

LEGISLATIVE COUNCIL

Thursday 2 July 2009

The **PRESIDENT (Hon. R.K. Sneath)** took the chair at 11:03 and read prayers.

STANDING ORDERS SUSPENSION

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (11:03): 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.

INDUSTRIAL RELATIONS COMMISSION

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (11:05): I seek leave to move Notice of Motion: Government Business No. 1 in a slightly amended form.

Leave granted.

The Hon. P. HOLLOWAY: I move:

That, pursuant to sections 30 and 34 of the Fair Work Act 1994, the nominee of this council to the panel to consult with the Minister for Industrial Relations regarding the reappointment of three members to the Industrial Relations Commission of South Australia be the Hon. John Gazzola MLC.

I understand that the Minister for Industrial Relations has had discussions with the opposition in another place and that, as is the convention with these things, the shadow minister in another place is being appointed to the panel to consult regarding the reappointment of the three members of the Industrial Relations Commission. In accord with convention, I have moved that the Hon. John Gazzola be the representative of this council on that panel.

If anyone has any questions in relation to those positions on the Industrial Relations Commission and how that might relate to changes that have occurred in conjunction with the commonwealth, I would refer them to the Estimates Committee A *Hansard* report of 30 June, where there was some discussion between Dr McFetridge, the shadow minister, and the Minister for Industrial Relations in connection with that matter, and the minister answered those questions. I commend the motion to the council.

Motion carried.

REPRODUCTIVE TECHNOLOGY (CLINICAL PRACTICES) (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 16 June 2009. Page 2641.)

The Hon. J.S.L. DAWKINS (11:08): I indicate that I will support the second reading and anticipate that I will support the further progression of the bill. I will examine amendments at the committee stage. I commend the contribution made by my colleague, the Hon. Michelle Lensink. Whilst she spoke as the lead member in this chamber on those matters for the Liberal Party, it is a conscience matter for all members of our party.

My view is that the changes which have been recommended and which encompass the bill are largely the recommendations of the Council on Reproductive Technology, which has been in existence in this state for a very long time. It is to be noted that the recommendations encompassed in the bill include the abolition of the Council on Reproductive Technology and its replacement with a health advisory expert committee (I think it is called) that will advise the minister on matters related to reproductive technology.

My record on matters relating to reproductive technology are generally well-known, and much of that would be related to the fact that, for about the past 4½ years, I have been pursuing the issue of surrogacy, and particularly altruistic gestational surrogacy. Members of this chamber know that, in the past two or three decades, many measures have come in through scientific advances that have allowed people to have children who would not normally be able to have

children. I think most of us applaud those measures. The obvious moral issues accompany all these things, but certainly, since the introduction of the reproductive technology act, we are a far cry from the situation that existed at that time.

We all believe in the privacy of people who need to access reproductive technology, and that applies to those who wish to use surrogacy in this state and the accompanying changes that need to be made in relation to birth certificates, etc. As I say, I am generally in support of advances that can be made in this area. I think I have put it on the record before that, a very long time ago, my wife and I thought we were going to have only the one child. We had great difficulty in having a second baby—and that was prior to IVF. We went through all the tests, examinations and requirements (I suppose you would put it) of the medicos at the time, and I know how intrusive that was. Certainly, with in vitro fertilisation and surrogacy, those things go much further today. Having spoken to a number of people who have undergone surrogacy procedures, that is something that weighs on their mind very much.

Most people would be aware that Mrs Kerry Faggotter and her husband, Clive, and one or two others have been prepared to be quite open about their situation. As the Hon. Mr Hunter and other members of the Social Development Committee might recall, Mrs Faggotter went on the record, when giving evidence to the Social Development Committee, and said that she was prepared to talk about her insides. Not many people are prepared to do that: many people are very private about that. If we can do anything to advance the cause of people who require reproductive technology, it is a very good thing that this parliament can do.

