reducing fuel loads. Without proper preparation we are planting the seeds of fires that we may not be able to control, and that may risk life and property and the environmental assets of our state.

Previously, the government asserted that to remove burning from the definition of 'clearance' would not save other consequences of burning from becoming 'clearance' for the purpose of the act. If that is the view of government members then they should fulfil their responsibilities as members of this place, as legislators, and identify where they believe the act would need amendment.

Further, the government asserted that in an emergency the CFS can destroy native vegetation to protect life and limb; however, the CFS cannot be everywhere. We need to appreciate that we are seeing a decline in volunteer numbers and the increasing use of private fire-fighting units. In the Wangary colonial inquest, the Deputy Coroner highlighted the crucial role of private fire-fighting units, and the need to coordinate and support them. It is all well and good to say that the CFS can act in an emergency, but they may not be there.

We in the Liberal Party believe that we need to hold local landholders accountable. We hold them accountable to manage the bushfire risk on their properties, but we also believe that the corollary of that is that we provide them with tools to give them the opportunity to manage the hazards on their land.

The Hon. G.E. GAGO: The government is opposed to this amendment proposed by the opposition relating to fire management, which would remove burning from the definition of clearance.

I take this opportunity to address the nature of most of the proposed opposition amendments. The amendments seek to change the current system for approving clearance of native vegetation by removing a number of the checks and balances that the government believes are vital to protect the native vegetation we have left in this state. We should recognise that in South Australia's agricultural areas less than 20 per cent native vegetation remains—in some regions it is lower than 10 per cent.

The government does not disagree that the current system could be improved and, in fact, this bill is just one of a number of steps the government is taking to improve the current system. As flagged during the second reading, the regulations will be reviewed to reduce red tape, and changes have already been made to speed up decision-making on clearance applications. Importantly, the government's reforms in this area are informed by a consultation process that sought input from a range of key interest groups. On the other hand, the opposition's proposed amendments have not been subject to the same scrutiny.

In relation to bushfire risk management, the amendments appear to seek quick and local decision-making in relation to fire safety measures. The government agrees that this should be the case but disagrees with the opposition's proposed way of achieving it. It is the government's view that, on the grounds of sound management of bushfire risks alone, the opposition's amendments cannot be supported. For example, by providing for clearance of native vegetation through burning without CFS knowledge or potential logistical support, the amendments actually create risks to life and property of neighbouring landholders due to the potential for a fire to escape.

It is accepted that there are some landholders who would have the fire management expertise to prevent this type of thing happening, but there would be many others who do not—and, unfortunately, there have been many examples of this in previous fire events, especially when we consider the growing number of 'tree changers' moving into the bushfire prone areas. Consequently, the government believes that the proposed amendments create unnecessary risks that far outweigh the benefits. That it is unnecessary to run these risks is supported by evidence that the Chief Officer of the CFS has given to a parliamentary committee on more than one occasion, when he has stated his belief that the native vegetation laws do not pose a hindrance to landholders wanting to undertake effective bushfire risk management works.

Additionally, the government is already well advanced on changes that will increase the level of local decision-making. The code of practice for the management of native vegetation to reduce the impact of bushfire is central to these changes and has been developed in consultation with the Conservation Council, the SA Farmers' Federation, and the Local Government Association. The code adopts a zoned approach to the management of fuel loads and clarifies existing arrangements for clearance of native vegetation for fire protection purposes. Higher levels of clearance are provided for around homes and other buildings. Application of the code at the local level would be through delegations to authorised regionally based CFS officers and, where appropriate for our larger regional cities, appropriate MFS officers.

It is intended that these local CFS and MFS officers will have power to authorise clearance works for fuel reduction purposes, including controlled burning, provided the works are consistent with the relevant bushfire plan or guidelines prepared by the Native Vegetation Council, or they fall within asset protection and bushfire buffer zones. These zones are described in the code and are about enabling the clearance necessary for protecting life and property, and reducing the rate of the spread of bushfires respectively.

At its meeting on 25 January 2009, the Native Vegetation Council endorsed the principles behind the delegation of fuel reduction works to appropriate CFS and MFS officers. Implementation of this approach is partly dependent on amendments to the Public Sector Management (Consequential) Amendment Bill, which is currently before the parliament. To address issues of liability protection for delegates, some amendments to the native vegetation regulations may also be required.

Subject to the parliament's consideration of the necessary legislative changes, the government is committed to having this more regionalised decision-making process in place before the start of the next fire season. Until that time, the government believes that the current system of providing clearance approval for fire control purposes, where approval is needed, should be maintained. This system includes a Native Vegetation Council fire subcommittee, with the Deputy Chief Officer of the CFS as one of its three members. The committee has the delegated authority to approve clearance of native vegetation for fire protection purposes, including urgently, when necessary.

Obviously, there are lessons to be learnt from the unprecedented fire behaviour and weather conditions associated with the Victorian bushfires. The review of the current arrangements for managing the interaction of native vegetation and bushfires already announced by the Minister for Environment and Conservation will see that any amendments to the code of practice and, if necessary, to the native vegetation legislation are informed by a strong evidence base and are not simply a knee-jerk reaction.

Since the opposition has placed its amendment on file, the government has sought the opinion of the South Australian Farmers' Federation, which has indicated its support for the government's position on the opposition amendments, with one qualification relating to the extension of watering points, which I will speak to more fully later. So, the Farmers' Federation is supporting the government's position.

On a more technical point in relation to this specific amendment, the government is advised that the removal of 'burning' from the definition of 'clearance' does not by that fact permit the burning of native vegetation, because the act also defines clearance as 'the killing or destruction of native vegetation', 'the removal of native vegetation' or 'any other substantial damage to native vegetation', all of which could be the result of burning. So, simply removing this term could lead to confusion and possibly unlawful clearance of native vegetation if a person took the removal of the term to mean that burning of native vegetation was lawful. For those reasons, the government does not support this amendment.

The Hon. R.L. BROKENSHIRE: I appreciate what the minister has said, and I am sorry that she has to try to get through this bill while suffering the effects of a cold. I have a question for the mover of the amendment. Family First has some sympathy for what the honourable member is trying to do, that is, to absolutely ensure that, where life and significant structural property are at risk, this circumvents delays that ultimately see worse situations occur.

That is something that Family First and all members do not want to see happen, but as the act is set up at the moment I see weaknesses there. We have seen in recent times with Victoria what can happen. The concern we have with this amendment—and I ask for clarification and qualification from the Hon. Mr Wade—is that it does not seem to replace the existing clause with a specific definition. If it is absolutely imminent, we can qualify that in the wording. We are a little concerned that a common law view of clearance could come in and make it quite broad. Before Family First could support this amendment we would want an assurance that this is not a back door way of providing an open opportunity for substantial clearance of native vegetation when it is not specifically reducing the risk to life or property structurally.

The Hon. S.G. WADE: To answer the honourable member's question, I characterise my amendments in clusters: there are a set of amendments that are trying to accord to landholders the tools of the trade they need to promote bushfire protection that go with their responsibility. The opposition is in no way trying to detract from the responsibility that private and public landholders have to manage the bushfire risk on their land.

We believe that burning, as it currently sits under the definition of 'clearance', is not respecting the presence of burning within the ecology of Australia. Slashing was not part of the natural ecology and provides no benefit to native vegetation or the environment, whereas burning has a place. Lightning has meant that burning has been part of our continent's story well before

indigenous people arrived here (I do not recall the time frame); certainly it would have been part of our ecology for hundreds of thousands of years.

We very much respect the position of Family First, which is to maintain a balance between the values of protecting human life and the values of respecting our environment. We, too, share that. It may be that there is a better form of words. I thank the minister for providing more clarity today in terms of other aspects of the act that the government thinks would preclude burning in the context of this amendment. However, I reject her suggestion that there would be confusion in the mind of landholders because, whilst there may be a few landholders who look up the act to see what they can do, few would look up the legislative history to see what previous allowances have been removed, so they would not get any indication that burning is being encouraged.

As I said in my second reading contribution and in my contribution on clause 1, the opposition is very open to amendments. We accept that this one in particular probably needs more work, but the reality is that this government has been in office since 2002. We have had the bushfire summit, the Tulka fire (with which I appreciate that the honourable member, as the then minister, was intimately involved), and we have had the Port Lincoln fire at Proper Bay, which threatened our second largest regional city, Port Lincoln—a huge regional city—which has been threatened three times in eight years. That is an unacceptable risk not only to the people of that community but to the people of this state.

As a community, we need to address a whole series of issues. The minister kindly gave us an overview of the bureaucratic flurry that continues in government, but after eight years is it too much to ask for some outcomes? We have had improvements on native vegetation, and a number of people have commended the leadership of Dennis Mutton as the head of the Native Vegetation Council and the NRM Board, but so many issues have been raised at the Premier's bushfire summit. Native vegetation is probably the most neglected set of limitations. This bill, considering the government has introduced it and opened the act—we did not open it—is an opportunity for this council and this parliament to say, 'No, after seven or eight years, the talking has gone on for long enough, and we want some issues resolved'.

I do not mind if the minister and other members of the government seek advice from the Native Vegetation Council, the CFS or what have you, but it is appropriate for the parliament to draw a line in the sand and say, 'Okay, this may not be perfect, but you are going to work with us to fix it; we're not going to leave it in the hands of the bureaucracy'. Whilst I appreciate that my humble amendment may not be perfect, it is much better than leaving it in the hands of the bureaucrats.

The committee divided on the amendment:

AYES (11)

Bressington, A.	Brokenshire, R.L.	Darley, J.A.
Dawkins, J.S.L.	Hood, D.G.E.	Lawson, R.D.
Lensink, J.M.A.	Lucas, R.I.	Schaefer, C.V.
Stephens, T.J.	Wade, S.G. (teller)	

NOES (8)

Finnigan, B.V.	Gago, G.E. (teller)	Gazzola, J.M.
Holloway, P.	Parnell, M.	Winderlich, D.N.
Wortley, R.P.	Zollo, C.	

PAIRS (2)

Ridgway, D.W.	Hunter, I.K.

Majority of 3 for the ayes.

Amendment thus carried; clause as amended passed.

Clause 5 passed.

New clause 5A.

The Hon. S.G. WADE: I move:

Page 3, after line 27—After clause 5 insert:

5A—Insertion of section 4A

After section 4 insert:

4A—Interaction with Fire and Emergency Services Act 2005

In the event of an inconsistency between this Act and the Fire and Emergency Services Act 2005, the Fire and Emergency Services Act 2005 will prevail to the extent of the inconsistency.

If I could continue the conversation with the Hon. Robert Brokenshire in terms of the clusters of amendments, this is the first amendment in what I would call the protection of human life cluster. The amendment proposes to insert a new section 4A, which asserts the primacy of the Fire and Emergency Services Act.

In response to a question in the other place, the member for Davenport was provided with the advice from the minister that the Native Vegetation Act takes precedence over the Fire and Emergency Services Act. Within the native vegetation regime, scope is allowed for some standard fire protection measures, a range of actions with approval and action in an emergency situation. All these measures enhance the protection of human life. However, as the minister said, the primacy is clear. The Native Vegetation Act takes precedence over the Fire and Emergency Services Act. As a matter of policy and as a matter of ethics, I believe that is inappropriate, and the Liberal Party opposition believes that is inappropriate.

The government argues that it would provide confusion if we were to insert an inconsistency clause. I assert that is a very hollow argument. After all, the commonwealth Constitution has an inconsistency clause. Section 109 says that, in the event of inconsistency, commonwealth laws override state laws. It is not at all uncommon to say that a particular act has primacy over another.

The government also challenged me to show where in the acts there were inconsistencies, but I think that also misses the point. Acts are not just matters of stale, black-letter law that sits on a shelf. Laws have to be applied and, in the application of those laws, inconsistencies may arise. The inconsistency may not be clear now but, once the courts and the bureaucrats need to apply a statute, inconsistencies may become clear.

The courts will look at the statute for guidance and the bureaucrats will probably look at both the statute and the *Hansard* debate. After all, they are subject to their minister, so they want to know what their minister thinks. The minister in the other place told his bureaucrats very loudly that native vegetation had primacy over the Fire and Emergency Services Act.

It is the view of the opposition that it is appropriate that the parliament makes clear that while native vegetation is very important we place human life above it. For this principle to be fully achieved, there may need to be a range of changes to these and, perhaps, other acts, but we believe it will be an important first step for this chamber to clearly state the principle by adopting this clause.

As an illustration of the sorts of amendments I am suggesting, in terms of demonstrating this primacy, in suggested amendments to the Hon. Mr Brokenshire's amendments, I am seeking to insert a clause which gives the chief officer of the fire services very limited power to override native vegetation. I believe that is an example of primacy. The government is telling us that the Native Vegetation Act takes primacy. I say as a matter of both policy and ethics that is inappropriate. I believe the parliament needs to make a statement and say that the protection of our population is our prime duty as parliamentarians.

The Hon. G.E. GAGO: The government opposes this amendment. The opposition has not identified what provisions of the Native Vegetation Act and the Fire and Emergency Services Act would be affected. As a result, the government believes that the amendment only adds complexity and confusion. In effect, the amendment would require individual landholders to assess both pieces of legislation, draw their own conclusions as to what inconsistencies may exist and determine what actions are lawful.

There would be a high potential for a range of interpretations and misunderstanding and, accordingly, the government does not support the amendment. I emphasise that in an emergency

situation it is already clear that the Fire and Emergency Services Act takes precedence and that whatever clearance authorised fire officers deem necessary to protect lives and property can be undertaken.

Although the government opposes the amendment, I foreshadow that the government does intend to support the nature of Wade's No. 3 amendment to Brokenshire's No. 2 amendment, which gives powers to the chief officer.

The Hon. R.L. BROKENSHIRE: This clause needs consideration. It is a difficult set of circumstances. I do not think any member wants a situation where native vegetation is damaged or destroyed unless it is absolutely paramount. One only has to listen to well qualified people, such as the Chief Fire Officer, Euan Ferguson, or to go to a briefing to hear what is happening as a result of climate change with fire intensity and different scenarios of fire intensity to realise that we must have some clear and precise controls when it comes to life threatening situations.

For as long I can remember, there has been argy-bargy between the Department for Environment and Heritage and the Country Fire Service and people ultimately responsible for the protection of life. There have been inconsistencies. This is a bona fide attempt to try to qualify and clarify that, so we can do everything in our power to ensure that as much as possible we can save life.

The minister and the minister responsible in this council—who is a former environment minister—have to be incredibly responsible with their roles in relation to native vegetation. In this instance, I think it will give a clearer and more precise authority to those in senior positions from an operational point of view to know exactly who is responsible; and that has been a long time coming.

Now is the time to do this. We are out of the fire danger season and we have a window of opportunity. We can get these amendments through both houses fairly quickly so the issues can be addressed. If the parliament does support this amendment, I want to see action, cooperation and coordination by the authorities. We could very easily have a situation such as that which occurred in Victoria at any time. The last thing we would want to see is the loss of life and property and the absolute destruction of our native vegetation.

Finally, going back to 1983, Ash Wednesday, I will never forget the picture in my mind when we were fighting those fires. For example, our local brigade appealed year in, year out to the Department for Environment and Heritage to allow us to manage and control Cox Scrub. There was always a refusal. As volunteers we went there when the fires went up, but there was always a refusal for any proper management. The fact is that, depending on the wind on that day and how bad the fire intensity was, hitting that scrub with a northerly wind could have accelerated the intensity of that fire straight through to Goolwa. We could have seen significant losses of houses in Goolwa and Middleton, just like we saw, unfortunately, in some towns in rural Victoria.

On that day that scrub went up like an atomic bomb. I have seen pictures of the atomic bomb falling on Hiroshima, and when I was in a fire truck heading towards that scene it was exactly the same. When we got there, the whole of Cox Scrub was absolutely wiped out; it was bare. I know for a fact that a lot of plants and animals did not recover from the fire because it was so intense. It was a pristine area where certain migratory birds went. From an environmental point of view, we did not do anything for the environment, either.

Even today, Cox Scrub looks all right, but I believe that scientists would say that some plant life and certainly some migratory birds are no longer there. We have to be responsible, and for that reason we will be supporting this amendment.

The Hon. G.E. GAGO: The government is not supporting this amendment.

The committee divided on the new clause:

AYES (12)

Bressington, A.	Brokenshire, R.L.	Darley, J.A.
Dawkins, J.S.L.	Hood, D.G.E.	Lensink, J.M.A.
Lucas, R.I.	Ridgway, D.W.	Schaefer, C.V.
Stephens, T.J.	Wade, S.G. (teller)	Winderlich, D.N.

NOES (7)

Finnigan, B.V.	Gago, G.E. (teller)	Gazzola, J.M.
Holloway, P.	Parnell, M.	Wortley, R.P.
Zollo, C.		

PAIRS (2)

Lawson, R.D.	Hunter, I.K.

Majority of 5 for the ayes.

New clause thus inserted.

Clause 6 passed.

The CHAIRMAN: I remind members not to make second reading speeches. Speak to your amendment so that business flows.

Clause 7.

The Hon. R.L. BROKENSHIRE: I move:

Page 4, lines 1 to 4—Delete clause 7 and substitute:

7—Amendment of section 8—Membership of the Council

(1) Section 8(1)—delete subsection (1) and substitute:

(1) The Council consists of—

(a) 7 members appointed by the Governor of whom—

(i) 1 (who will be the presiding member of the Council) must be nominated by the Minister; and

(ii) 1 must be a person selected by the Minister from a panel of 3 persons nominated by the South Australian Farmers Federation Incorporated; and

(iii) 1 must be a person selected by the Minister from a panel of 3 persons nominated by the Conservation Council of South Australia; and

(iv) 1 must be a person selected by the Minister for the time being responsible for the administration of the Natural Resources Management Act 2004 from a panel of 3 persons nominated by the NRM Council established under that Act; and

(v) 1 must be a person selected by the Minister from a panel of 3 persons nominated by the Local Government Association of South Australia; and

(vi) 1 must be a person with extensive knowledge of, and experience in, planning or development nominated by the Minister; and

(vii) 1 must be a person with extensive knowledge of, and experience in, the preservation and management of native vegetation nominated by the Minister; and

(b) the Chief Officer of SACFS within the meaning of the Fire and Emergency Services Act 2005 (ex officio).