As I said, I will examine the amendments at the committee stage of this bill, but I do commend the second reading and look forward to the committee stage.

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

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

Adjourned debate on second reading.

(Continued from 4 June 2009. Page 2601.)

The Hon. J.M.A. LENSINK (11:14): I rise to indicate support for the second reading and to make some comments about the content of this bill and, in doing so, I advise the chamber that the Liberal Party is yet to adopt a formal position. We will do so on 14 July, which is our next day for consideration of parliamentary business. This bill introduces a cooling off period of two business days—which, in definition, actually includes Saturday—from the signing of a contract for a used vehicle.

Features of the proposal include that a non-refundable deposit may be sought by the dealer for 2 per cent of the value of the vehicle up to a maximum of \$100. A waiver form will be set out by regulation to allow the purchaser to skip the cooling off period and take immediate possession of the vehicle; however, the dealer must not offer an inducement in order to obtain a waiver. I am advised that inducement would include such things as reducing the purchase price. While the cooling off period is in place for a transaction to purchase, the dealer may offer first option to a third party purchaser in the event of it falling through but cannot proceed to a formal sale until the expiration of that current cooling off period.

Cooling off is available only for vehicles purchased from dealers by private individuals. It does not apply to vehicles purchased at auction. Legal title remains with the dealer until the expiration of the cooling off period. Similarly, any trade-in vehicle remains the property of the purchaser until the expiration of the cooling off period. The bill contains some other functions, including:

- the widening of the definition of 'dealer' to include the buying as well as selling of used vehicles;
- an assumption that if a person or their close associate sells, or offers to sell, four or more vehicles in a 12 month period they are a dealer;
- making it an offence for employees of dealerships to sell second-hand vehicles if they have prior convictions for dishonest conduct or have been disqualified as a second-hand dealer (this is to prevent the setting up of third parties);
- the transferral of responsibility for determining claims to the Second-Hand Motor Vehicles Compensation Fund from the Magistrates Court to the Commissioner for Consumer Affairs;

- expanding the use of that fund to include education programs for consumers, investigating compliance, cost of disciplinary and prosecuting offences, and conciliation of disputes; and
- increases in the expiation fees and maximum penalties of offences already in the act.

My office has investigated what occurs in other states and we note that Queensland, New South Wales, the Australian Capital Territory and Victoria all have similar laws relating to cooling off periods for used vehicles. All allow a non-refundable amount if the contract is rescinded within the cooling off period, and all allow the purchaser to waive this right. Western Australia, Tasmania and the Northern Territory do not regulate cooling off periods.

It is interesting to note the differences in other jurisdictions in relation to the number of days of the cooling off period and the deposit amount. As I stated, all offer a waiver, and I am told by the Motor Trades Association that in Victoria some 97 per cent of these transactions go through using the waiver. If that was replicated in South Australia the cooling off period would not necessarily be used very often. In New South Wales the cooling off period is one day and the deposit is significantly higher than in South Australia (\$250 or 2 per cent, whichever is the lesser); Victoria has a cooling off period of three days; the Australian Capital Territory one day; and Queensland three days. In Victoria and the Australian Capital Territory the deposit amount is \$100 or 1 per cent, whichever is the greater; in Queensland it is an amount up to \$100.

I know the Motor Trades Association has made representations that it believes that South Australia's proposed amount is too low and does not provide a significant enough disincentive for people to sign up for contracts for sale for a range of vehicles, which would be to the detriment of other consumers. That is a matter we will consider in terms of whether we will seek amendments to the amount of the deposit. The Motor Trades Association is also quite concerned about the form of the waiver. There was some suggestion that it would need to be witnessed by a justice of the peace but, considering that a large number of vehicles are sold on weekends, especially Sundays, that could be particularly problematic.

It is also concerned about the transfer of jurisdiction of the compensation fund to OCBA. I have a copy of OCBA's most recently available report for 2007-08: about \$300,000 is contributed to the fund each year, and its capital is about \$4 million. In 2007-08 some \$128,000 was paid out in claims, and in 2006-07 it was \$39,000. So, there is not a huge drawing on that resource. The administration costs for 2007-08 were \$32,000 and for 2006-07, \$16,000. It is not a huge cost to the Office of Consumer and Business Affairs but I suspect that, if the responsibility for settling claims was transferred to OCBA, the administration costs would increase significantly. There is also some reason for scepticism: this may be a means of the office cost-shifting the fund so that it can be used for purposes other than compensation. The fund is a very important stop gap for consumers who may have suffered hardship due to some issue with their purchase, and that capital should be preserved strictly for that purpose.

The Motor Trades Association is also concerned that the definition of 'auction sale' be very specific to ensure that both consumers and other people involved in those auctions understand that it is at the fall of the hammer. I understand that this would have the effect that a cooling off period would be applied to any sales that take place before or after that auction. I have also received some information that the association is opposed to a proposal that inspections be mandated. With those remarks, and given that this has not formally been to our party room meeting, I seek leave to conclude my remarks later.

Leave granted; debate adjourned.

ELECTORAL (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 4 June 2009. Page 2566.)

The Hon. DAVID WINDERLICH (11:23): I rise to indicate support for the second reading of this bill. A fair and democratic system has been the bedrock of South Australian governments for a majority of our state's history. This state used to be one of the most politically progressive places in the world. Amongst other achievements, in 1894, it became the second place in the world to recognise the right of women to vote and stand for parliament (I believe the first place was New Zealand); it was the first Australian state to restrict individuals to a single vote per person; and, in 1856, it gave all male citizens a vote. This state was also the first part of the British empire to embrace secularism by ending, in 1851, formal aid to religion; in 1876, it was the first British territory outside the United Kingdom to legalise trade unions; in 1966, it introduced the first anti-

discrimination act in Australia, which made discrimination on the basis of race an offence; and, in 1975, it was the first state to decriminalise homosexual relations between men in private.

Despite this initial progress towards an open polity that values rightful equality and participation of its citizenry, the state in recent times has unfortunately lapsed into archaic ideas about the role of citizens in public debate. Increased public ignorance of our system of governance has been compounded by systematic defunding of electoral education programs in schools and the community. We are now in a dire situation where much of the population does not understand how governments are formed in our country, the voting system or the division of powers and federal governments. This adds to a growing cynicism that gradually reinforces the growing apathy about politics in Australia. As government centralises, decisions are being made further away from the people whom they concern.

The quickening media cycle fuels the degradation of public debate and presents Australian politics in all its petty infighting, populist pork-barrelling and self-interested manoeuvres. All the while the public loses faith in the democratic system, which once represented a ray of hope that all South Australians could enjoy equality and protection under the law.

As we consider the bill before us, it presents us with an opportunity to regain some of that initial inspiration that the state's founding residents had about the future of governance across this land. In the words often quoted from Abraham Lincoln, government should be 'of the people, by the people, for the people'. Governance, and the process that puts it in place, should be as transparent as possible. This is an important opportunity for reform and one that we should all be embracing.

To this end, I will move a range of amendments to this bill. The government has proposed adding an elector's date of birth to the electoral roll instead of an age range. I will move an amendment to stop this change. It will be potentially damaging for such personal information, in addition to an elector's name and address, to be made available on the electoral roll. Although the bill aims to restrict access to the roll, it still allows this information to be publicly accessible, and as such places virtually no limitations on the information a member of the public could access for their own personal agenda. I strongly believe the information currently included on the roll is sufficient for the purposes of an election and requires no change. Stopping this amendment would also prevent an endless procession of birthday cards to voters from their MP.