Note—The Chief Officer may delegate this function—see section 66 of the Fire and Emergency Services Act 2005.

(2) Section 8(2)—before 'members' insert: appointed

(3) Section 8(7)—delete 'a member' first occurring and substitute: an appointed member

As a point of clarification, am I able to give the committee an overview of the amendment?

The CHAIRMAN: As long as the scrub is not on fire again.

The Hon. R.L. BROKENSHIRE: First of all, I thank parliamentary counsel for their good work. Compared to the amendments of the opposition, I believe our amendments are middle of the

road. We instructed parliamentary counsel to amend them, but they said that it was best to move our own, so that is what we have done.

In a nutshell, I am proposing that the chief fire officer or, indeed, the chief fire officer's proxy, be on the Native Vegetation Council. The reason for that is to bring in expertise to broaden and improve the council's knowledge and experience. I believe that this expertise would augur really well for the enhancement of our native vegetation, as well as for the prevention of major bushfire and damage and destruction of life, property and native vegetation. I am passionate about this amendment and I trust that the committee will support it.

The Hon. G.E. GAGO: We support this amendment. It will add the Chief Officer of the CFS to the membership of the Native Vegetation Council, and we think that will be a good thing.

The Hon. S.G. WADE: I indicate that the opposition will also be supporting the amendment. We think it is very important that the Native Vegetation Council has access to expertise and that bushfire prevention issues, including the protection of human life, are considered in the native vegetation regime at the highest level.

As an aside, I indicate that, certainly on behalf of opposition members, we appreciate the Hon. Robert Brokenshire's explanation of his clause. After all, the reference in the second reading was done in the context where all second reading speeches had not been made, nor had all amendments been tabled. We appreciate the opportunity to have the clause explained.

Amendment carried.

Progress reported; committee to sit again.

SOUTHERN STATE SUPERANNUATION BILL

Adjourned debate on second reading.

(Continued from 12 May 2009. Page 2256.)

The Hon. DAVID WINDERLICH (12:48): This is really a straightforward bill in its intention. It is essentially to simplify legislation and to transfer more of the prescriptive rule-making to subordinate legislation. I will be supporting the bill but I will be seeking to amend it, essentially to give public servants a choice as to which super fund they use. Public sector employees, like any other, deserve to have a choice as to how they should best invest their employer superannuation contributions. At present, there are more than 32,000 contributing members of the Triple S scheme and a further 71,000 non-contributing members.

Public servants, like anyone else, should have the choice to invest in the Triple S scheme if they are convinced that is the best option for them. If it is not in their best interests they should not be compelled to be a member. The benefits would be a more competitive superannuation scheme, and by that I mean either or both a better service and a lower cost. Currently, with a government monopoly on public superannuation, public sector employees' interests are not served.

My amendments will give an opportunity for members to opt out, and that would force the current fund to be more competitive. This is in the best interests of public servants. The Super SA website states that the scheme aims to provide adequate and better than average returns. No doubt many public sector employees would not be happy to hear that their superannuation fund only aims to be above average, especially when contributions to that fund are compulsory.

Employees who have entered the Public Service from the private sector are caught in a trap whereby their private sector superannuation fund may be clearly outperforming Super SA, but they are still forced to invest their retirement savings fund with Super SA. Meanwhile, if the employee does not want to close their performing private sector account, they are forced to maintain administration fees on multiple accounts.

Likewise, concerns have been raised that the investment choices available for members are limited, which means that members do not have the choice of investing their super in a fund that entirely supports ethical investment. This amendment would give public servants that choice. I note that the Hon. Mark Parnell has been campaigning for some time on providing greater choice within Super SA for ethical investment options. An alternative approach to solving this problem is to do what I have just described, which is to enable members of those funds to opt out and choose another fund which is superior on ethical investment grounds.

The federal government provides a scheme for its members called the Public Sector Superannuation Accumulation Plan. Employees at a federal level have a choice. The federal

government provides an incentive by way of offering contributions at 15.4 per cent rather than the usual 9 per cent, making the fund both competitive and a strong investment choice. The state equivalent provides no such incentive, instead forcing employees to sign up to a scheme which is not always competitive. In the absence of such an incentive employees, as per their federal counterparts, should be given the choice.

Under my amendments, the Triple S scheme would still be the default scheme. This amendment allows public sector employees to opt out once an alternative fund has been nominated. The clause proposed will allow members of the South Australian public sector to nominate a fund of their choice, whether it be the Triple S scheme or otherwise. I support the second reading of the bill, but I will be moving amendments along the lines I have just described.

Debate adjourned on motion of Hon. Carmel Zollo.

[Sitting suspended from 12:52 to 14:17]

ANTI-CORRUPTION BODY

The Hon. DAVID WINDERLICH: Presented a petition signed by 52 residents of South Australia concerning an anti-corruption body. The petitioners pray that the council will convey the community's desire for an independent anti-corruption body to the Premier, Mike Rann.

PAPERS

The following papers were laid on the table:

By the Minister for Mineral Resources Development (Hon. P. Holloway)—

Environment, Resources and Development Committee—Interim Desalination (Port Stanvac)—Whole of Government Response

Recommendations from a joint Coroners inquest into the deaths of Andrew Stephen Gill and Simon Schaer

By the Minister for State/Local Government Relations (Hon. G.E. Gago)—

Reports, 2008—
Department of Education and Children's Services
SACE Board of South Australia
Southern Adelaide Health Service

Department of Health Annual Report, 2006-07—Erratum to Table 31: Employees' Overseas Travel

Department of Health Annual Report, 2007-08—Erratum to Table 30: Details of Overseas Travel by the Department of Health Employees

SERIOUS AND ORGANISED CRIME (CONTROL) ACT

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:19): I table a copy of a ministerial statement relating to the Serious and Organised Crime (Control) Act 2008 made earlier today in another place by my colleague the Attorney-General.

QUESTION TIME

TRANSPORT PLAN

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:19): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning, representing the Minister for Transport, a question about a secret transport plan.

Leave granted.

The Hon. B.V. Finnigan: Where did you get it from, L. Ron Hubbard? Is it that sort of secret?

The PRESIDENT: Order!

The Hon. D.W. RIDGWAY: Chuck him out, Mr President! This government, now seven years old, has never been able to table a comprehensive transport plan for South Australia or Adelaide. In fact, under the leadership of the Hon. Michael Wright, a former transport minister—I recall that, when he was minister, he had some 1,200 items of unanswered correspondence—they were unable to develop a transport plan. Likewise, the Hon. Trish White was unable to develop one. In fact, a draft transport plan was withdrawn.

I was at a function some little time after the Hon. Patrick Conlon became transport minister, where he told a UDIA lunch time meeting, I think it was, at the Adelaide Town Hall that it was useless to have a transport plan because things change, and the government did not particularly want to have one but, if it wanted one, he would give it one. We have an infrastructure plan, which is a pretty loose document. We have seen—

The Hon. B.V. Finnigan interjecting:

The PRESIDENT: Order! The Hon. Mr Finnigan will come to order.

The Hon. D.W. RIDGWAY: When I was listening to the Bald Brothers on 891 at 7.37 yesterday morning, I was surprised when the transport minister came on to respond to questions about the federal budget. The commentator said:

> One announcement which seems to have taken a number of people by surprise was the plan to extend the O-Bahn into the city by the year 2011. Patrick Conlon is the State Transport Minister. Minister good morning…I guess it didn't take you by surprise?

The minister replied:

> No, not entirely. We were hoping for confirmation of it. But just in general if I could explain what has occurred in terms of transport. We, shortly after the federal government and even before we'd announced our $2 billion rail expansion…[last year]went up to meet Anthony Albanese, the federal minister, and we spread out the plans that we were hoping to be able to announce in the budget...[He said] 'Look, you know we'd like the commonwealth to be a partner in this and allow us to do more'...the reason that the O-Bahn is in there is because, when you look at a comprehensive plan of the transport public system and corridors you can see that...[there is some reason for it]

He then went on to explain that it was not completed in 1979. Clearly, the government does have a transport plan and, clearly, it is keeping it secret from the people of South Australia and industry that needs to know to which transport corridors the government will give priority. Will the minister please make public the current transport plan?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:23): I think it is absolutely extraordinary that, in the very week the federal government has announced support for the most comprehensive range of transport projects this state has ever seen, which are long overdue, members opposite should ask for a plan. I would have thought they would realise that this government is ahead of the plan. We are actually implementing major infrastructure.

Do I have to go through, for the benefit of the opposition, all those things the government is doing? I could refer first of all to the tram extension. What members opposite had as a transport plan was to keep using 1929 trams, with the tramline ending in the city. The tram extension is already under way and, of course, the government has spent and is in the process of spending hundreds of millions of dollars resleepering our railway system because it was left in such a decrepit state over many decades. I am told that, previously, some of the sleepers on the system went back to the 1950s and 1960s. As a first step to the electrification—

The Hon. D.W. Ridgway interjecting:

The Hon. P. HOLLOWAY: That's right; they are nearly that old. I would have thought that the honourable member, having asked the question, would be willing to hear the answer—and, whether or not he wants to hear the answer, he is going to hear it. We had a resleeper of the railway system as a forerunner to not only extending it but this government is spending hundreds of millions of dollars on upgrading—

The Hon. D.W. Ridgway interjecting:

The PRESIDENT: Order! The Hon. Mr Ridgway might want to listen to the minister's answer.

The Hon. P. HOLLOWAY: —our rail system, and the first thing we are doing is resleepering. As we speak, work is underway on the Belair line, and with the support of the

commonwealth government we will be able to have the first extension in many years to the rail system, with a new bridge over the Onkaparinga River, the extension to Seaford. That will be combined with electrification, which will make it all work and put it all together.

There is the electrification of the city, and the purchase of a number of new buses is underway. There was this week the announcement, with the support of the federal government, to extend the O-Bahn route to make it more efficient in terms of getting into the city. We are not only looking after people in the southern suburbs of Adelaide with the rail extension, electrification and improved services to the south but we doing it in the northeast and doing it for the people in Glenelg. And of course now we will be able to extend it in the north, which will be one of our fastest growing areas in future.

The O-Bahn will improve transport to the north-east. We are talking of total infrastructure plans of something like $8 billion for major infrastructure projects over the next few years, of which approximately $3 billion of funding is committed to transport improvements over the next four to five years.

Compared with what has happened in the past in transport, when part of the transport budget was spent on the arts one year, I would have thought that there was a staggering contrast. I am told that it has been estimated that there will be more than 5,000 jobs directly associated with this massive program of works and a further 5,000 jobs indirectly created as a significant contribution to sustaining our total industry capacity and resident skills base.

We could also talk about some of the other roadworks. It has not just been in public transport with the massive projects—the electrification, the new bridge, the O-Bahn and the tram extension—but also, if one looks at some of the roadworks, we had the Bakewell underpass, constructed on budget and opened on time and receiving two prestigious awards—a South Australian engineering excellence award and a Civil Contractors Federation Earth Award—and we had the Port River Expressway, consisting of a 5.5km, four-lane expressway link between South Road and Francis Street, opened to traffic in July 2005. Then we had the Tom 'Diver' Derrick Bridge, a four-lane opening road bridge across the Port River between docks 1 and 2, open to the public on time on 1 August last year. A second railway bridge that crosses the Port River was built and traffic is now flowing.

I have driven through the new Gallipoli underpass at the intersection of South Road and Anzac Highway, with further works to be completed by this year, which will lead to significant improvements at the southern end of this project. All around the city, and in regional areas, this government has committed significant amounts of money—

The Hon. J.S.L. Dawkins interjecting:

The Hon. P. HOLLOWAY: You only have to look at the Sturt Highway. The honourable member lives in the northern suburbs and I believe is the shadow spokesperson for the area. What about the Sturt Highway and the Northern Expressway, which are also due? There has been a massive investment by this government in relation to transport.

It is also important, in conclusion, if we are talking about transport planning, to note that part of the planning review was to try to integrate our planning system with transport needs, and that is why that report strongly supported the electrification as a necessary element in our planning system, in improving our city and ensuring we can achieve medium level densities along our transport corridors. A necessary element of that was the upgrade of the rail system, which is happening. That has all been integrated through our transit oriented development project, and I am pleased to be heading off—

The Hon. D.W. Ridgway: To the Waldorf?

The Hon. P. HOLLOWAY: —with the Minister for Infrastructure—no, we will not be staying at the Waldorf. I certainly will not be staying there. I am pleased to be heading off tomorrow with, I think it is, more than 30 key people from our development industry and urban planning industry (representing people from the property council, UDIA and other organisations) to look at the very best practice in transit oriented development so that we can bring that practice back here. That is the key to transport planning. It is overall planning. It is planning to integrate not only with the transport system but also with better water-sensitive urban design and other key factors.

This government is about delivering, and it is about good planning. We have done that through the integrated planning review, but we are also delivering on one of the most ambitious

transport proposals in this state probably for generations, if ever. That includes all elements—not just public transport and the major upgrades in that area but also our road network as well.

TRANSPORT PLAN

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:31): I have a supplementary question. Is the O-Bahn extension part of a comprehensive public transport plan?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:31): I thought I made the point before: while we are upgrading public transport for people in the southern, northern and western suburbs with the improvements we have made, and in the south-west at Glenelg with the tram, do not the people of the north-eastern suburbs (those people at Golden Grove) also deserve better public transport?

TRANSPORT PLAN

The Hon. R.L. BROKENSHIRE (14:31): I have a brief supplementary question, Mr President. Given the minister's answer, can he confirm whether there is a plan for his state government to provide shuttle services and proper bus services in the south to feed the extension to Seaford?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:32): Given that confirmation of the Seaford proposal, with commonwealth support (which, of course, was necessary to make that go ahead in the timetable that we budgeted for), has only just happened this week, clearly that will have an impact, and I am sure my colleague the minister for transport and infrastructure will be looking at what support services are necessary as the works begin. However, if the minister in another place wishes to add anything to that answer, I will invite him to do so.

VIOLENCE AGAINST WOMEN

The Hon. J.M.A. LENSINK (14:32): I seek leave to make a brief explanation before asking the Minister for the Status of Women a question about the commonwealth's violence reduction announcement.

Leave granted.

The Hon. J.M.A. LENSINK: The Prime Minister recently announced a national plan, entitled Time for Action, to reduce violence against women and their children which lists a number of measures that it intends to undertake in conjunction with all levels of government (including state governments) and the non-government sector. The package includes $12.5 million for a new national domestic violence and sexual assault telephone and online crisis service, and $26 million for primary prevention activities and research funding; and it states that it intends, with states and territories, to establish a national centre of excellence for the prevention of violence against women and also harmonise laws between jurisdictions. My questions are:

1. Is the minister aware of any additional funding for South Australia under this program, or does she expect that South Australia will be required to provide additional funding to meet its commitments?

2. Does she anticipate significant changes to our state's domestic violence laws through the COAG harmonisation process?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy) (14:34): Indeed, we were delighted to receive the news from the federal budget in terms of spending on domestic violence and other matters to protect women and their families. At this time I am not aware of any additional funding being required from that federal process in relation to those projects. We have not yet seen the details of those programs. Obviously, officers are looking at the detail of that and, if there is information that is relevant, I am happy to bring it back.

In relation to domestic violence, members would be well aware that this government is seeking to review domestic violence legislation. We are looking to ensure that perpetrators are held more accountable for their actions and to provide greater support for victims. We are currently looking at a number of different elements of that legislation. Clearly, one of the things we have

done is look at how it compares with other jurisdictions, and we are seeking to make it as complementary as possible.

I am not aware of any significant implications in terms of attempts to harmonise that legislation nationally in those areas we are considering at present. We are mindful that these programs or initiatives often run in parallel and, obviously, we are making sure that we keep our eye on what is happening nationally. We have a South Australian member on the National Council for women, so we are making sure we keep in the loop and harmonise and have consistent legislation in relation to violence wherever possible. However, in saying that, it is obviously important that South Australia maintains the sorts of standards that it sees fit and appropriate for the state. We are making sure that we keep that in our mind's eye, as well.

PUBLIC TRANSPORT

The Hon. S.G. WADE (14:37): I seek leave to make a brief explanation before asking the Minister for State/Local Government Relations, representing the Minister for Transport, a question about accessible public transport.

Leave granted.

The Hon. S.G. WADE: In 1996, as part of the settlement after a complaint under the disability discrimination act, the government of South Australia gave an undertaking that all new buses in the Adelaide fleet would be fitted with ramps. As part of the federal budget it was announced that the government would purchase 160 new O-Bahn capable buses. The O-Bahn was built in the early 1980s and its vehicles are not accessible and, I understand, cannot be converted. My questions are:

1. Will the new buses be fully accessible on both the O-Bahn route and other roads, consistent with the government's commitment in 1996?

2. What proportion of the O-Bahn fleet will be disability accessible in four years?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy) (14:38): I will refer those questions to the appropriate minister in another place and bring back a response.

ROYAL ADELAIDE HOSPITAL

The Hon. CARMEL ZOLLO (14:38): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about the rezoning required for the new Royal Adelaide Hospital.

Leave granted.

The Hon. CARMEL ZOLLO: In June 2007 the South Australian government announced its commitment to invest $1.7 billion during the next decade to build a new state-of-the-art central city hospital to replace the ageing Royal Adelaide Hospital. The new hospital will be the largest in South Australia, providing care for more than 80,000 patients a year. The hospital will also be one of the greenest South Australian developments, with its planning and construction guided by the strongest environmental standards.