The government initially proposed banning the display of electoral advertisements outright. I am glad to see that it has moved away from this oppressive restriction of political expression. However, I still have concerns about banning electoral corflutes on road sides and related areas. I acknowledge that there are some South Australian residents who find the corflutes distracting or annoying or simply get upset at being reminded that they have to vote. However, they are an effective way of helping a candidate achieve greater name and visual recognition than they would otherwise receive through traditional media sources. In my opinion, banning corflutes would unreasonably favour the incumbent government and hurt the chances of new candidates wanting to build a profile for themselves.

Kris Hanna moved a series of amendments to the bill in the lower house, and I will take up one of his suggestions to limit the number of corflutes per candidate or party to 200 per electorate. In my mind this would put candidates on a level playing field and retain their opportunity to have a regular visual remainder of their candidacy. It should also be stressed that the restriction on corflutes favours more cashed up candidates and parties who can choose electronic media for their advertising. Corflutes give the small parties and individual Independents the opportunity to get publicity.

I will also adopt another of Kris Hanna's amendments to introduce optional preferential voting. However, my amendment would also extend this option to House of Assembly elections. It is my belief that voters should have the choice to vote for their chosen candidates or choose not to vote for a particular candidate. My amendment would allow voters to nominate as many or as few candidates as they wish to support. This would mean that voters would be able to show their disdain for a number of candidates by not directing any preferences towards them at all.

It seems unreasonable that a voter who nominates only a few preferred candidates is currently treated in the same way as a voter who lodges a blank ballot paper. My amendment would ensure that the number of people who nominate a preference would be the same number of votes counted. This has become increasingly relevant for voters who are not aware that they must number every box for any of their preferences to count. Donkey voting is an unfortunate part of our

electoral culture, and it generally occurs when voters have no interest in lodging a considered vote and instead number directly from top to bottom, regardless of the actual preference for candidates.

An innovative method used in Tasmania to counteract this is the Robson rotation, upon which my amendment is based. It would ensure that there is an equal number of ballot papers that favour each of the candidates contesting the respective House of Assembly election in distribution across the electorate. Each candidate would be listed in the top position as many times as any of their competitors, which effectively will offset the donkey vote. It seems ridiculous that in this day and age of digital printing we would pursue an electoral system that leaves swings of up to 3 per cent to chance. Such a swing could change a government for no other reason than that party received the top position on the ballot paper by the luck of the draw.

None of us would leave legislative changes to chance, and yet we have an electoral system which does exactly that for governments. The provisions of my amendment specify that the various ballot papers for an electorate would be distributed randomly so as to ensure parity across the electorate of each candidate's favourable ballot paper.

In conversation with representatives of different parties and Independents, some of you have asked whether this would make it difficult for voters to cast a vote who choose to follow a candidate's how-to-vote card. My response is that it is the responsibility of each party or candidates to educate voters on how to vote for the candidate, not to educate them to blindly follow a pattern of numbers.

If an effect of this amendment is to slow down the speed with which voters fill out their ballot papers, as a result of having to spend a little extra time in considering how to follow the how-to-vote card, then I welcome it all the more. I, for one, believe voters should take their selection of candidates seriously. Any objections to the amendment on the grounds that it will confuse voters who do not want to think about how they are voting shows the true motivations of the member. Administratively, it is not difficult to operate as the whole processing and randomisation of ballots can be done at the time of print.

I will also be considering several other amendments that are aimed at revitalising political parties, not least my own. Active involvement in parties has been declining. Membership numbers are low in all parties and, although Independents have become extremely popular in recent times, it is only political parties that can develop a comprehensive alternative vision that goes beyond the magpie politics of Independents who simply do not have the resources to move beyond single issues. I look forward with anticipation to hearing the various amendments that will be put forward from my fellow members over the course of the debate on this bill. There will, no doubt, be a number of contentious proposals, and I welcome the debate.

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

RIVER TORRENS LINEAR PARK (LINEAR PARKS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 16 June 2009. Page 2629.)