A ministerial development plan amendment proposing changes to land use zoning to accommodate the development of this new world-class central city hospital was released for eight weeks of public consultation in October last year. Consultation on the DPA was conducted by the independent development policy advisory committee, which received a number of written submissions from the public and the Adelaide City Council. Will the minister provide an update on the progress of this ministerial development plan amendment?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:40): I thank the honourable member for her very important and, might I say, timely question. I am pleased to inform the honourable member that today I have—it would have appeared in the *Gazette* a few minutes ago—officially rezoned the Adelaide rail yard site to accommodate the new Royal Adelaide Hospital and create links to the River Torrens and the West End precinct. The rezoning, which follows the extensive consultation process described by the honourable member, aims to address not just the design of the new hospital but also how this state-of-the-art building interacts with adjoining areas such as the UniSA campus and the Parklands.

The new RAH is expected to create significant economic and social benefits for the west end of Adelaide, including an increase in activity and vibrancy, as well as opportunities for new retail and entertainment facilities. At the heart of the development plan amendment is the creation of a new institutional metropolitan hospital zone for the rail yard site. This zoning will guide the development of the new Royal Adelaide Hospital and associated new land uses. The ministerial development plan ensures that the Adelaide City Council's planning policies for this area in the west end of the city are consistent with the construction of the new hospital.

The development plan contains the zones, maps and explicit rules that guide what can and cannot be done in the future with any piece of land within the area it covers. The zone, maps and policies provide the detailed criteria against which all development applications for the area are assessed. The rezoning created through this development plan amendment also supports the rehabilitation of land on the western edge of the hospital site and fronting Port Road to create open space and a garden gateway into the city. Importantly, the DPA encourages access to the River Torrens Linear Park and West Parklands through an area north of the rail yards that is currently inaccessible and unusable.

Consideration has also been given to potential pedestrian and cycling links between the new hospital and North Terrace and the River Torrens Linear Park. Development within the new hospital zone should also encourage small scale shops and cafes and ensure buildings and places are designed in a way that promotes public safety for staff and visitors. This rezoning also encourages the use of environmentally sustainable designs through extensive landscaping, including roof-top gardens, courtyards, terraces and internal gardens. Specific opportunities for incorporating water sensitive urban design—and we will be hearing a lot more about this, I am sure, in the future—are also contained within the development plan amendment, including harvesting of roof run-off for non-potable re-use within the hospital.

The rezoning also includes scope to establish a wetland within the parcel of land to the north of the site that can be used to capture and treat stormwater so that it can be re-used to irrigate open space. We hear a lot from the opposition about stormwater harvesting, so I expect it would support this wonderful opportunity to capture water from existing drains running through that part of the city as part of the hospital development.

The rezoning also acknowledges that the Port Road, West Terrace, North Terrace corner is a major entry point into the city and seeks to ensure this intersection continues to operate efficiently. Now that the rezoning has been concluded, the process for developing the site will require a change in land ownership from the Minister for Transport to the Minister for Health. A report to be submitted under the Parklands act will also be necessary before the construction of this important new hospital and the upgraded services it provides to the South Australian community can proceed.

ROYAL ADELAIDE HOSPITAL

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:43): I have a supplementary question. On what page of the Menadue report did the recommendation to build a new hospital appear?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:43): I did not record the Menadue report in my head in relation to which page it is, but what I can be certain of is that the Menadue report did not suggest that a football stadium be built in lieu of a hospital and, of that, I am absolutely certain.

ROYAL ADELAIDE HOSPITAL

The Hon. J.M.A. LENSINK (14:44): I have a further supplementary question. Will the minister advise the council what the response of the Adelaide Parklands Authority was to this rezoning proposal?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:44): If the honourable member wishes to look at that information, submissions for development plan amendments are all on the website.

GALLIPOLI UNDERPASS

The Hon. J.A. DARLEY (14:44): I seek leave to make a brief explanation before asking the minister representing the Minister for Transport a question about the Gallipoli Underpass.

Leave granted.

The Hon. J.A. DARLEY: In the past few days, I have been contacted by several businesses located on the corner of Anzac Highway and South Road who are extremely distraught about the loss of access to their businesses due to the opening of the Gallipoli Underpass and subsequent works. In spite of the department's best attempts, access to their premises is, at best, negligible. The owners and I are not convinced that the solutions proposed will eliminate problems in the future.

These businesses have been calling for their properties to be compulsorily acquired and compensation paid ever since they were notified of the proposal to build the underpass, but their calls have fallen on deaf ears. One business owner received an email from AdelaideConnect, the contractors who built the underpass, stating that they would be updated weekly about the progress of the roadworks. This is cold comfort to businesses that, in some cases, have very few customers and no sales since the underpass was opened. I note that the AdelaideConnect website says that it will be business as usual for owners throughout the construction phase.

My feedback has been that it has been anything but business as usual. Neither the company nor the government has worked closely with businesses to resolve any of the issues they raised. I understand that no compensation is payable where no land is acquired. Past experience has shown that governments of both political persuasions have anticipated these types of problems and have compulsorily acquired adjacent problem sites, completed the infrastructure development, including remedial works, and then resold residual land for appropriate development. My questions are:

1. Will the government take responsibility for working with businesses to come to a mutually agreed solution to their loss of business?

2. Does the government concede that the original acquisition process was flawed in that the properties in question should have been acquired well before works commenced on the underpass, as has occurred with previous projects, so that the land could be sold off and a development appropriate to the changed traffic conditions could be constructed?

3. Given the severe downturn in business, almost to the point of non-existence experienced by owners, will the government now offer to acquire the properties and compensate businesses for their loss of trade under the Metropolitan Road Widening Scheme so that businesses can continue to contribute to the state's economy or, at the very least, compensate them for their loss of business, thus enabling the site to be properly developed, taking into account the traffic movements?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy) (14:47): I thank the honourable member for his most important questions and will refer them to the Minister for Transport in another place and bring back a response.

QUESTIONS ON NOTICE

The Hon. R.I. LUCAS (14:47): I seek leave to make an explanation before directing a question to the Leader of the Government on answers to questions in relation to Mr Bruce Carter, Mr Ian Kowalick and Monsignor Cappo.

Leave granted.

The Hon. R.I. LUCAS: Over 12 months ago (2 April 2008), I put on notice a series of questions relating to Mr Bruce Carter, Mr Ian Kowalick and Monsignor Cappo in relation to payments to those gentlemen for work undertaken on behalf of various ministers, government departments and agencies. For example, in relation to Mr Carter, the question read as follows:

> For all departments, agencies, boards and authorities reporting to the minister and for each financial year since and including 2002-03, what were the total payments made to Mr Bruce Carter or any company, firm or entity in which Mr Carter has a financial interest in the following categories: (a) salary, allowance, sitting fee or other similar payment; (b) travel, accommodation, entertainment expense; and (c) any other payment?

In relation to Mr Carter, I hasten to say that I make no specific criticism of Mr Carter's competence in his specific areas of expertise. Mr Bruce Carter, from the public record, has held a number of positions and undertaken a number of tasks. He has been the chair of the WorkCover Board and he is currently chair of and has previously been a member of the Economic Development Board. He has been (I am not sure whether he still is) a member of the South Australian Motor Sport Board and the deputy of that particular board, and he has recently been appointed the chair of the Renewable Energy Board. He has also been employed as a consultant by the government to undertake the early work on the National Wine Centre. He was also employed by the government to undertake consultancy work in relation to the Basketball Association of South Australia and as a consultant to look at TransAdelaide's performance and corporate governance arrangements. For a long time now he has had an ongoing role as a consultant working with the government on the BHP Billiton or Olympic Dam projects. Those are the only projects of which I am aware publicly; there may well be others.

There is considerable public interest in terms of how much the taxpayers have paid Mr Carter and his companies over a period of time in relation to these particular tasks and there is considerable interest in the answers to the questions which, as I said, have been on notice for some 12 months. My questions to the Leader of the Government are:

1. Why is it that he, Mr Rann and other government ministers have for 12 months refused to answer these questions?

2. Does the minister believe that there is no public interest at all in terms of how much of taxpayers' money has been expended to Mr Carter and his companies and interests in relation to these particular tasks?

3. Is the minister prepared to indicate whether he will provide an answer to these questions prior to the election in March next year?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:51): In relation to Mr Carter, whom the Hon. Rob Lucas has specifically raised in his questions, I can say that the value of the work that he contributes to the government is, I am sure, vastly more valuable than what he is paid. Mr Carter is a very successful businessman, and I am sure that the amount of work that he does for the government and, therefore, for the people of this state is probably, as I said, of much greater value than any remuneration. I am sure that he would not be doing it if money was his only motivation.

Clearly, because Mr Carter has carried out a range of functions with different agencies, to correlate all that information will take some time. I will refer the questions to the appropriate ministers and seek answers for the honourable member.

COMPULSORY THIRD PARTY PREMIUMS

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:52): I table a copy of a ministerial statement made today by the Treasurer in relation to CTP premium increases.

QUESTION TIME

ITINERANT TRADERS

The Hon. B.V. FINNIGAN (14:52): I seek leave to make a brief explanation before asking the Minister for Consumer Affairs a question about itinerant traders.

Leave granted.

The Hon. B.V. FINNIGAN: There are laws that regulate door-to-door trading. These laws are designed to protect people, especially vulnerable members of the community, from fly-by-night door-to-door traders. Will the minister advise the council about a recent example of fly-by-night door-to-door traders where vulnerable members of the South Australian community have been targeted?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy) (14:53): In South Australia, the Fair Trading Act 1987 contains provisions that relate to the practice of door-to-door selling of goods and services. The door-to-door provisions of the act provide protection for people

who are vulnerable to high pressure sales techniques, who are put on the spot and make rash decisions to purchase goods and services that often they find they do not really want nor can afford. People sometimes enter into a door-to-door sales contract on the spur of the moment without giving any thought to whether they really want or need the goods or without having shopped around to compare alternatives and value for money.

Consumers who purchase goods or services as the result of door-to-door sales transactions are legally entitled to a cooling off period if the goods or services cost more than $50. Door-to-door sellers are required to give prescribed forms to the consumer: one being a form that explains their cooling off rights and the other a form that they can use to cool off. A written contract has to be signed by the consumer and the contract must clearly state that the contract is subject to a 10 day cooling off period.

Door-to-door sellers are not allowed to accept consideration of any sort from the consumer or supply any service until the expiration of the cooling off period. Unfortunately, there are groups of itinerant traders who travel around the place, moving from one jurisdiction to the next, who target vulnerable people and who, while in our state, blatantly breach the door-to-door sales provisions of the act. The Office of Consumer and Business Affairs regularly receives complaints about these types of traders. The main type of itinerant traders reported to OCBA include painters, bitumen layers and people driving around selling electrical goods (the most recent case involved speakers and televisions being sold from the back of vans).

About two weeks ago a group of itinerant painters knocked at the door of two houses in the western suburbs, one of which belonged to an elderly person. Within hours of each other the two people involved agreed to have the roofs of their homes painted. Both jobs were completed extremely quickly and were substandard; in fact, I understand that one of the jobs was completed in something like half an hour. One of the customers paid $5,000 and the other paid $2,500 for similar work. One of the customers was even driven to the bank by the painters to withdraw the cash. The customers did not receive any documentation whatsoever from the painters, and it is doubtful the painters used their real names. I am advised that virtually every part of the painters' conduct breached the provisions of the act, as I just explained.

By the very nature of their conduct itinerant traders are hard to catch. They use aliases and do not provide documentation and, by the time someone works out that they have been had, it is often too late to do anything about it. The itinerant trader has moved on and there is no documentation that would help lead us back to them. While OCBA and I regularly issue media releases warning about itinerant traders and consumer rights in respect of door-to-door sales, and while OCBA has literature available regarding consumer rights in respect of door-to-door sales, unfortunately this information is often picked up by people only after they have been taken for a ride, after the itinerant traders have taken their hard-earned money and done a runner.

The only way to stop itinerant traders taking advantage of vulnerable people by breaching the door-to-door sales provisions of the act is for people to be well aware of their rights, and I encourage all members of parliament to be alert to the practice of itinerant traders. If a member hears of any examples of itinerant traders operating in their patch, I encourage the member to telephone the Office of Consumer and Business Affairs to report it. Members' offices are often contacted by constituents stating that they have someone at their door offering to paint a roof or something similar, and I encourage them to inform such constituents of their rights.

BUCKLAND PARK

The Hon. M. PARNELL (14:58): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about the proposed housing development at Buckland Park.

Leave granted.

The Hon. M. PARNELL: Yesterday the minister answered a dorothy dixer question in this chamber to describe the Buckland Park development in terms glowing enough to convince other members that the minister had already made up his mind to support it. According to the recently released EIS, the Walker Corporation development proposes housing for 33,000 people in 12,000 dwellings on a flood plain that shares a common border with the Jeffries composting facility and demonstration farm. The nearest services (such as hospitals) and employment opportunities are 20 kilometres away, with most residents predicted by the EIS to commute long distances to work, particularly as a new public transport service to the site is not scheduled to commence until 2022.

When the proposal was first put forward, and even before the project was doubled in size, Stuart Hart, Life Fellow of the Planning Institute of Australia and ex-director of Planning SA, wrote a damning assessment of it in the *Adelaide Review*. In his assessment, one line jumps out, where he says:

> The proposal is contrary to well-established planning policies, all based on sound evaluation. Investors cannot operate unless they can trust that the planning laws are consistently applied. Its approval would cause public loss of confidence in the whole planning system.

My understanding is that variations of this project have been around for many years and have always been given an early no by the planning department because of their total disregard for the state's planning objectives of orderly and economic development.

Members should also note that the developer, the Walker Corporation, gave a donation to the South Australian Labor Party of $25,000 in 2005-06, the year the project was first announced; and Treasurer Kevin Foley was quoted in the *Sunday Mail* in June last year as saying, 'We make ourselves available for the likes of Lang Walker.' I might also add that this same developer has given over $500,000 to New South Wales Labor since 1998. Members should also note that a representative of Connor Holmes, who wrote the EIS on behalf of the Walker Corporation, will be travelling with the minister on a soon to commence 15-day, nine city, overseas trip. My questions are:

1. Given that the minister, as planning minister, will effectively decide whether or not this major development proceeds and, given that the minister has chosen to publicly support this project in parliament at the beginning of the public comment period for the project's EIS, how can the public have confidence that the minister will carry out his role as decision-maker with impartiality?

2. Is there any point in members of the public participating in the public comment for the project if, as it seems from the minister's answers to questions yesterday, his mind is already made up?

3. Can the minister assure the council that the trip he is about to embark upon will not be used by Connor Holmes to lobby on behalf of the project?

The PRESIDENT: The minister will note that there is a matter of opinion in that question.

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:02): It is totally incorrect for the honourable member to suggest that I have made up my mind, particularly when I specifically said so in my answer yesterday. The point I was making in my answer to the question yesterday was that I was making an appeal to have this matter considered properly and not with the sort of scurrilous attacks the Hon. Mr Parnell is making.

We know that the Hon. Mr Parnell does not want this. He is entitled to express his opinion, but he should do so in the appropriate way, as I will be doing. It is totally false for the honourable member to suggest that I had made those statements, when I specifically said that that issue still needs to be assessed. It is important that it be considered in a proper way, rather than the honourable member making ill-considered and quite emotional comments, as he has again done today.

While I am on my feet, the deputy leader asked me a question about a submission to the Royal Adelaide Hospital; I think she asked about the Adelaide Parklands Society. I think seven public submissions were received in relation to the hospital from the City of West Torrens, the Australian Institute of Architects, the University of SA, Mr David Storey, Adelaide 2050, and the Adelaide City Council. There is no record of a submission from the Parklands group.

BUCKLAND PARK

The Hon. M. PARNELL (15:04): I have a supplementary question. How can the public have confidence in a fair decision being made on this major development when the Treasurer has bragged publicly about the access given to the developer by the Rann government?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:04): The Treasurer obviously has a job to do in relation to attracting investment to the state. If Mr Walker chooses to invest in this state, as he has done in other states, I believe that is a good thing for this state. However, the Buckland Park proposal, like all others, will be assessed on its merits.

ADELAIDE AIRPORT

The Hon. R.D. LAWSON (15:05): I seek leave to make a brief explanation before asking the Minister for Planning and Development a question about Adelaide Airport.

Leave granted.

The Hon. R.D. LAWSON: On the weekend, Adelaide Airport Limited released its draft master plan for the period 2009-14. It is a comprehensive five-page document and I commend the company for it as I commend—and I am sure many members would agree—the Managing Director of Adelaide Airport Limited (Phil Baker), and his always helpful colleague John McArdle, for their briefing of members on issues relating to the airport. This plan is made pursuant to the requirements of the commonwealth Airports Act and requires the approval of the federal minister. However, the plan has serious ramifications for planning in the surrounding areas governed by state laws.

Members would be aware of the still developing shopping centre on the western side of the airport, which has created a new major regional shopping centre, creating traffic, planning and drainage issues, to say nothing of distorting the pattern of retail in the western suburbs. There have been extensive developments on the northern side of the airport and the southern side is ripe for further development. The latest master plan again shows a proposed hotel to be built on the area presently occupied by the short-term car park, a car park which by all accounts is entirely inadequate, especially at peak times.

In fairness, the plan also shows a new multi-storey car park located to the north of the current car park. However, I can find no assurance in the plan that the new car park will be developed before the hotel is built on the existing car park. The plan raises many issues. Knowing that the commonwealth government has primary responsibility in relation to these issues, my questions to the minister are:

1. What input have South Australian government planning authorities had to the draft plan as prepared?

2. Will the minister assure the parliament that the South Australian planning authorities, including local government planning authorities, will make appropriate presentations to protect the interests of planning in the western suburbs of Adelaide?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:07): I thank the honourable member for his important question, because it has been a matter of great concern for some time, particularly in previous years, that once Adelaide Airport was privatised the then commonwealth government has shown a particularly lax attitude towards the impact of any development at the airport and surrounding areas. That applies not only to Adelaide or Parafield airports but also other major airports around the country, and it has been an issue planning and transport ministers have raised at ministerial conferences for some time, with little success.