The Hon. DAVID WINDERLICH (11:32): I will be supporting the second reading of this bill. This measure will enable the government to extend the controls that currently apply to the River Torrens Linear Park to other significant government landholdings adjacent to waterways, including the Gawler River, Little Para River, Dry Creek, Sturt River, Field River, Christies Creek, Onkaparinga River, Pedlar Creek and Port Willunga Creek.

I believe that the River Torrens Linear Park is one of the most underrated achievements of our state. Thanks to the vision and persistence of local councils, bureaucrats and several governments, we have a river and a river ecosystem running from the Hills to the sea. The current cohort of planners and public servants are building on that legacy. The Mount Lofty Natural Resources Management Board is turning time back at Breakout Creek by replacing the drain (that the Torrens had become) to the sea with a series of terminating wetlands. However, as marvellous as it is, the linear park is just a taste of what could be achieved. This bill creates the possibility of extending linear parks in other areas around the creeks that I have just mentioned, but I think it also possibly lays the foundation, at least conceptually, for extending the idea of linear parks far beyond that.

Our city is built over concreted creeks. You can see stretches of these old living creeks in between the dead concrete drains that we have created in their place. You can hear them gurgling

beneath the bridges and culverts when it rains. For almost a decade I have dreamt of uncovering those creeks and creating a network of wetlands and open spaces that will give Adelaide beauty, biodiversity and water. This expansion of the notion of linear parks at least starts to open governments to that sort of thinking.

Of course, it will not be easy. It will, in fact, require generations of patient and strategic land acquisition and possibly further legislation. It will only begin if a government has a vision and the will to set and pursue such a goal, and it will only continue if their successors share this vision. This linear park amendment bill is just one small step towards that sort of thinking.

The Hon. D.W. RIDGWAY (Leader of the Opposition) (11:34): I rise on behalf of the opposition to make some comments on this bill. This is a measure that, initially, the minister's advisers said was not a priority and so we are yet to take it through our full party room process. I will make some comments and then seek leave to conclude my remarks to allow the party room to consider it and then conclude my remarks when we next sit.

The River Torrens Linear Park Act 2006 provided for the protection of the park and its preservation as an urban park. As the Hon. Mr Winderlich said, this bill proposes to extend that protection and preservation to other linear parks. The 2006 act that we are amending was established in response to the sale of the former UniSA campus at Underdale. There was no legislation dealing with the disposal of land in public ownership which formed part of the River Torrens Linear Park. UniSA sold the land, a significant area of which was located across the River Torrens, but extensive negotiations with the new owners and prospective developers secured continuing public access to the land.

The 2006 legislation required the state government, state agencies, authorities, and local councils not to sell land within the linear park out of government ownership without the approval of both houses of parliament. The boundary of that part was defined by a General Registry Office (GRO) plan. So, one can see the controls that are on the River Torrens Linear Park, and this bill extends the provisions of the act to other waterways in the state, namely, state government holdings in linear parks, so that they can be defined in a GRO plan, and the same provisions would apply to their sale.

Minister Holloway, in his second reading explanation, indicated that waterways already identified as requiring plans included the Gawler River, Little Para River, Dry Creek, Sturt Creek, Field River, Christies Creek, Onkaparinga River, Pedlar Creek, and Port Willunga Creek. They are the creeks or waterways that have been identified but I would ask: what other waterways exist in South Australia that could be captured with this legislation?

I note the existence of creeks in certain parts of the South-East and, of course, the Glenelg River forms part of the border at the very bottom in the South-East of the state. There are some other creeks, quite small ones that run only when there is some rain, but in the Spencer Gulf and St Vincent Gulf area there are a number of creeks that run into the sea. So, I am wondering whether any of these creeks are yet to be identified and captured under this bill.

The success of this bill would trigger departmental preparation of detailed plans for the parks and landholdings to be protected with the lodgment of a GRO—and that applies to Sturt Creek, Gawler River and all those we have mentioned. The minister has said that this will be done in close consultation with those government agencies with landholdings that may be affected.