Following the election, Steve Georganas, the member for Hindmarsh, lobbied in relation to this matter, and the new federal Minister for Transport (Anthony Albanese) has now released a discussion paper; it was one of the first things he did upon election to government. The Rudd government released a discussion paper in relation to planning at major airports, reflecting the concern that Steve Georganas and state planning ministers had raised on a number of occasions previously in relation to the lack of input states had in relation to planning at airports. I am not sure exactly where that discussion paper is currently.

At the planning ministers' conference last week, and as part of the changes now to occur, unlike previously, the commonwealth is proposing that state governments and local government bodies should be involved in consideration of these plans. As for the timing to come into place, I am not certain, but I am happy to take the question on notice and bring back the detail for the honourable member. I can assure him that the states, local government (particularly the City of West Torrens) and the local federal member for that area (Steve Georganas) have all been lobbying furiously to ensure that the commonwealth takes into consideration local issues as part of any plans for the area. I will provide that detail for the honourable member in answer to his important question.

AUGUSTA ZADOW SCHOLARSHIPS

The Hon. J.M. GAZZOLA (15:10): I seek leave to make a brief explanation before asking the Minister for the Status of Women a question about the Augusta Zadow Scholarships.

Leave granted.

The Hon. J.M. GAZZOLA: I understand that two scholarships are awarded annually to assist with occupational health, safety and welfare improvements in South Australia. Will the minister provide more information on the Augusta Zadow Scholarships?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy) (15:10): I am pleased to announce that the nominations for the 2009 Augusta Zadow Scholarships are now open. Mrs Augusta Zadow played a critical role in securing better conditions for employees in factories, particularly for women and children. In 1895 she became the first female inspector of factories in South Australia. Many of the working conditions we now take for granted are due to the efforts of Mrs Augusta Zadow.

With Mary Lee and David Charleston she drew up a log of wages and prices for use in Adelaide. She investigated complaints about women's wages, work safety and sanitary conditions. Mrs Zadow was also one of the founders of the working women's trade union, which was established in 1890, and from late 1891 she was a delegate to the United Trades and Labor Council. During the depression in 1893, Mrs Zadow found employment for women as domestics and managed the distressed women's and children's fund, her earnest appeals gaining colony-wide support in cash and kind. She was also highly involved in the female suffrage movement.

Two scholarships of up to $10,000 each are awarded each year to assist with occupational health, safety and welfare improvements undertaken by or for the benefit of women in South Australia. Scholarships are awarded to undertake further education, research and/or occupational health, safety and welfare initiatives in Australia or overseas. Past scholarships have funded research and initiatives on workplace bullying, occupational stress and mechanical aids to help staff and residents alike in aged care homes. Nominations close on 28 August and can be made online or through the office of SafeWork. I encourage interested people to apply. The winners will be announced at the SafeWork awards dinner on Friday 30 October at the Adelaide Convention Centre.

WATER SECURITY

The Hon. R.L. BROKENSHIRE (15:13): I seek leave to make a brief explanation before asking the Minister for State/Local Government Relations, representing the Minister for Water Security, a question about water.

Leave granted.

The Hon. R.L. BROKENSHIRE: I was excited for town, rural, regional and city residents across South Australia to read the Premier's bold declaration (which we are now advised is a vow, apparently) on the front page of *The Advertiser* today that water restrictions will be over by 2012. There are some bold statements being made at the moment that may come back to haunt our leaders, such as the Treasurer's saying earlier in the week on Matt and Dave's program on 891 ABC that, with the desalination announcement, Adelaide's water security problems are solved—there will be no further problems—by the doubling of the capacity of the desalination plant.

At the same time, never mind that irrigators are still on 18 or 19 per cent allocation and will likely be on that for the foreseeable future, with desalination delivering negligible returns to the River Murray for environmental and irrigation purposes. The Premier, of course, pointed to the double capacity 100 gigalitre desalination plant for the reason that water restrictions will be finished by 2012. Finally, the federal government commitment of $228 million for the 100 gigalitre desalination plant will leave the state government with a $1.5 billion bill to build the plant, $500 million more than it was going to cost to build a 50 gigalitre desalination plant. Therefore, my questions are:

1. When did the government first become aware that the commonwealth was going to contribute $220 million to the desalination plant?

2. What price change/reduction will there be to the projections on household water price costings on account of this generous gift from the federal government and the resultant doubling of the plant's capacity?

3. Will the Premier guarantee that the price of household water will not be increased beyond what was projected for water pricing with the original 50 gigalitre desalination plant?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:16): The government became aware that the commonwealth confirmed its support for the additional desalination plant on budget night. Obviously, the government had been in discussion for some time with the commonwealth in relation to it, and was requesting it, but confirmation of it came on budget night with the announcement in the budget.

In relation to the Premier guaranteeing it, quite clearly, if one is to expand the plant to ensure water security, the state will have an additional contribution to that but, of course, it is a proportionately small cost to double the plant; and that is why it is so attractive. For a 100 per cent increase in the plant the cost is much less than doubling the cost. Obviously, it is clear that, if one is to have water security, there will be the need to pay for it—and that has been made clear. It is obvious that, if we are to have that level of water security and make that investment, it must be paid for.

SUPER SCHOOLS

The Hon. C.V. SCHAEFER (15:17): I seek leave to make a brief explanation before asking the minister representing the Minister for Education a question about super schools.

Leave granted.

The Hon. C.V. SCHAEFER: I was shocked to hear on late night radio last night—and announced not by the government but, rather, Correna Haythorpe of the AEU—that there is a proposal to amalgamate and/or close 40 regional schools across the state in order to build nine super schools in Port Pirie, Whyalla and Port Augusta and that parents are being pressured into voting by 30 June in order to meet the commonwealth funding deadlines.

Various comments have been made since then by parents, the education union and teachers. One unidentified teacher—probably too frightened to identify who they were—said, 'We haven't had information. There has just been a lack of information for people to make an educated decision. Apparently talks have been happening for a couple of years, but that has not been communicated out to the general community.' Similar comments have been made, and I can only begin to imagine the consternation out there at the moment. My questions are:

1. What schools are involved in the proposed closures/amalgamations?

2. Where will the nine new schools be located?

3. Have the parents and students been properly consulted?

4. Has the transfer of education department land, such as school ovals to public space, been considered?

5. Has a community impact statement been prepared?

6. Has local government been consulted with regard to necessary changes in infrastructure, such as upgrading of access roads?

7. If these steps have not been taken, when does the minister anticipate being able to do all or some of those things between now and 30 June?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy) (15:20): Indeed, this is a very challenging policy area. In some of our regional areas, we have large numbers of schools with very small numbers of students. Of course, that can create significant issues, particularly in terms of economies of scale and also efficiencies, the scope of the curriculum (as my colleague has mentioned), the scope of subjects able to be undertaken and the scope of teaching expertise able to be attracted and retained in the schools. They are all very real issues offering great challenges in terms of providing education in country areas.

The advice I have received is that, in fact, currently an act of parliament requires that schools are not able to be closed without proper public consultation, and so there is legislative protection in place. Clearly, the Minister for Education works very hard to put forward programs which provide the very best education within the very best education facilities possible and which are also filled with the very best teachers possible.

ANSWERS TO QUESTIONS

APY LANDS

In reply to the **Hon. R.D. LAWSON** (5 June 2008).

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy): The Minister for Aboriginal Affairs and Reconciliation has provided the following information:

The then Executive Director, Aboriginal Affairs and Reconciliation Division, Department of the Premier and Cabinet Ms Joslene Mazel, travelled to the APY Lands on 27 May 2008 in the course of her duties to undertake consultation with APY communities on the $25 million housing package on offer from the Commonwealth.

This was sufficient to entitle her to enter the lands.

The APY Executive were advised that Ms Mazel would be visiting the APY Lands to meet community councils and attend the APY Special General Meeting, held on 28-29 May 2008, to discuss the housing package. Departmental records indicate that Ms Mazel had been invited by APY to do so.

It has been a long-standing practice of courtesy that public servants attending on the APY Lands in the course of their duties have applied for an entry permit to APY, notwithstanding that a permit is not required. Ms Mazel, pursuant to that practice, applied for a permit early in 2008. She received a 12-month permit on 18 June 2008. Agencies have been requested to continue this practice.

APY LANDS

In reply to the **Hon. R.D. LAWSON** (11 November 2008).

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy): The Minister for Aboriginal Affairs and Reconciliation has provided the following information:

The government fully recognises the role and responsibility the APY Executive has as the elected body of the Anangu in respect to the Anangu Pitjantjatjara Yankunytjatjara Lands. As Minister for Aboriginal Affairs and Reconciliation I meet with members of the APY Executive on a regular basis and have ongoing correspondence with them.

AP Services is incorporated under the Corporations (Aboriginal and Torres Strait Islander) Act. On 16 February 2009 the Registrar of Indigenous Corporation, Anthony Bevan, appointed special administrators to the AP Services following a review of the corporation. Given the involvement of the regulator, there would be no apparent benefit in asking the Auditor-General to undertake an investigation into the affairs of the AP services at the time.

EDGINGTON, MR S.

In reply to the **Hon. A. BRESSINGTON** (3 February 2009).

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister Assisting the Minister for Transport, Infrastructure and Energy): The Minister for Families and Communities has provided the following information:

The role of the Special Investigations Unit (SIU) is to investigate and act on allegations of abuse and neglect of both children and young people in foster care, and, those in residential and secure care facilities. The SIU also investigates and acts on allegations of abuse of vulnerable persons who are Disability SA clients.

It is beyond the scope of the Department for Families and Communities, Special Investigations Unit to undertake the type of investigation suggested in the question.

SUPPLY BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 2351.)

The Hon. S.G. WADE (15:22): Today I rise to speak on the Supply Bill and I take this opportunity to highlight Labor's record of failure. I have recently addressed the subject of the Rann government's failure in the areas of water security and climate change, and so today, instead, I will focus on another of my shadow cabinet portfolios, that is, disability. The Rann government's record in disability is a record of failure: failure to support people with a disability and those who support them.

The Supply Bill provides parliamentary authorisation of the funding of the state government. It gives us a chance to reflect on the performance of this government when, after seven years of the best economic conditions this state has experienced, we can reflect on how effective the government has been at delivering services. Those economic conditions were due, in no small part, to the sound management of the Howard government; yet, in recent months, after seven years, Treasurer Foley has shown that he has been unable to take advantage of those years because he is talking about a substantial budget deficit. Seven years of lost opportunities for South Australians, including South Australians with a disability.

In spite of massive federal grants funded by debt, Treasurer Foley is still telling us that we will have a deficit of half a billion dollars. Very concerning are the recent reports that the Treasurer is requiring departments to find cuts in their budgets. Reportedly, Disability SA is being required to make a 20 per cent budget cut. While we recognise the need for the state to manage its finances, it is just not credible to think that the government can cut 20 per cent from Disability SA services without savaging those services.

Disability is already drastically underfunded by the Rann government. In fact, South Australia already spends the least per person with a disability of any state or territory in Australia. Productivity Commission figures show that South Australia's disability services expenditure per person with a disability is the lowest in Australia, at only 62 per cent of the national average.

Let me clarify for the council that that is a Productivity Commission figure; it is not, shall we say, a private sector or an independent think tank. It is a commonwealth agency which works with states and territories to present, in a comparable way, performance across the country. The verdict of that commission is that, effectively, South Australia is underfunding state disability services to the tune of 38 per cent, as compared with the national average. Effectively, South Australians with a disability are getting less than two-thirds of that received by people in similar situations elsewhere in Australia.

Earlier this year the opposition revealed that unpublished government data estimates that to clear the disability waiting list in South Australia would cost approximately an additional $280 million; more than double what is currently being spent. However, these figures do not convey the urgency of the situation and the impact on people's lives. To get some sense of that we need to turn to the government's own figures.

After being publicly challenged about the failure to deliver on an election commitment to publish disability data, last November the government published disability waiting list data showing that, as of November 2008, 2,173 people with a disability in South Australia are languishing on waiting lists. That is over 2,000 people not receiving the support that they need to meet their basic daily needs. To make matters worse, this figure includes 525 people classified by Disability SA as being of immediate and high risk of harm to themselves or others, so there are over 500 people who are still waiting for support not merely to live a decent life but to avoid harm to themselves or others.

Not content with underfunding the basic support, the government has also cut funding for important projects. For example, the government has cut $750,000 from advocacy and information services such as DIRC. Only in the past year it failed to provide ongoing funding to Novita's highly successful statewide complex communication needs project which delivers communications equipment and training to both adults and children with a disability, at a cost of $900,000 a year.

Members of the council may remember the government's botched attempt last year to introduce higher fees for equipment for people with disabilities. What concerns so many people in the disability sector is that, if the government was thinking of introducing higher fees for basic equipment that people need for disability when they were at, shall we say, 100 per cent funding, now that apparently the Treasurer is requiring the department to find 20 per cent savings—in other words, they are expected to operate on 80 per cent funding—what more bizarre scenarios will be necessary under this Rann government?

During seven of the best years South Australia has seen, the Rann government has preferred to spend on bureaucracy rather than addressing unmet needs in disability services. People with disabilities do not need more bureaucrats telling them how to run their lives; they need basic support and they need services.

It is not just in funding issues where Labor has failed people with a disability in South Australia. The Rann government has failed to recognise that there is much more to providing quality of life for people with a disability than just dollars. People with a disability seek that South Australia would become an inclusive community, a community which gives them full opportunities to participate. The first responsibility of this government, I believe, in relation to disability, is to promote that sort of community. It should, with its own services and its own departments, be promoting disability awareness and totally accessible services that are expected by people with a disability.

I would like to highlight the government's failures in this broader support of disability by touching on three portfolio areas: health, education and transport. In relation to education, earlier this week it was my privilege to attend a rally on the front steps of Parliament House, attended by parents of children with a disability. It was billed as a silent rally, which I found particularly helpful, because it meant that I was able to spend time talking with parents and children with a disability about their own situation to get some understanding of what the lack of services means to people in their daily lives.

In particular, they spoke of the lack of appropriate options in schools and classes. Some children are better suited to special schools, others to special classes in mainstream schools, and others to attending mainstream classes in mainstream schools. In fact, I spoke to one father who had actually chosen a home schooling option. There is, of course, a diversity of need amongst people with a disability and a diversity of service options that should be available to help them to meet those needs.

At the rally I spoke to a parent who handed to me a letter highlighting the frustration and despair that she was experiencing in trying to give her child, a little boy named Brodie, an education within the South Australian education system. Brodie has the condition of autism. He currently goes to a special school where he receives little support or education, after being moved from school to school as the education department struggles to meet his needs.

He has been constantly moved and DECS appears unable to provide Brodie with a school with proper support or care, leaving Brodie at a special school where he is merely, shall we say, minded rather than educated. The feeling of despair in the letter is quite evident. Brodie's mother says:

> The school doesn't want him there anymore, I don't want him at this school anymore and most importantly, he does not want to be there anymore. Yet there are no places in any other special school, and this is the only recommended place for him…Please can someone tell me, when will my son get an education?

This letter shows the difficulties faced by everyday people struggling with a lack of understanding, a lack of options and a lack of support within government education.

Assisting people with disabilities is so much more than just funding from Disability SA. The experiences recounted by parents of children with autism at the rally show that the rigidity of DECS does not meet the needs of many of these people. The lack of understanding, training and support for teachers and school staff leaves staff, parents and children feeling frustrated and unassisted.

It is not just the children with a disability and their parents but also the other children who are receiving education in that context who are affected. Properly supported, a person with a disability can enhance the social and education experience of other children, but, unsupported, the presence of a child with a disability can actually cause disruption and may prove to be an extremely negative experience for a child and their development. It is important for children without disability as well as children with a disability that educational support for children with a disability be provided.

The issue of this government's failure to provide appropriate support for the education of children with a disability was also highlighted recently by a story in the *Sunday Mail*, which related to the Mount Barker South junior school. The child in question has autism and the newspaper reported that he and others were being dressed in fluoro vests and were spending their breaks in a separate fenced playground dubbed 'the cage'.

That story begs the question: what support is available for staff and principals of schools to work through the options that might be available to them? It may well be that, in that case, some form of restraint in terms of an enclosed playground was appropriate, but I find it hard to conceive that the use of fluoro vests is an appropriate way to manage children in a playground. It tends to perpetuate an attitude of separation and stigmatisation.

I appreciate that school staff have a duty of care to their students and that the challenges they face are often difficult. This is why it is important that there be specialist staff within DECS who are available to support schools as they manage these issues. South Australian schools do have a policy of inclusion of disabilities, including people with autism, yet these practices seem to segregate children with disabilities and promote a mindset which undermines inclusion and community engagement.

DEC's lack of disability awareness was highlighted again just last week when it was revealed that the Ramco Primary School in the Riverland was holding a disability dress up day, which was meant to promote disability awareness in the context of overseas support but which characterised disability in terms of what were really medical conditions rather than disabilities. The lack of sensitivity and the potential for stigmatisation was not realised.

Again, I appreciate that schools face many different issues that must be balanced and I do not expect every teacher or principal to be sufficiently aware of disability issues to be able to easily spot them; that is why we have disability awareness programs, and it is why the government has committed to disability awareness programs within the Public Service. So, with two incidents in relatively quick succession one has to ask: what is happening in the Department of Education and Children's Services? What has led to these two events? Is it merely coincidence? I fear not.

Another story that has not been on the public record, as far as I know, is a situation in a country region where I understand that a child with a disability, who had previously been offered transport by a Department of Education and Children's Services' bus, was deprived of that opportunity because, even though there is space available on the bus and even though the bus passes the child's home, that person is no longer receiving an educational service from DECS. Therefore, they have been told that they cannot travel on the bus. In the context of country South Australia—where public transport is almost non-existent, and where specialist disability transport is even rarer—when a government department has capacity that it could make available to a person with a disability but chooses not to (in fact, even worse, it withdraws that service) it raises serious questions about the department and its sensitivity to disability issues.

The second portfolio area I would like to address in regard to disability is that of health. I have had a number of people, both professionals and individuals, who have raised with me their concerns about the lack of appropriate support for people suffering from motor neurone disease, or MND. For members' information, MND is a degenerative condition with no known cure at this stage. It is a very rapidly progressing disease, with the majority of people with MND surviving only 12 to 14 months from the time of diagnosis.

Due to this rapid degeneration, the needs of people with MND are quite different to the needs of many other people with disabilities. Unlike most of Disability SA's other clients, people with MND are unlikely to be long-term clients; because their condition often rapidly deteriorates, their needs also rapidly change, as should the response to those needs. Unfortunately the inflexibility of the government leads to many slow and belated responses.

I have been advised of a number of examples of people with MND needing a wheelchair at the early stages of the disease but, because of Disability SA taking so long to respond, the person does not receive the equipment until several months later, by which time the disease has progressed to the point where the person is bedbound and has no use for the wheelchair.

I have also been told of a person who applied for support from Disability SA who was granted a certain number of carer hours a week. Unfortunately, Disability SA did not get to the point of advising the person of their entitlement until 11 months later, and within two months that person had died, having received very little of the support offered.

However, I put it to the council that this is not just a matter for Disability SA. The health department has also failed to adequately support people with MND. Currently the Repatriation Hospital at Daw Park operates an MND clinic, providing multidisciplinary care for patients with MND. However, this clinic is funded by the Southern Adelaide Palliative Services budget, with no direct South Australian government funding, despite the fact that it provides a metropolitan-wide service.

Similarly, there is very little information or referral services provided by the health department, information which is critical for many of these people, as many patients do not see their MND as a disability; they do not think to contact Disability SA and do not know where to go for support. So, we are faced with an issue where the Department of Health and Disability SA need to be more aware of the needs but also of the needs in transition, where a person receiving the support they can from the health sector then moves, perhaps relatively quickly, to needing a high level of support from the disability sector. The lack of understanding and awareness within both agencies is an example of the need for an across government approach to supporting people with disabilities.

The third area I want to highlight in terms of the Rann government's failure to properly support people with a disability is the transport portfolio. In October last year, I drew attention to the fact that the South Australian government was ignoring its responsibilities to people with a disability in its purchase of second-hand buses. As I mentioned in question time today, the then government had made a commitment (obviously it was not a government of ALP persuasion, but it was the government of South Australia) to the relevant commonwealth Disability Discrimination Tribunal that, from 1996, it would purchase accessible buses. Last year, the government bought second-hand buses to get around this commitment. A fleet of buses was introduced to the Adelaide bus fleet in mid-2008 which were not accessible to wheelchairs, prams or people with a disability, and that 1996 commitment was breached.

I raised in question time today the issue of the new 160 articulated buses, which will be built in South Australia as a result of federal funding. The press release from the Premier mentioned jobs and sustainability and environmental issues, yet there was no mention at all of whether these buses will be accessible. I know that the disability sector has been concerned for a long time that the O-Bahn busway is not accessible. My understanding is that that is not just a conversion issue; it is a structural matter. Apparently, it is a $118 million deal, and I would certainly hope that, if we are investing $118 million in transport infrastructure, the disability sector will not be excluded.

As I have mentioned, it is not just people who have a disability but also perhaps people who are dealing with ageing or people who are looking after children and people who perhaps are dealing with a temporary sports condition. A lot of people in our community have mobility challenges, and it is important that we make sure that our transport infrastructure is accessible to them. I look forward to the minister's reply on the accessibility of the buses. I certainly hope that we are not breaching the commitment we made in 1996 to the people of South Australia with a disability.

I now refer to the way I believe the money being provided to people with a disability could be better delivered. As I have already mentioned, there is more to disability services than just the basic issue of pumping out support and services. There is a whole range of awareness issues and issues which affect a person's ability to engage in community as a full member of that community.

The way that funding is delivered for support services is one of those factors. People with disability would rather that they themselves have control of what services are purchased for them and how those services are delivered. Rather than just having bureaucrats telling them what they can and cannot have, people with disabilities want to engage with the community as equal members, making their own choices, enriching their own lives and charting their own future. Labor's bureaucratic, department-focused, one-size-fits-all approach is leaving many people with disability feeling disengaged, disempowered and disappointed.

The Liberal Party, on the other hand, believes that people with disabilities and those who support them should be given the autonomy to make their own choices to the greatest extent possible in relation to their support needs. Individuals know their own circumstances best, they know their values and the risks that they are willing to take, and in the end they have the right to make their own choices about their own lives.

To this end, in April this year the Liberal Party released a policy to introduce individualised funding in South Australia. International experience shows that such funding significantly enhances the lives of people living with disability as they develop services and support that are better tailored to their circumstances. Only at lunch today I was talking to a disability advocate, who was talking about the successes of the Canadian provinces where they have been experimenting with individualised funding or a variant of the same for 25 years. This is not a novel idea; it has been well tested overseas.

It is pleasing to see that the New South Wales Liberal opposition has also circulated a discussion paper on the same issue and is pursuing a similarly individualised approach to funding services for people with disability. The South Australian Labor government has previously talked about the concept of individualised funding. In fact, the Hon. Jay Weatherill, when minister for disability services, welcomed the visit of Simon Duffy, a world expert on individualised funding, by undertaking to refer the issue to the Disability Advisory Council. That was the beginning of last year, I understand, but nothing more has been heard.

There was perhaps a faint reference to individualised funding in the budget papers, although we did not dare use the phrase. The Minister for Disability Services, then the Hon. Jay Weatherill, made positive comments about individualised funding in the estimates last year, but here we are almost 18 months later and people with a disability, who have been seeking this funding model for years now, are still waiting for any indication from this government about how it will deliver on that commitment.

It is time for the government to state its position and let the community know clearly whether it supports giving individuals the choice and the freedom to shape their own futures, or whether it is going to stick to its one-size-fits-all approach to disability support in South Australia. I urge the government to do that in the context of the upcoming budget. It is important, as we go into the last financial year within which the next state election will be held, that people have a clear understanding of what alternative governments in South Australia offer people with a disability. We, for our part, have made clear our values and our direction. We call on the government to similarly make clear its values, its direction.

The Hon. R.D. LAWSON (15:49): I rise to speak in support of the Supply Bill, which will appropriate some $2.75 billion from the Consolidated Account for the Public Service of this state for the financial year ended 30 June 2010.

The Supply Bill provides an opportunity to look at the financial circumstances of the state at this particular point in time. I propose making a longer contribution when the Appropriation Bill comes in because we will then see, after the state budget, the true state of our finances and we will be able to comment upon the measures which the government proposes taking in the coming year.

It has been oft repeated in this debate that over the past seven years in which the Rann government has been in office the revenue streams coming into this state—taxation and other revenue, not only from GST but also from land taxes and the like—have been at absolutely record levels by whatever measure one takes. Whilst it is true that the public sector has grown in South Australia quite markedly during that time, it is not true that our relative position in the Australian scheme of things has improved at all. Indeed, by most measures, it has retreated.

The parliamentary library in Canberra produces a very interesting research paper annually entitled *State Statistical Bulletin*, and it compiles the statistics for all Australian states and provides not only a picture at the end of the particular financial year but also a picture developing over time. The most recent of these bulletins that I have received is the one for the 2007-08 year, and it is very instructive. Some will say, of course, these figures are out of date and, indeed, other events have supervened and the latest figures will be interesting (they will show a slightly different picture), but these figures, released in February of this year, show where we were and where we had come from, and it is not a pretty picture, you would have to say.

I do not want to talk down the state and I do not want to suggest in any way that we are a basket case, but what I think is important is that we have a realistic assessment and the community has a realistic knowledge of where we sit in the Australian scheme of things. Listening to the braggadocio of the Treasurer here of his AAA rating and his great hard work and achievements in relation to financial matters, you would think that we have improved our position by most measures and we are doing extremely well. We are not. That creates a false picture. It creates false expectations and it prevents the community from realistically addressing these issues—and it

happens to be in the political interests of the government not to provide a realistic picture but to spin the figures so that the government's political stocks are improved.

When one looks at employment, once again we are not only at the lowest level of any of the Australian states (including lower, unusually, than Tasmania in this particular field) but also our rate of improvement on the employment figures over the year 2007-08 was the lowest rate of improvement. So that we are simply not improving. In relation to unemployment, unfortunately, once again, we are at this particular time where we usually are, which is the highest of the mainland states and well above national averages. The participation rate of the labour force shows that our participation rate, expressed as a per cent, is the second lowest of all Australian states but the lowest of the mainland states.

Our figures for long-term unemployment are near the highest—not as high as Tasmania, admittedly, but certainly well above the national average. If one looks at youth unemployment, one sees that the youth unemployment rate in South Australia is 22.3 per cent at the time, compared to the national average of 17.4 per cent. In that particular category, we were second only to Tasmania by the narrowest of margins.

In job vacancies, one finds that South Australia has the second lowest vacancy rate—not a healthy position. In relation to industrial disputes, we are well situated in that we are led by New South Wales and Victoria, but the rate of disputation and days lost per 1,000 employees in the year was above that of Queensland, Western Australia and Tasmania, but below that of the two major states. I do not believe that our relative position has much to do with state government policy.

Average weekly ordinary time earnings shows South Australia marginally above Tasmania, but it is no great boast to say that we are near the bottom in average weekly ordinary time earnings. We are in a similar position in relation to the real average weekly ordinary time earnings when expressed as an annual change. Our improvement is not as good as that of others.

Most of the wage statistics show us in a similarly poor position but, more importantly, we have not improved our position against the adjoining states. Even in something like the consumer price index, when one looks at the annual change in that, Adelaide used to be regarded as a low cost city, but our annual rate of change was up near the top of the list.

I will not go on with the generally depressing statistical information about the state of this state's finances. There are some, in fairness, where we are doing reasonably well, but they are precious few, and I doubt that this government can claim much credit for those. I call upon the government to address our financial situation with a little less bombast and a little less boasting, but with more realism. The South Australian community are not mugs and they do not deserve to be treated like mugs, as they are by the Treasurer.

Observers of the statements of the Treasurer would be intrigued to notice how for years he has been claiming credit for achieving a AAA credit rating for this state, whereas anyone with any knowledge would know that the AAA credit rating was awarded early in the term of the new government, and the measures that were put in place to achieve that were put in place by the previous administration, through the hard work of the then treasurer (Hon. Rob Lucas) and others over many years.

Having proclaimed the AAA rating loud and long as a personal achievement, suddenly, in the past couple of months, the Treasurer realises that the AAA rating is unlikely to be maintained. Of course, that is nothing to do with him. On this occasion, this is all to do with external circumstances, and the Treasurer has started warming up journalists and others who will listen to the prospect of this state being re-rated. Once again, you will see spin after spin trying to put a good face on what was not his achievement in the first place and now, of course, he will be running away from it.

There are some other measures of which the government seems to think we have reason to be proud. One, for example, is the fact that the number of prisoners in our gaols is at record high levels—not many more, but there are a few additional prisoners—but it is no great achievement to have more people in prison for longer periods. American experience shows that ever increasing the proportion of the population who are imprisoned is no guarantee of ever increasing community safety. Indeed, it is not. I do not believe that is a significant achievement and, of course, as is so often the case, the Treasurer seeks to walk both sides of the street on this particular issue. On the one hand, he is seeking to appeal to a certain section of the community by saying 'Rack 'em, pack 'em and stack 'em'—an irresponsible but politically populist position—and, on the other, he is claiming credit for establishing a new prison facility.

I do not deny the need for a new prison facility, especially one to replace the inefficient and inadequate Yatala Labour Prison, first established in the 1850s. However, what is disappointing is the fact that the government has completely bungled this project. It chose Mobilong for the basest political reason—it happens not to be located in a Labor electorate. The original proposal examined by the government was to have the prison situated on the Strathmont campus near Yatala, or, indeed, on the Yatala campus, but that brought opposition from the Labor members representing that area and other Labor areas that were mentioned.

However, when it chose Mobilong, it failed to consult. It did not consult with the prison officers or the Public Service Association. Those prison officers have to work in the prison and, when Yatala is closed, those who want to continue working in the correctional system will suffer great inconvenience, but they were not consulted; nor were the psychologists and the other professional services which are necessary to run a correctional facility, especially one which will have combined with it a mental health unit.

The government did not consult the local council until after the decision to locate the prison was made. Then, on top of it all, the government has been unable to deliver the project. Having promised this project to be started some time ago (I think the latest indication was that it would be completed in 2005), the government has been unable to secure a private-public partnership to facilitate it. That failure cannot be blamed on the global financial crisis, because the delay of the project was announced well before the effect of that crisis.

It is a matter for regret, not that a new correctional facility is to be built but that this government has been unable to deliver it. Of course, because it was not prepared, was not ready and did not have the plans and arrangements organised, it was not possible then for it to have this project fast tracked under the stimulus packages that have been offered by the commonwealth government and it is, yet again, a missed opportunity.

Another aspect of the criminal justice system that I will mention briefly is the government's failure to adequately fund the Courts Administration Authority. One of the real reasons why we have a high prison population, and a very high population of prisoners who have not been sentenced and are on remand, is the fact that we have significant delays in our criminal justice courts. There are insufficient judges and insufficient courtrooms in the Adelaide metropolitan area to increase the throughput. That has meant that we are holding, at great expense, more prisoners and remandees in our Adelaide facilities.

One way to overcome that is to increase the number of courts that are sitting. The old motto 'justice delayed is justice denied' was usually thought of in terms of the trial of the person who was being charged with a criminal offence. However, the motto 'justice delayed is justice denied' is especially true for victims. When the victims of a crime have to wait months, if not years before finally testifying in court against the perpetrator of the crime, they simply do not reach closure. Countless studies have shown that they relive, time and again, the trauma they have experienced and they are re-victimised.

We need more courts and we need more judges to clear the lists. The response of this government, a couple of years ago, was to reopen two old, inadequate and inappropriate courtrooms that were established for war crimes tribunals in Sturt Street. We have recently been told that that project has been, yet again, delayed and will not come onstream until October this year. Judges have not been appointed to man it yet. There is a judge who has retired and, once again, the government is not replacing that judge.

The condition of the Supreme Court remains a disgrace, and proposals by the judges for an improvement have been met with an abusive response by the government that it is not interested in funding a Taj Mahal. The judges are not interested in a Taj Mahal. They have not asked for a Taj Mahal. They simply asked for facilities, and not only the work facilities for people who work in the courts but also for victims, witnesses and the like, and the public in general who are suffering because this government has failed to appropriately manage its budget and its programs.

Previously, I had the honour of serving in the disability services portfolio and I was delighted to be preceded this afternoon by the Hon. Stephen Wade who gave a very good account of the failures of this government in relation to supporting people with disabilities. This government is always very keen to suggest that, under the previous government, disability services were not adequately funded. However, each year and in the years in which I served in that office, additional real money was put into the system to assist people on the ground.

We were not in the business of appointing more middle managers and creating more bureaucracy. We were in the business of providing accommodation, support and assistance to people with disabilities. I think it is a matter of considerable regret that this government has not maintained what was a strong tradition.

The Hon. R.I. LUCAS (16:10): I rise to support the second reading of the Supply Bill. As I see it, the background to this debate features some of the comments made by the Hon. Mr Lawson in relation to South Australia's credit rating, what I will refer to as the AAA credit rating debate. As the honourable member indicated, it has been the one supposed claim to fame of this government—and, in particular, of Premier Rann and Treasurer Foley.

In recent weeks it has been clear that Treasurer Foley has been rather glumly predicting, to journalists and anyone else who would listen, that South Australia—and he, as Treasurer—is about to lose the state's AAA credit rating. If that is indeed the case, then Treasurer Foley will become only the second treasurer in South Australia's history to have lost the state's AAA credit rating. Treasurer Foley's name will go down in the halls of infamy along with former treasurer John Bannon, the only two treasurers (Labor treasurers, I might add) who have lost the state's AAA credit rating during their term as treasurer.

If that happens, Premier Rann's name will also go down in the halls of infamy as being only the second premier in the state's history to have lost South Australia's AAA credit rating, and he also will join former premier John Bannon as the only two premiers—again, Labor premiers—to have done so. Mr President, as you and anyone who knows Treasurer Foley would know, that would be a huge political blow to him, as well as a massive blow to his ego in terms of what he sees as his personal accomplishments.

I would like to trace the history of the credit ratings, having spoken in recent days to Standard & Poor's and gathered some information from Moody's agency as well, the two pre-eminent agencies that rate the states and countries around the world. I will not go through all the detail, but the simple history is that in the period 1991-1992, at about the time of the State Bank crisis, Moody's dropped the state's AAA credit rating first to AA1 and soon after that to AA2. As I said, that was when John Bannon was treasurer.

It is interesting to go back through Standard & Poor's ratings. It rates the state of South Australia on two categories: a foreign currency rating and a local currency rating. It has advised me that the local currency rating is the better measure; however, that rating started only from 1991. When one looks at the foreign currency rating for this state, we see that we lost Standard & Poor's AAA credit rating to AA+ in 1986, at the time when John Bannon was premier and treasurer. In 1991 and 1992, at the time of the State Bank crisis, when the local currency ratings had been issued by Standard & Poor's, the AA+ was reduced first to AA and then to AA with a negative outlook. So, in and around that period we saw downgrades of the state's credit rating with Standard & Poor's. We lost the AAA rating on the foreign currency measure back in 1986—again, under the premiership and treasurership of John Bannon at that time.

I note the personal claims of the current Treasurer of the accomplishment of the AAA credit rating in 2004. I remind the Treasurer and members that Standard & Poor's issued a major report on South Australia in September 2003 which talked about the credit rating upgrade. Standard & Poor's, in that report, stated that there were two key factors contained in the state's debt burden. The report states:

> In order of importance, privatisation of the state's electricity assets in 2000 and 2001, which reaped almost $A5 billion, most of which was used to pay down debt.

Standard & Poor's listed two major factors, the pre-eminent one, in order of importance, was privatisation, and the other was the restructuring the state's finances. The key issue there in relation to the massive improvement in the state's finances was the massive increase in GST revenue collections over the original estimates through the period from 2001-02 onwards. Again, there has been much talk about the rivers of gold of GST up until the last 12-month period, which has left all state and territory governments in a much healthier position.