From my recollection, the government, in the end, compulsorily acquired or negotiated with the owners to buy the land that was privately owned but was within the Torrens Linear Park. It is my understanding that the landowners were not able to sell the land back to the private sector or to subdivide or develop it. It is my understanding that, by virtue of the restrictions placed on it, privately owned land within the linear park will virtually end up in government ownership.

In his summing up, can the minister clarify for the council how privately owned land will be treated in any of these other waterways (and there would be more privately owned land on a lot of these waterways than was the case with the Torrens Linear Park, as it was known in 2006), and how will other government agencies be dealt with? If you are going to have linear parks along all our waterways, they need to be clearly defined, and the rights of landholders who have holdings within those parks and those whose land may even form a barrier for creating the linear park need to be protected. Will the minister also clarify how this legislation will impact on local government where its land fronts these potential linear parks?

As the Hon. David Winderlich said, the Torrens Linear Park is something we should all be very proud of. That linear park is probably under-utilised and is not really promoted as one of the great assets we have here in Adelaide. The protection, preservation and maintenance of the park is a collaborative effort between local government and the state government, and that includes protection from feral animals, feral weeds and pests, vandalism and stormwater protection—a whole range of protections are in place for the Torrens Linear Park.

I think the question needs to be asked: who will be responsible for the maintenance and care of these linear parks, or areas that will be defined with the lodgment of a GRO of these plans? Is it local government's responsibility to keep out weeds and vermin, or is it the state government's responsibility? It is an honourable concept, but I really do not know whether the government has fully thought through the cost to itself, the taxpayers or the local ratepayers for the maintenance and preservation of these sites.

Before I seek leave to conclude my remarks, I reiterate that I really do want the minister to clearly identify how privately owned land will be affected by this legislation. As I have said, I am sure there will be dozens of examples where private landowners will own land right down one side and out the other side of a watercourse, and there will be some steeper areas that may be in government hands.

I think that, to achieve a linear park similar to the one that we have in Adelaide, you need to have access to and ownership of the land from the headwaters of the creek, the waterway or the river to where the river finishes. The Liberal Party always wants to protect the interests of private landowners, so I would particularly like the minister to clearly explain to the council how privately owned land will be affected. Given that our party room has not yet fully considered this bill and that we will be taking it to our next party room meeting, I seek leave to conclude my remarks later.

Leave granted; debate adjourned.

[Sitting suspended from 11:43 to 14:15]

STATUTES AMENDMENT (PUBLIC HEALTH INCIDENTS AND EMERGENCIES) BILL

His Excellency the Governor assented to the bill.

STATUTES AMENDMENT (AUSTRALIAN ENERGY MARKET OPERATOR) BILL

His Excellency the Governor assented to the bill.

NATIONAL GAS (SOUTH AUSTRALIA) (NATIONAL GAS LAW—AUSTRALIAN ENERGY MARKET OPERATOR) AMENDMENT BILL

His Excellency the Governor assented to the bill.

NATIONAL ELECTRICITY (SOUTH AUSTRALIA) (NATIONAL ELECTRICITY LAW—AUSTRALIAN ENERGY MARKET OPERATOR) AMENDMENT BILL

His Excellency the Governor assented to the bill.

WATERWORKS (RATES) AMENDMENT BILL

His Excellency the Governor assented to the bill.

Members interjecting:

The PRESIDENT: I remind honourable members that when the President is on his feet reading messages from the Governor—or anywhere else, for that matter—there shall be silence in the council.