I remind the Treasurer and government members in this chamber that they were the two key factors that led to the AAA upgrade, and both of those were trenchantly opposed by Treasurer Foley and Premier Rann when they were in opposition. Premier Rann said that the GST deal the state had done was, in essence, a lemon of a deal from the state's viewpoint. They were very critical of the GST and, of course, at the time they maintained—and they still maintain the pretence

even to this day—that they opposed the privatisation and the debt reduction achieved through the privatisation of the state's electricity assets.

Standard & Poor's, in its document from September 2003 and subsequent documents, made it quite clear that the decisions taken by the former government—certainly nothing in relation to those taken by the current government—were the major factors leading to the AAA credit rating upgrade.

In more recent times, Standard & Poor's, in an interview on ABC Radio on 2 July last year, started raising some warning signs when it looked at some of what it said were the major problems facing the state of South Australia, and Standard & Poor's looked at one of the measures, which was the net financial liabilities to revenue ratios of the state government. On 2 July 2008, the Standard & Poor's commentator said:

> If the net financial liabilities to revenue ratios did get up around that 80 per cent mark then we would be having a look at the rating and seriously looking at what else was going on with South Australia's finance. It's that 80 per cent mark that is, I guess, a hot button for us.

It is important to know that, just prior to this budget, the most recent budget figures indicate that the state's net financial liabilities to revenue ratios is already above the 80 per cent hot button point: it is 87.3 per cent, and forecast to reach 92.1 per cent next year. So, in broad terms, it is already in the high 80s or the low 90s, which is significantly above the 80 per cent hot button mark identified by the Standard & Poor's commentator in the middle of last year.

Given the significant financial problems, some created by the global crisis but others created by the policies and the financial mismanagement of the current Treasurer himself, we are likely to see that particular measure (that is, the net financial liabilities to revenue ratios) potentially going over 100 per cent, which is significantly higher than the hot button mark that Standard & Poor's has identified. I think that is why we have seen Treasurer Foley glumly predicting to commentators the fate of our AAA rating. As I have said, he may well suffer the ignominy of being only the second treasurer in the state's history to lose the AAA credit rating whilst they were treasurer.

Over the past 18 months or so, the Legislative Council's Budget and Finance Committee has been going over with a fine tooth comb Treasurer Foley's fiscal management of government departments and agencies. This afternoon I hope to outline some of the findings that the Budget and Finance Committee has established and to indicate that the current forward estimates Treasurer Foley has produced—and, we believe, the forward estimates he is about to produce—are based on rubbery figures. In other words, the forward estimates Treasurer Foley has produced and will produce should not be accepted by credit rating agencies or commentators, or any other independent analysts, as being capable of being achieved.

In doing that, I hope to demonstrate the facts and the evidence that the previous estimates Treasurer Foley has produced are not capable of being delivered by this Treasurer, if he were to be re-elected, and to use evidence given by chief executives of government departments and agencies about the current problems they are having with implementing the existing forward estimates in their particular department or agency.

As I have said, I think it is imperative that rating agencies and also the Auditor-General have a close look at some of the claims being made by the government and, more particularly, comparing it to performance and my allegation that they are based on rubbery figures. I am pleased to say that the new Auditor-General, for the first time in recent times, actually did start looking at these claims, and he had a look at the shared services claims, and I will refer to those in a moment. I think the Auditor-General's office should do that and much more in terms of implementing its mandate.

We see audit offices in other states, in particular, Victoria and, to a degree, New South Wales, vigorously testing the performance against the claims in relation to savings tasks and other policies announced by governments and treasurers in their jurisdiction. That is a function that audit officers ought to adopt as a part of their ongoing process, and it should not just be a Legislative Council Budget and Finance Committee producing the evidence to dispute the rubbery figures of any government or Treasurer. The point I hope to demonstrate is that we will see the work of the Budget and Finance Committee show a significant lack of financial discipline from this Treasurer, this government and these ministers in the period since 2002.

In doing that, I refer to one of the early decisions and announcements Treasurer Foley made back in May 2002, which in my contention he made for political reasons at that time. The

former government had experience with the Education Department of a $30 million overspend by that department, and it required of that department a repayment over a four-year period of that $30 million overspend—a modest repayment of some $8 million per year over four years out of a very significant budget, which at that stage would have totalled over $5 billion.

Without retracing all the detail of that time, in endeavouring to claim a black hole and unsustainable spending, Treasurer Foley indicated that he would forgive that particular $30 million overspend by the Education Department and that it would not be required to repay it. At the time, I warned the Treasurer that the message he was sending to departments was not to worry about overspending, that if the budget is there and they happen to overspend it, do not worry about it: the government will be there to bail them out and there will be no requirement in relation to financial discipline. Sadly, the Budget and Finance Committee has established that that is what has occurred.

I turn, first, to the health department. The evidence before the Budget and Finance Committee showed that in June, the last month of the 2006-07 financial year, Treasury had to bail out the health department by making an allocation of some $62 million extra, and even with that the health department had to report a $32 million overspend. It waited around for some six to eight months to see whether it would have to repay the $32 million. Because of the rivers of gold from the GST, they were forgiven the $32 million. For that financial year that department overspent its budget by $94 million.

The following year, the 2007-08 financial year, again in June (2008) that agency had overspent its budget by $70 million, and Treasury and the Treasurer bailed out the health department by allocating an additional $70 million to that department to help it balance its books by the end of the year. My advice from people working within health is that, in February or March this year, the health department was looking at a budget blowout or overspend of between $50 million and $100 million for this financial year. Given the performance of the past two years, as outlined, that does not seem to be out of the ball park for the health minister and the health department.

Given what has occurred in the past, the health minister and health department are not worrying about having to manage their budget within allocations from Treasury and the Treasurer because they work on the basis that at the end of each financial year they will be bailed out. In the past, with the benefit of the rivers of gold, the Treasurer has been in a position, through unanticipated additional revenue, of being able to bail out departments and ministers who cannot manage their budgets within the allocation. This year that has changed, so if the health department is facing a $50 million to $100 million overspend already, it will be difficult for the South Australian Treasurer to find that additional money to bail out the health department.

In September last year the Budget and Finance Committee took evidence from the health department (pages 578 and 580 of the committee's transcripts). Under the current savings regimes the health department is required to make savings or cuts of up to an annual saving of $163 million a year by next year, 2009-10. That does not include the additional savings task allocated as a result of the mid-year budget review, which was in December this financial year. Given that the health department is such a significant part of the total spending, if it is to make savings of between 300 and 500 additional positions from within that portfolio, then its annual savings task will be significantly above the $163 million a year—potentially over $200 million a year.

Without going through all the detail of the evidence given, it is quite clear that the health department is not in a position at this stage to deliver the savings it was required to achieve as a result of the budget decisions of 2006-07 and 2008-09, let alone the additional ones of the mid-year budget review. It is stumbling along, as are many other departments year to year, in meeting each year's budget savings to the best of their ability. In the case of the health department, it has not been meeting it because it has blown out every year and Treasury has bailed it out.

One of the most significant savings tasks it has been given is what is called the 'health reform service delivery changes', which started off saving $13.6 million a year, supposedly, but by the time of the 2009-10 budget it was meant to be saving $47.6 million a year.

When we quizzed Dr Sherbon and the health department about how they would achieve this $47.6 million through what is called, euphemistically, health reform service delivery changes, he said they were going to achieve that by reducing the level of increase of inpatient admissions into hospitals down to a 2 per cent increase from a level which in various times in the past had been increases of 7 to 8 per cent, and in more recent years somewhere between 3 and 4 per cent. So Dr Sherbon was saying they were going to achieve these savings of $47 million a year by

reducing the increase in in-patient admissions and, supposedly, they were going to do that through preventative measures in the community and a whole variety of other mechanisms which, if you were to believe and accept them, were certainly going to be long-term changes of many years in the making and certainly not achievable by the next financial year. The question that I put to Dr Sherbon in September was:

> Last year on 5 November you reported to the committee the growth was 3 per cent per annum for admissions. It is not a remarkable achievement to stay at 3 per cent. This is your evidence last year: the goal you had to achieve was around 2 per cent.

He answered: yes. I asked:

> You had to reduce the growth in admissions to 2 per cent ultimately to achieve the $46 million in savings.

As I said, Dr Sherbon then went on to say that it had been 7 to 8 per cent and it was now just over 3 per cent, and they were hoping to get it down to that particular level of 2 per cent.

As I said, there is much more detail there and I am not going to go into it, but suffice to say that there is no way that health is going to meet that particular savings task. When that department meets with the Budget and Finance Committee some time mid this year or in the third quarter, I am sure the committee will be advised that that particular savings task has not been achieved and none of the other savings tasks have been achieved, either.

Likewise, the Families SA agency gave similar evidence to the Budget and Finance Committee. In 2006-07, there was a $32 million overspend and it had to be bailed out by Treasury because it had overspent. In 2007-08, again there was another significant overspend, there was a negotiation with Treasury (as it was described), and it was given permanent ongoing additional spending (a bail-out) in that year of $18.6 million—an additional budget of $18.6 million for each subsequent year.

I turn now to another couple of agencies—the Department for Environment and Heritage and the Department of the Premier and Cabinet—to highlight a further point, and I refer to the transcripts of evidence on pages 728 and 729 in relation to the Department for Environment and Heritage. That department, a much smaller department, indicated that its total savings task by the end of the forward estimates year, 2012-13, was going to be $12.5 million per annum, plus whatever its share of the Mid-Year Budget Review was, and at the time of giving evidence it was not able to advise the committee what that particular savings task was going to be.

For that agency, it was a very significant savings task, and it was actually just achieving its savings on a year-by-year basis. It had not been able to lock in decisions to achieve its savings over the four years. We put the following question:

> So it would be fair to say that, if you as an agency are just doing it one year by one year, in January 2010 you would be making decisions and recommendations in relation to the 2011-12 budget year. Is that correct?

Mr Holmes, on behalf of the department, said, 'That's right'. So, in regard to these particular savings measures which have been locked into the forward estimates, CEOs, finance directors and agencies have no idea as to how they are going to achieve them at the moment. They are just going from year to year. They are trying to get the 2008-09 savings, and currently they are talking with ministers about how they will achieve the 2009-10 savings. Then, after the budget, they will try to work out how they will achieve the 2010-11 and 2011-12 savings tasks.

If this government is re-elected, it will face chief executives saying, 'Okay, we still have a major decision. We are going to have to start cutting services or increasing taxes.' If there is a new government, it will be receiving similar advice. The decisions will not have been taken to lock in the savings tasks required to meet the current savings requirements of the government.

Similarly, I turn to the evidence of the Department of the Premier and Cabinet on page 779 of the Budget and Finance Committee transcript. That department is required to make savings increasing up to $30.4 million a year—so, annual savings of $30.4 million by the year 2012-13 at the end of the current forward estimates period (about $100 million in savings over the forward estimates but factoring up to increases of $30.4 million). Next year's savings are at a much smaller level of $14.7 million, but increasing through to the $30 million figure. Again, we put the question to the acting chief executive:

> Have you locked in a process and made decisions on those yet or are you still working on those savings?

The acting chief executive, Mr Mackie, said:

> We have locked in for 2009-10.

So Mr Mackie is saying, 'Okay, we have made the decisions for savings for next year but, when you start talking about the big savings in 2010-11, 2011-12 and 2012-13, we do not know how we are going to achieve those. We have not made decisions in relation to how those savings will be achieved.' They will be tasks for either a re-elected government or a newly elected government post the 2010 state election.'

Again, from the evidence of the Budget and Finance Committee, some of the savings tasks given to agencies have been demonstrated never to have been achieved by the current government and its administration. We remember the first example of that, going back a little bit in time to the first budget (the 2002-03 budget), that is, the announcement then that they were making $967 million in savings over the forward estimates period from 2002-03. I put on the public record again that, even fighting for this under FOI, asking questions on notice and without notice in the parliament, the Treasurer of South Australia has never revealed—this is seven years later—the detail of the supposed $967 million in savings announced in that budget.

The answer as to why is because they were never achieved. The Budget and Finance Committee has established that in a number of cases the savings were either forgiven by the Treasurer or not achieved. What we also established is that some agencies, rather than savings, had increases in revenue incorporated in that $967 million. Having sold to the rating agencies that they were cutting spending, what the Treasurer included in the $967 million calculation was some agencies that increased fees, charges and revenue items as a budget savings task.

It is quite clear that they are two separate items. Having sold themselves to rating agencies as being tough financial managers—'We are cutting $967 million in programs across government departments and agencies'—we now know that a component of that $967 million was revenue increases and not cuts in programs and services.

One asks the question after seven years—surely the confidentiality excuse has long gone—why the Treasurer still refuses to answer the question: what were the decisions that comprised the $967 million in total savings?

Secondly, one of the bigger recent claims for savings is what is known as the shared services initiative, which has been an embarrassment to the government, even though it was warned by the Public Service Association, its own workers and certainly the opposition that the claims it made were illusory. They claimed $130 million in savings over a four year period, factoring up to annual savings of $60 million a year by 2009-10.

The work of the Budget and Finance Committee over 18 months has demonstrated that those claims are not only illusory but also rubbish. There have been significant cost blow-outs. The implementation cost of the program was meant to have been $60 million. The Budget and Finance Committee established that there had been a $37 million blow-out in the $60 million program, so the total costs of implementation were $97 million.

We put questions to the Under Treasurer, Jim Wright, about the issue of dead rent for office space. We asked him about Westpac House at 91 King William Street, which has been leased by the government. He was asked whether it was true that most of those floors are vacant, and Mr Wright, in an outbreak of honesty on 30 June 2008, said, 'I think that would be true.' Mr Wright also confirmed that the government at that stage was going to be spending $9 million fitting out new office space at 77 Grenfell Street. He said:

> This is one of the logistical difficulties that probably was not recognised as clearly as it could have been. The best choice we could make was to take 77 Grenfell Street even though that would involve some dead rent for a while.

There are many other examples of foolish, ill-considered decisions taken by Treasury, the Treasurer and the government in relation to shared services arrangements, and the wastage of money on the empty office buildings is just one part of that.

I will not go through the detail of this, but there was considerable evidence from agencies in relation to the double counting of shared services savings. A number of agencies came to the Budget and Finance Committee saying that they had already included, in their own required savings task, savings which the government was now wanting to claim as part of whole of government shared services savings; that is, they had already implemented some changes in relation to accounts payable, accounts receivable and corporate service savings, which the government was now trying to claim for an overall shared savings initiative.

Some departments, including Families SA, won the battle with Treasury and were given approval to keep those savings as their own, which therefore reduced the overall shared savings achievements. Others, such as DFEEST, thought they would win the battle with Treasury and had been given indications by the Under Treasurer, but in their most recent evidence to the Budget and Finance Committee indicated that they had lost the battle. Treasury claimed those savings, even though it was prior to the shared services arrangement and they were now having to look for other savings to achieve the savings for that particular department and agency.

At least in relation to shared services, eventually in October last year, some six to nine months after the Budget and Finance Committee had exposed many of these things, the Auditor-General and his department produced a report which flushed out some details of the wastage of money and the illusory nature of the claimed savings for shared services. As I said at the outset, the Auditor-General and his officers need to do much more in relation to comparing performance to claims in relation to some of these savings tasks.

It is so easy for governments of all persuasions to make claims as to what they will do, and the Auditor-General is the only one in a position to demand cabinet documents and information from ministers in relation to actual performance. The Budget and Finance Committee can certainly get to chief executives and finance officers and others, but it is only the Auditor-General who can eyeball a minister or the Treasurer and say, 'You have claimed this: provide the evidence to me that you have achieved it.' If they are able to do that, the Auditor-General can happily report that it has been done. If it has not been done, it should be the Auditor-General's responsibility to report on it.

The second one in this particular area of illusory savings is what is called the Future ICT project. The best way of demonstrating this is to refer to some evidence given by the health department to the Budget and Finance Committee. In particular, I refer to a file note dated 23 August 2007 from the Chief Information Officer for the health department, Mr David Johnston, to his chief executive (and himself) in relation to the impact of the Future ICT program on the health department.

We all remember that the Future ICT was this wonderful thing the government did in breaking up the former single EDS contract and dividing it up amongst a number of providers, and it was going to make savings of $30 million a year. How do we know that? Treasurer Foley said in his election promises that he was going to do this and it was going to save $30 million a year. After the election, when it was not delivering that, Treasury was told, 'Well, you will just have to demonstrate that we have saved $30 million a year.'

How did Treasury do that? Treasury went back and got some figures from the 2003-04 financial year. How do we know that? Angela Allison, Director of Corporate Services from the Department of Trade and Economic Development, told the Budget and Finance Committee that Mr Foley and Treasury had used ICT spending figures for 2003-04 to help justify his claim of $30 million in annual savings. Ms Allison said:

> That is the way the Future ICT savings were calculated. They used 2003-04 baseline figures.

My question to Ms Allison was:

> That makes no sense. I do not ask you to comment but let me say, as a former treasurer, that it makes no sense. Did you not have figures more recently available that you could provide?

Ms Allison:

> We do, but Treasury are working from 2003-04 for whole of government.

Ms Allison went on to explain that, by using the old figures, Treasury had significantly overestimated the real level of savings for DTED being achieved by the Future ICT process. Ms Allison told the committee that claimed savings of $800,000 per annum for them was approximately double their expected level of claimed savings and that, as a result, DTED would have to slow down the replacement program for computers within the department and a range of other policy changes to try to meet these particular savings.

Treasury got a $30 million bottom line and divided it up between the departments and said, 'Your savings are $5 million here, $800,000 there. It does not matter what the reality was, they are your savings in the Future ICT project.' I return to this file note from the chief information officer from the health department, because he said that they were told that the savings to them, as part of this $37 million, was $4.7 million in 2007-08, increasing to $5.1 million in 2010-11.

What Treasury told health was, 'You are going to be saving $5 million in this Future ICT contract. We are going to reduce your budget appropriation by that level.' In this memo of 23 August, Mr Johnston, who is the head of IT for the health department, said:

> The net Health position as a result of Future ICT is now estimated at—

I seek leave to have inserted in *Hansard* a table composed by Mr Johnston.

Leave granted.

Item	2006-07	2007-08	2008-09	2009-10	2010-11
Cost increase	$8.6m	$7.7m	$5.2m	$5.1m	$5.2
Savings allocated	$ —	$4.7m	$4.8m	$5.0m	$5.1m
TOTAL	$8.6m	$12.4m	$10.0m	$10.1m	$10.3m

The Hon. R.I. LUCAS: Without going through all the detail of that table, Mr Johnston shows that the total cost to that department—not savings—starts at $8.6 million in 2006-07, increasing to $10.3 million in 2010-11. He summarises by saying, 'The total cost to health of Future ICT was $51.4 million over five years'. Instead of actually saving $5 million a year, David Johnston was telling Treasury and his own department that the additional cost to the health department was about $10 million a year—$51.4 million over the five years.

That again is something that I think the Auditor-General should look at. I mean, here is a claim from the government and ministers that this contract saved departments and agencies $30 million a year. There is evidence before Budget and Finance to show that that is nonsense, that that is rubbish. The Auditor-General should report in this coming audit report (or a future report) on the truth or otherwise of the ministers' and government's claims of supposedly $30 million a year having been saved as a result of that particular program.

There are many others, but they are the key ones which highlight that some of these claimed savings from the government are illusory and are the savings which are backing up the supposed budget performance and bottom line in the forward estimates that the credit rating agencies and others are being asked to look at. It is clear that, whatever bottom line the coming budget might indicate in relation to the forward estimates, that bottom line will not be achieved due to the fact that the Treasurer and Treasury are using rubbery figures. The evidence from the Budget and Finance Committee has certainly demonstrated that over the years.

I now turn to the reference to the state's deficit position and, in doing so, I seek leave to insert a statistical table in relation to budget performance 1993-94 through to 2001-02.

Leave granted.

Underlying non-commercial sector cash result surplus (deficit)								
1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02
(200)	(239)	(101)	(57)	48	(55)	(25)	21	22

The Hon. R.I. LUCAS: This particular table demonstrates that, contrary to the oft repeated claims from the Treasurer and others, the government inherited a budget in surplus position. For the last two financial years—2000-01 and 2001-02—there were small surpluses in the underlying non-commercial sector cash result position of the budget papers prior to the 2002 election. For the two previous years, there were two small deficits, and, the year before that, there was a small surplus.

The government inherited a budget in surplus. As I said, this table demonstrates the claims made by members of this chamber and others that the former government never produced a surplus budget to be factually untrue, incorrect, wrong—whatever words you want to use—and the budget documents of those days and that particular table which comes from the budget documents demonstrate the position.

From 2002-03 onwards, of course, three different measures of the deficit position are produced. One is on the cash basis, one is on the net lending basis and one is on the net operating balance. The last two are accrual measures of the surplus or deficit position of budget. The cash position, as I have indicated before, is still the one used by the federal government—reported only this week. That was the position used by most state governments and the former Liberal

government in South Australia through to 2001-02. When the government was elected in 2002, it said that it would use one of the accrual measures—net lending—and that was the really true measure of the health of the budget.

After a number of years that net lending measure of the deficit and surplus lurched into deficit and the government then changed its position and said it would no longer use that measure, so it was not going to use cash, it would not use net lending and it moved to the last remaining one (which was actually still in surplus) which was the net operating balance. It continues to use the net operating balance measure.

As of the most recent figures, every measure—cash, net lending, net operating balance of the state budget—is in deficit, and in significant deficit. Given the events of recent months, as well as both the impact of the global financial crisis and this Treasurer's and government's own financial incompetence, we are likely to see all three measures in this coming budget being in significant deficit also. So, the reality is that the position is certainly going to worsen.

Where to from here? If this government were to be re-elected in March 2010 what would be the impact on the budget position? Treasurer Foley has already promised, and will promise prior to the election, that he will not increase taxes after the 2010 election if he is re-elected. I am happy to have this prediction marked as from this day: there is no doubt that, if this government is re-elected—even though it makes that promise about no increase in taxes, it cannot be believed—it will increase taxes and charges significantly after the 2010 election. That will be the only way it will be able to bring the budget in somewhere along the deficit line that it is predicting.

As I have outlined already, the agencies are not achieving, under this current government, their current savings tasks and requirement. They are not achieving those tasks at the moment. They are not going to achieve them over the coming years if the government is re-elected and so the only way Treasurer Foley will be able to bring the budget into some semblance of normality, albeit still a deficit position, will be through a massive or at least significant increase in taxes.

I want to look at the record of this Treasurer and this government in relation to keeping promises. I remind members of the infamous line we heard from Treasurer Foley when, if you remember in the 2002 election, he had made significant commitments about not increasing taxes and charges prior to the 2002 election. Treasurer Foley went to the 2002 election promising no increases in taxes and charges. He wrote letters to industry associations, committing to the Australian Hotels Association a letter signed almost in blood by him, saying, 'We will not increase gaming taxes on your industry if we are elected in 2002.' Of course, in his first budget he broke that promise. What did he say? He said, in defending that promise, in *Hansard* on 15 July 2002:

> You—

that is, the then leader of the opposition (Rob Kerin)—

> do not have the moral fibre to go back on your promise. I have because I have done the right thing in taxing the industry.

He attacked the then leader of the opposition on the basis of not having the moral fibre to break his own word and to break his own promises. Again, he stated:

> You do not have the moral fibre to go back on your promise. I have because I have done the right thing in taxing the industry.

Even though he personally had signed a letter to the industry (from which, of course, they had received significant financial donations to their party prior to the 2002 election) and had written a letter containing that promise to the industry, he broke the promise in the budget immediately afterwards and then had the arrogance and the temerity to say that he had the moral position right because he had the moral fibre to break promises and the then leader of the opposition (Rob Kerin at the time) did not have. Their promises were unequivocal. In January 2002 Premier Rann and Mr Foley said:

> None of our promises will require new or higher taxes and charges and our fully costed policies do not contain provisions for new or higher taxes and charges.

That was a promise they took to the election. As I said, in some cases they wrote letters and, in that first budget in July 2002, there was more than $200 million in increased taxes over four years—not only the gaming machine tax increases, but there were increases in stamp duty, conveyances and rental agreements, and increases in the emergency services levy and compulsory third-party insurance. There were big increases in fees and charges right across the board, contrary to the promises they had made prior to the 2002 election.

So, in 2002, they promised no new tax increases. In 2006 the climate was different. I might say that, contrary to urban folklore, the Liberal Party joint party room made a decision, as a party room, to support a radical package of significantly increased spending funded through a reduction of 4,000 by way of voluntary separation packages in the size of the public sector: no sackings, contrary to the claims made by Mr Rann and Mr Foley, but a significant package of spending financed by that option.

The joint party room, as I said, contrary to urban folklore, had two options: there was a much more modest spending package financed by a much more modest efficiency savings regime, or the more significant one. The joint party room chose the latter option. Of course, the Labor government, supported by the PSA and others, then attacked the 4,000 reduction in the size of the public sector. The government made a whole series of promises prior to the election, and I want to read one in particular made on 16 March 2006 in an interview involving Treasurer Foley and Matt Abraham, as follows:

Abraham: Okay, but...will you offer any separation packages at all?

Foley: We at this point are looking at about 800 additional vital public servants in our promises to date. That is 400 police, 100 teachers, 44 new medical specialists.

Abraham: And you won't fund those by getting rid of other jobs?

Foley: No.

I repeat that:

Abraham: And you won't fund those by getting rid of other jobs?

Foley: No. We will demonstrate today all of these spendings can be provided through appropriate efficiencies and savings within a budget. Matthew, I've brought down four budgets where I've had savings in every budget.

Abraham: You said that.

Foley: And we haven't had a separation for the public sector for two years.

They made a number of other commitments during that campaign, debates that I attended with the Treasurer and others, where they made commitments. They pooh-poohed the idea that there was any significant additional staff in the Public Service that could be reduced and indicated that there would be no reductions under the government.

What has been the result of that particular promise from Treasurer Foley? Soon after that election, on 25 May 2006 on FIVEaa minister Weatherill stated:

There are 400 people here that don't have proper jobs that have been basically rattling around the Public Service, in many cases for a number of years. Are we to let that just roll along?

That was in the context of justifying the offering of targeted separation packages three months after the election—when they promised that they would not be offering such packages—to up to 400 surplus people whom the minister described as 'rattling around the Public Service' essentially doing nothing within the public sector.

Soon after the 2006-07 budget, Treasurer Foley announced a range of savings measures leading to reductions in full-time public servant numbers of 1,571. So, there were 390 in May, and in the budget later that year there were another 1,571. In 2008-09, when the budget was released, the Treasurer announced further cuts and further cutbacks in Public Service numbers. In an article in the *The Advertiser* of 5 June 2008, Michael Owen, the political reporter, said:

More than 1,000 Public Service jobs are likely to be axed as the government tries to achieve major savings to help fund its increased budget spending.

That was based on discussions Mr Owen had with Treasury officers in the budget lock-up on that particular day. On the following day, 6 June, *The Advertiser* stated:

The state government has refused to rule out hundreds of Public Service jobs being axed in its drive for major savings...Mr Foley said he was 'taking an axe' to bureaucracy and administration within government, which would 'probably' mean job cuts in future years...Mr Foley...refused to put a figure on how many jobs could go.

The article continues:

Treasury said 'watch this space' when asked if the figure could be as high as 1,000 jobs.

This is a direct quote:

...'watch this space' when asked if the figure could be as high as 1,000 jobs.

Finally, in the Mid-Year Budget Review in the past six months the Treasurer has announced a further reduction of 1,600 full-time equivalent jobs over the next three years: 1,200 in the next year and then factoring up to 1,600.

Since the 2006 election, which was fought in part around reductions in the Public Service, the government took four separate decisions to reduce numbers by 390; in the 2006-07 budget, by 1,571; in the 2008-09 budget, by up to 1,000; and in the Mid-Year Budget Review, to reduce numbers by 1,600. When you add that up, the total number is approximately 4,600 full-time equivalent job positions that the Treasurer has announced since the 2006 election, when he attacked the Liberal Party's position in relation to reducing 4,000 jobs within the public sector.

In 2002 we saw a specific promise not to increase taxes, and then that particular commitment was broken. In 2006, we saw a commitment to not cut back public sector jobs, and we have seen four separate decisions adding up to 4,600 full-time equivalents, if they are achieved; they have been announced. I think the work of the Budget and Finance Committee has demonstrated that, in some cases, they have not been achieved and they might not be achieved in the future. I am saying: look at the evidence in relation to Treasurer Foley and Premier Rann.

In the coming election in 2010 they will promise—in fact, they will go back to the 2002 promise—no increases in taxes and charges as their big commitment. They promised the world in 2002, and they broke that promise. They promised the world in 2006, and they have broken that promise. They will now promise in 2010 no increases in taxes. However, the only way these numbers can come together is if the government again breaks its promise (if it is re-elected) and if there is a significant increase in taxes and charges.

Their record is evident. They are not to be trusted. As the Treasurer says, he has the moral fibre to break promises. That is the ideology of Premier Rann, the Leader of the Government in the council (Hon. Paul Holloway) and Treasurer Foley. They are quite proud of the fact that they believe that they have the moral fibre to promise the world and to break those promises after an election. That is their morality, that is what they believe in, and that is what they live by.

What will we see from the three of them and others leading into the 2010 will again be this commitment to not increase taxes and charges. Do not believe any of them. Certainly, if the Public Service Association or people out there in the community have not already been bitten twice in 2002 and 2006, let me warn them again in 2010: whatever comes out of their mouths this time, remember the ideology and the morality of this lot. They live by the adage that they have the moral fibre to break their promises, and they are quite happy to do that after every election.

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (17:07): I thank all the contributors to the Supply Bill debate. Traditionally, the Supply Bill in the Legislative Council has been a much more narrow debate than it is in the House of Assembly, because money bills arise from the House of Assembly. In recent years it has become the new convention in this place that Supply Bill is a de facto Appropriation Bill, and the debate ranges far and wide, as we have just heard. In effect, all the Supply Bill does is allocate $2,750 million for the purpose of paying the Public Service until the Appropriation Bill has passed.

There is much one could say to address many of the points that have been raised but, as I have said, they probably have very little relevance to the Supply Bill itself. However, during the Appropriation Bill and estimates committee debates we will, of course, have a more appropriate and traditional opportunity to address many of the issues raised. Again, I thank honourable members for their contributions to this debate.

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

ROYAL ADELAIDE HOSPITAL

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (17:10): I seek leave to make a personal explanation.

Leave granted.

The Hon. P. HOLLOWAY: My answer to a question asked today by the Hon. Carmel Zollo on the new Royal Adelaide Hospital site development plan amendment concluded:

A report to be submitted under the Parklands Act will also be necessary before the construction of this important new hospital and the upgraded services it will provide to the South Australian community can proceed.

I omitted to say that that report has already been submitted, and I wish to clarify that point.

PUBLIC SECTOR BILL

In committee.

(Continued from 13 May 2009. Page 2337.)

Clause 1.

The Hon. D.W. RIDGWAY: I thank minister Holloway, in the absence of the minister with carriage, for answering some questions last night as we concluded the second reading debate on this bill; he provided some interesting figures. One of the questions I asked in my second reading contribution on the bill related to the actual increase in the public sector between 2002 and the current date—which is, of course, the life of this government. The information provided by the minister indicated that 'between 2002 and June 2007 (the last date for which we have the relevant data), there was a total increase over all categories by 10,959 FTEs'. He went on to say that the figure included: medical officers, an increase of 642; nurses, an increase of 2,390; and other health and community services, an increase of 4,891. There were some interjections, but the minister then went on to say that there was an increase in education and TAFE of 1,357 and in police and emergency services of 560. The government indicated that it believed these increases were, in fact, a very good thing for South Australia.

This did not exactly address one of the questions I posed in my second reading contribution, but it did raise some interesting issues. When you consult the budget papers from 2002 to 2008—there were 2002-03 budget papers and 2008-09 budget papers—and look at the data over the same length of time, you will find that, according to the government's budget papers, the public sector has increased by some 14,842 positions—not the 10,959 positions the minister spoke of last night, given that he claimed that was the latest date for which the government had the relevant data.

There is the possibility that there is one extra year in the budget papers, but I am surprised at the minister's advice that that was the latest date for which they had data—if, in fact, there is data from the next year of budget papers.

Over the time of the budget papers, the budgeted increase at that time for the government was 2,757 positions, yet we have had an increase of 14,842 positions. So, members can see that there is an increase, or a budget blowout, of some 12,085 positions, according to the state government's own budget papers. I do not expect the minister to be able to answer the question about why this does not reconcile with the figures she gave us last night. I have provided her staff with copies of these budget papers. I will ask the minister to answer the question in a moment, but she may well choose to take it on notice.

It is also interesting to note that, over the same length of time, there was a blowout of 12,085 positions over and above those the government budgeted for, whereby the Commissioner for Public Employment says that we have had 17,017 positions extra over that same period (2002-2007). Can the minister comment on why we have these three different figures: those she provided last night, those that are in the budget papers, and then those from the Commissioner for Public Employment? It is a little confusing that we have these different figures. Surely, one set of figures and one of set of data would be enough, unless it is a little like some of the police numbers, that is, whether they are sworn, unsworn, on the beat, off the beat, on long service leave or off on WorkCover. There is a whole range of reasons why we do not have police officers on the beat.

I am a little intrigued as to why we are using such a range of figures. Can the minister give us some advice about why they are different? As I have said, it may not be possible to do it tonight but, when we sit again, can the minister bring back some reconciliation as to why the figures are different? It is also interesting to note that, in the minister's statement last night, it was thought that the increase was a good thing.

It is interesting to note that some of the aspects of this bill allow flexibility to remove public sector employees who are surplus to requirements yet, in the minister's own statement, she claims that this 10,959 increase is actually a very good thing. I cannot see why we need legislation to remove public sector employees if the minister is saying that this almost 11,000 extra positions is a very good thing.

The Hon. G.E. GAGO: I do not have detailed answers to the honourable member's questions, but I am happy to take those questions on notice and bring back a response as soon as an explanation is available.

The Hon. R.I. LUCAS: The government provided answers to some of the questions I put in the second reading, and they are listed in *Hansard* on page 2335. I asked a question about the number of executives in the Public Service, because the key part of the legislation talks about the requirements on executives in the South Australian Executive Service. The first question was about the number of executives. The government has provided figures as at June 2007, which to me seems extraordinary when we are almost to June 2009. The government said that the best most recent figures were June 2007, when the government said there were 1,191 persons in the public sector who were classified as executives.

Can the minister indicate why only the June 2007 figures are provided? Surely, the Commissioner for Public Employment or the Department of the Premier and Cabinet would have a more recent figure in relation to the number of executives in the public sector.

The Hon. G.E. GAGO: Again, I am happy to take the question on notice and bring back a response as soon as that information is available.

The Hon. R.I. LUCAS: It may well be that a number of these questions will be taken on notice, and I am relaxed about that, given that we are obviously going to spend some time in two or three weeks going through the committee stage. The government said that 1,191 persons were executives, However, as at 31 March 2009, in the South Australian Executive Service, under the Public Sector Management Act, there were 552 executives in the Public Service.

Given these figures are for 31 March, and the executive numbers are for June 2007, are we to accept, assuming that there are approximately 1,200 executives in the public sector and there are 552 executives in the South Australian Executive Service, there are 600 or so executives unaccounted for? Are they in corporate agencies and not general government agency departments, for example? I am seeking some explanation as to the distinction between a much lower figure as to the number of people in the South Australian Executive Service and the 1,191 people who are classified as executives in the public sector.

The Hon. G.E. GAGO: Again, I am happy to take the question on notice and bring back a response.

The Hon. R.I. LUCAS: Perhaps the best thing for me to do is to go through the list of questions I have, rather than have the minister pop up and down every time.

An honourable member interjecting:

The Hon. R.I. LUCAS: I accept that; I am not being critical. The government's reply also stated that, on 8 September 2004, the government made a policy decision not to offer fall-back duties for PSM Act executives. Again, I guess I am looking for a couple of things. The first is in respect of the definition of executives in the public sector; we then have South Australian Executive Service executives, which is a much smaller number; and then we have the PSM Act executive definition to provide what the distinction is, if any, between those three areas. The 8 September 2004 decision I thought was a much wider decision than just, as the government described it:

> On 8 September 2004 the government made a policy decision not to offer fallback duties for PSM Act executives.

I thought at that time that the government made a decision, and the publicity at the time (I will try to dig up the publicity) basically seemed to be saying that executives will be employed on contracts from hereon in, that is, they will not be tenured but will be appointed for five-year periods or whatever it might happen to be, and that was going to be the big change. I seek a response when the minister comes back in three weeks on that, but my understanding of the 8 September 2004 decision was that it was wider than just a policy decision not to offer fall-back duties for PSM Act executives. I seek clarification as to the complete range of decisions that they took at that time.

I also asked a question about the number of executives who declined to give up tenure when it was offered to them. A number of executives at the time spoke to me and indicated, particularly those at the lower levels of executive service, that the decision that they had to take was whether, in essence, they went into the executive positions and gave up their tenure or whether they reverted on fall-back to the highest level of what used to be the ASO8 range, which for some at the lowest executive levels was not a significant salary difference, and others were

flirting with the idea of going back to the ASO8 range on the basis that they had permanency, had tenure, whereas if they stayed in the executive service they had a higher salary, but they took the risk that they might not have a job in five years time. Some were having to make decisions.

That is particularly the case if you are a young corporate executive and rising through the ranks; that is a punt you are prepared to take. If you have been there for a long time and are nearing retirement, and have just made it through to the lower rungs of the executive level, it might not be as attractive, so some people were weighing up their options. It was a not unreasonable question that I put, namely, if that was an option, how many people in essence did not give up their tenure but used fallback or declined to give up tenure and either reverted to their fallback position in the Public Service or retained that option. The answer the government gave was:

> This data was not collected on the number of executives who declined to give up tenure when it was offered to them.

That is an extraordinary position. It may be accurate, but if that is the case it seems extraordinary that that is not a figure that the Commissioner for Public Employment or the Department of Premier and Cabinet would not have compiled for what was described at the time as a significant policy change. So, I asked for further clarification of that. The government then goes on to say:

> I am advised as at June 2008—

a different date again—

> there were 40 tenured and 131 untenured PSM Act EX category executives. Additionally there were four tenured and 44 untenured MLS executives, and one tenured EL executive.

Again for my benefit and the benefit of other members, the minister in bringing back a reply might describe to us the difference between the EX, the EL and the MLS categories so that we can understand it. Essentially, according to that, there were still 85 tenured executives, but that is at a different date, June 2008, for some reason. Earlier the number given for the SAES executives was 552 in March 2009, and the total executive number was at June 2007. So, none of the dates coincide; they are all different: one is 2007, one 2008 and another 2009. The government then goes on to say:

> I am advised that no data has been collected regarding the number, if any, of executives given tenure since the policy change.

This is an issue that I intend to pursue through the committee, because I have raised questions in the chamber about this and I think I gave some examples. Perhaps my understanding of the September 2004 decision is wrong and the minister can clarify that, but I thought the government had indicated as a policy decision that executives in future, from that date onward (whatever that date was), would not be offered tenure, that they would be on contract positions and that was the big change.

I asked whether any executives had been offered tenure since then. First, I want to clarify exactly what was the decision and, since then, has the government been offering tenure to executives? I asked questions about Mr Lance Worrall, who came out of Premier Rann's office and took a position in the Government Reform Commission or something along those lines, on whether he had been offered a contract with tenure. I intend to pursue that issue. I also asked questions about jobs being advertised in minister Holloway's department. If you go to the Locher Management Consultancy website they describe those jobs as permanent, which to me means they have tenure. Maybe I am wrong in relation to how they describe the jobs. They are three director level positions within the Department of Planning and Local Government. They happen to be inhabited at the moment by three former staffers to ministerial officers, and I have raised questions about that in question time and I am awaiting a response but I will pursue it in committee.

I give those examples because it appears that some executive positions are being offered with tenure or permanency. The government should be able to answer the question better than saying, 'I am advised that no data has been collected regard the number, if any, of executives given tenure since the policy change'. Surely, the Commissioner for Public Employment, the Department of Premier and Cabinet, or somebody, should know that, if there is a policy decision that we will not offer tenure, that it is actively discouraged, or whatever it might happen to be—and the minister will come back with the answer to that—we know whether or not ministers, departments and agencies are actually acting against that by offering executive positions with tenure. There are people in the public sector saying, 'Hold on, if that is the case, why are some people in positions getting tenure and permanency and others are just being offered contracts? Do they have an inside running because they happen to know someone—a minister, or whatever it

happens to be—to obtain that particular position?' The next series of questions the minister asked was in relation to—

The Hon. G.E. GAGO: I can provide an answer to that particular issue, and it is probably easier to do it now than at the end. I have been advised that, in relation to the executive positions in question, they were advertised as South Australian Executive Service (SAES) level 1, contracts for up to five years, so in fact they do not have tenure.

The Hon. R.I. Lucas: Which ones are these: the planning and local government ones?

The Hon. G.E. GAGO: I have been advised yes.

The Hon. R.I. Lucas interjecting:

The Hon. G.E. GAGO: We do not know about that position, so I will take that on notice.

The Hon. R.I. LUCAS: I thank the minister for that and I am happy when we come back to bring the website job and person specifications as to how they were described and, as I said, the word, I am pretty sure, was 'permanent' in relation to those positions. The minister is indicating that is not the case. I am happy to accept the minister's advice on that issue.

The next question I asked the minister, and the government replied, was about the number of employees who had been appointed other than through the merit process. The government indicated that, as at 30 June 2008, 580 employees had been appointed by a process other than the merit selection process, and then the minister incorporated in *Hansard* a table of that 580 as at 30 June.

One of the questions that we will come to in the various clauses—and the minister might want to respond when we return after the break—is: does the minister and the government believe that the changes being implemented in this legislation (which significantly reduce the power and authority of the Commissioner for Public Employment and that role in some areas and increases the role and responsibilities of chief executives) will mean there is greater flexibility for chief executives to increase the number of persons appointed other than by the merit process? That is, are we likely to see the number of 580 people who are currently appointed not by a merit process and reported by the Commissioner for Public Employment under this provision increase because of the changes in the legislation?

Secondly, will the Commissioner for Public Employment, if the bill is passed into law, still produce these figures? Someone has raised the question with me that maybe after these changes the Commissioner for Public Employment will not be producing these figures. If the minister has a reply to that now, I would be grateful to receive it. If not, I am happy for her to take it on notice.

The Hon. G.E. GAGO: I am happy to take those questions that I have not been able to provide answers for and bring back a response when I am able.

The Hon. D.W. RIDGWAY: I asked a question that was not answered during the minister's second reading response, and I know it is a very general question. Given that we have this discrepancy, I guess, with the figures on the actual increase over budget in the Public Service, my question was: how does this happen? We have had budgets tabled by the Treasurer and signed off by cabinet and a forward planning of what they hope to do over a certain period of time yet, clearly, in some cases we could be looking at a 450 to 500 per cent increase over and above what was budgeted for.

I think we all accept that, when running the business of government, to be precise and nail things down to the last position would be impossible, and probably fluctuations of 10 per cent or 20 per cent would be acceptable. Can the minister explain—maybe not tonight—how on earth we can have a set of budgets tabled in this place over the past seven years and then we find that the government has basically exceeded its predictions and its budgeted expectations by probably 400 per cent?

The Hon. G.E. GAGO: I am happy to include that as part of the questions on notice.

Clause passed.

Clause 2 passed.

Progress reported; committee to sit again.

ROYAL ADELAIDE HOSPITAL

The Hon. J.M.A. LENSINK (17:35): I seek leave to make a personal explanation.

Leave granted.

The Hon. J.M.A. LENSINK: In a supplementary question, I asked the minister for planning a question about the Adelaide Parklands Authority, and he responded. I read from the Adelaide Parklands Authority annual report 2007-08 that it advised the state government that the hospital precinct master plan was inconsistent with the community management plan. It continues, in relation to the Marjorie Jackson-Nelson hospital, that it was inconsistent with the Adelaide city development plan in that the proposed use of the site as a hospital would not comply with the current zoning.

WATERWORKS (RATES) AMENDMENT BILL

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

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (17:38): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill proposes to give effect to the Government's commitment to introduce a system of quarterly billing of water use charges for water supplied by SA Water so that customers can monitor their water use more effectively.

For many years water meters have been read on a six monthly basis. As a consequence, billing practice has been for SA Water customers to receive four bills each year, but only two of these bills include water use charges. In addition, the way the tariff structure currently operates, water use charges tend to fall more heavily in the second of the two water use bills.

The net effect is that water use bills do not currently provide customers with timely feedback on their water use and household budgeting is more complex.

The billing arrangements enabled by this Bill will allow water use charges to be applied to all four bills each year, providing customers with more timely information about the amount of water used in the preceding quarter as well as assist with family budgeting. In short, customers will be able to take better control of their own water use.

To facilitate this, the inclining block tariff which underpins water use charges will be applied on a quarterly basis rather than the current annual basis.

The proposals will bring charging of water use into line with the billing arrangements applied by other utilities, such as electricity, and by other major water utilities interstate.

The proposal will also be supported by the introduction of more informative water use accounts for customers, enabling customers to make the most informed decisions about their water use.

Quarterly water use billing is proposed to be introduced from 1 July 2009. While water prices for 2009-10, or rates as they are referred to in the Act, were gazetted in December 2008, these prices will need to be re-gazetted to implement quarterly billing. The re-gazetted prices will be the same prices as those gazetted last year, except that the thresholds of the inclining block tariff will be expressed as levels per day rather than per year.

Applying thresholds on a daily basis reflects practice in other utilities and water authorities, and enables variations in quarterly water use periods caused by the realities of the meter reading schedule to be taken into account.

To the extent that meter reading periods straddle financial years where different prices apply, water use in each period will be determined on a pro rata basis according to the number of days before and after 1 July—that is, by assuming that the water has been supplied at a uniform rate.

Prices for water use before 1 July 2009 will continue to be based on 2008-09 water prices consistent with the arrangements put in place last December. At that time the Government set 2009-10 water prices but also published a notice under section 84 of the Act, reducing the prices that applied to water supplied in the 2009-10 consumption year before 1 July 2009 to 2008-09 prices.

I emphasise that, at no time will customers be billed for water that they have not already used. To the extent that the transition may pose some cash flow concerns for customers, it will be possible for customers to negotiate a suitable payment plan with SA Water to assist them through any short term difficulties.

This important Government initiative will provide long term benefits by better informing customers and encouraging more responsible water use.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause is formal.

2—Commencement

The measure will be brought into operation by proclamation.

3—Amendment provisions

This clause is formal.

Part 2—Amendment of *Waterworks Act 1932*

4—Amendment of section 4—Interpretation

The Act will no longer include the concept of a *consumption year*.

5—Amendment of section 65A—Interpretation

These amendments relate to terms and concepts that are relevant to Part 5 Division 1 of the Act (Rates).

6—Amendment of section 65B—Composition of rates

This clause provides for a change in terminology (so that a 'water consumption rate' will now be known as a 'water use charge').

7—Amendment of section 65C—Declaration of rates etc by Minister

Rates and charges may vary according to the volume of water supplied to the relevant land over a specified period or periods.

8—Insertion of section 65CAA

New section 65CAA will establish a series of principles associated with the declaration and imposition of rates. In particular—

(a) water rates must be fixed before the commencement of a relevant financial year and if rates are not fixed before 1 June in any year then the rates will remain the same for the ensuing financial year;

(b) it will be possible to fix a charge or rate for commercial land up to 31 July in any financial year;

(c) there will be flexibility for selecting the appropriate period for the calculation of any water use charge;

(d) water use charges may be imposed on a pro rata basis to take into account arrangements for the reading of meters and the form and nature of any relevant rate;

(e) water use charges may be collected after the end of the particular financial year to which they relate.

It will also be expressly provided that any determination, calculation or adjustment that is to occur over or in respect of any period or on a pro rata basis will assume that water has been supplied at a uniform daily rate over any relevant period.

9—Repeal of section 65D

10—Repeal of section 68

11—Amendment of section 86A—Liability for rates in strata scheme

12—Amendment of section 86B—Sharing water use charges in certain circumstances

13—Repeal of schedule

These clauses make consequential amendments or delete provisions that are out-of-date.

Schedule 1—Transitional provisions

This schedule provides for transitional arrangements associated with the introduction of this measure taking into account the fact that water rates have already been declared for the 2008-09 financial year and the 2009-10 financial year. In particular, it will be necessary to provide a scheme to 'transition' from a scheme based on the supply of water during consumption years to a scheme based on the imposition and recovery of rates based on supply during a financial year.

In order to apply this new scheme, the Minister will declare a new set of rates under the Act as amended (and this notice, taking into account the Act as amended, will supersede the earlier declaration in relation to the 2009-10 financial year (declared before the commencement of this Act)). The result will be that the rates for the 2009-10 financial year, and each financial year thereafter, will be declared and operate without needing to take into account the concept of a 'consumption year'.

Debate adjourned on motion of Hon. D.W. Ridgway.

MOTOR VEHICLES (MISCELLANEOUS) AMENDMENT BILL

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

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (17:39): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill contains two pressing amendments to the *Motor Vehicles Act 1959* and I will outline each of them briefly.

For the last 10 years the fees under the Motor Vehicles Act for professional medical and other services rendered to those injured in motor vehicle accidents have been linked to the fees under the *Workers Rehabilitation and Compensation Act 1986* for such services rendered to injured workers. This relationship between the two pieces of legislation has resulted in a consistency of fees for services for compensable treatment for persons injured at work and persons injured as a result of a motor vehicle accident. The arrangement has streamlined the administration of both forms of compensation and reduced the amount of red tape that this government requires of those who provide medical services to people injured either at work or in a motor vehicle accident. Section 127A is the specific section of the Motor Vehicles Act which provides the connection.

The Workers Rehabilitation and Compensation Act was significantly amended by Parliament in 2008. The most significant amendment in the context of this Bill is that the scale of charges for medical and other services under the Workers Rehabilitation and Compensation Act is now set by Ministerial notice published in the Government Gazette rather than by regulations under that Act.

Transitional provisions have ensured the continuation of the existing regulations to the extent that they are not superseded by Ministerial notices. Several such notices have already been published. Further notices will continue to be published, and by 1 July 2009 the regulations will have no effect. This is the reason for the pressing nature of this amendment. The Bill proposes an amendment to section 127A of the Act to replace references to the scales of charges prescribed by regulation under section 32 of the Workers Rehabilitation and Compensation Act with references to the scales of charges applying under that section. This will ensure the continuation of parity of fees for medical and other services under both Acts.

The second amendment is about proof of service of notices of disqualification from holding or obtaining a driver's licence. In 2007 Parliament passed the *Motor Vehicles (Miscellaneous) Amendment Act 2007* which inserted section 139BD in the Motor Vehicles Act to prevent disqualified drivers claiming that they had never received a licence disqualification notice, thereby avoiding a charge of driving while disqualified.

Under this amendment, which came into operation on 23 June 2008, a person who receives a notice of disqualification is required to attend a Customer Service Centre or an Australia Post Office which has electronic point of sale systems, to acknowledge receipt of the notice. If the person does not respond to this requirement, a process server is engaged to serve the notice personally.

The amendment provides that the cost of these new requirements is to be borne by the driver. The fee charged when the person attends to acknowledge service is $24. If the person does not attend and a process server has to be engaged, the person is required to pay a $60 fee to cover the cost of the process server. In cases where the process server cannot find the person, the amendment provides that the Registrar of Motor Vehicles can refuse to transact any business with the person until he or she pays the $60 fee and acknowledges receipt of the notice of disqualification. There is no similar provision to allow the Registrar to refuse to conduct business with the person until the fee is paid. It was expected that persons who had been successfully served would pay the fee when they renewed their licence. It has become apparent that this is not the case. This amendment will allow the government to recover personal service fees from the licence holder for both successful and unsuccessful service transactions.

These amendments will improve the operation and administration of the Motor Vehicles Act. One will provide certainty for providers of medical and other services to persons injured as a result of a motor vehicle accident. The other will ensure that Parliament's intention in 2007, that the Registrar may refuse to do business with any person who has incurred the expense of personal service of a notice of disqualification until he or she pays the fee, will be carried out, regardless of whether the attempt at service was successful or not.

I commend the Bill to the House.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Motor Vehicles Act 1959*

4—Amendment of section 127A—Control of medical services and charges for medical services to injured persons

Section 127A of the Motor Vehicles Act limits the fees that may be charged for medical services provided to persons injured in motor vehicle accidents. The limits are set by reference to those applying to injured workers under section 32 of the *Workers Rehabilitation and Compensation Act 1986*. The amendments made to section 127A by this clause are consequential on amendments made to section 32 of the Workers Rehabilitation and Compensation Act by section 11 of the *Workers Rehabilitation and Compensation (Scheme Review) Amendment Act 2008*. Those amendments provide for scales of charges to be published by the Minister by notice in the Gazette instead of being prescribed by regulation.

5—Amendment of section 139BD—Service and commencement of notices of disqualification

Section 139BD of the Motor Vehicles Act sets out the process for giving notices of disqualification. The amendments made by this clause empower the Registrar of Motor Vehicles to refuse to enter into transactions with a person who has not paid the prescribed fee for personal service of a notice of disqualification. The amendments also require the first notice of disqualification sent by post to include a warning as to the consequences of failing to pay such a fee.

Debate adjourned on motion of Hon. D.W. Ridgway.

CROWN LAND MANAGEMENT BILL

The House of Assembly agreed to the bill without any amendment.

At 17.40 the council adjourned until Tuesday 2 June 2009 at 14:15.