PAPERS

The following papers were laid on the table:

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

Regulations under the following Acts—

Australian Energy Market Commission Establishment Act 2004—Australian Energy Market Operator

Electricity Act 1996—General—Australian Energy Market Operator
 Emergency Services Funding Act 1998—Remissions—
 Land
 Motor Vehicles and Vessels
 Fisheries Management Act 2007—Fees—Licence and Registration Application
 Gas Act 1997—Australian Energy Market Operator
 Primary Produce (Food Safety Schemes) Act 2004—Food Safety Schemes—
 Fees—Seafood
 Public Corporations Act 1993—South Australian Trade and Investment
 Corporation—Dissolution and Revocation
 Victims of Crime Act 2001—Fund and Levy
 Workers Rehabilitation and Compensation Act 1986—
 Scales of Charges—Medical Practitioners—Revocation
 Scales of Medical and Other Charges—Revocation

Rules—

District Court—District Court Act 1991—
 Civil Rules 2006—Amendment No. 10
 Criminal and Miscellaneous—Amendment No. 8
 Supreme Court—Supreme Court Act 1933—
 Civil Rules 2006—Amendment No. 8
 Criminal Rules 1992—Amendment No. 25
 Witness Protection Act Rules 2009—Section 72 of the Supreme Court Act 19.35
 Emergency Services Funding (Declaration of Levy and Area and Land Use Factors)
 Notice 2009
 Emergency Services Funding (Declaration of Levy for Vehicles and Vessels) Notice 2009

By the Minister for Urban Development and Planning (Hon. P. Holloway)—

Regulations under the following Acts—
 Development Act 1993—Open Space Contribution Scheme

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

South Australian Local Government Grants Commission—Report, 2007-08
 South Australian Patient Safety—Report, 2005-08
 Regulations under the following Acts—
 Natural Resources Management Act 2004—General—River Murray Prescribed

Watercourse

Rates and Land Tax Remission Act 1986—Remission of Sewerage Rates
 Road Traffic Act 1961—Miscellaneous—Apparatus
 Corporation By-Laws—
 Onkaparinga—
 No. 1—Permits and Penalties
 No. 2—Moveable Signs
 No. 3—Roads
 No. 4—Local Government Land
 No. 5—Bird Scarers
 No. 6—Foreshore

By the Minister for Consumer Affairs (Hon. G.E. Gago)—

Regulations under the following Acts—
 Land and Business (Sale and Conveyancing) Act 1994—Fees
 Liquor Licensing Act 1997—Dry Areas—Long Term—
 Goolwa
 Port Vincent

WATER FOR GOOD

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:22): I table a copy of a ministerial statement relating to Water for Good made earlier today in another place by my colleague the Minister for Water Security.

BURNSIDE CITY COUNCIL

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) (14:22): I seek leave to make a ministerial statement about Burnside council.

Leave granted.

The Hon. G.E. GAGO: I have previously informed this chamber of my concerns regarding conduct of the affairs of Burnside council and its ability to represent the interests of its community. As a result, I directed my agency to make preliminary inquiries into Burnside council in order to provide me with advice regarding whether there might be any grounds for a formal investigation under the Local Government Act 1999.

My officers have now met with most elected officers and several senior staff members. These inquiries have raised allegations of serious concern, including: a high level of apparently intractable conflict between various people at the council; a high level of dissatisfaction with the impact that this friction appears to be having on the decision-making processes; apparent irreconcilable differences between elected members and staff; and bullying and harassment.

As such, I have reason to believe that a formal independent investigation may be warranted, using my powers under section 272 of the Local Government Act 1999. I am now required, under that act, to give the council reasonable opportunity to explain its actions and to make submissions to me. This is an important step, and a legal requirement of the act, before I can determine the appointment of an independent investigator.

As members know, under section 272 of the Local Government Act 1999, the minister may appoint an investigator or investigators to carry out an investigation of the council if the minister has reason to believe:

- that a council has contravened or failed to comply with the provision of this or another act; or
- that a council has failed to discharge a responsibility under this or another act; or
- that an irregularity has occurred in the conduct of the affairs of a council (in relation to matters arising under this or another act).

I should emphasise that I have not made this decision lightly but have taken into account the culmination of information provided to me and my officers that suggests there are serious concerns relating to several provisions of this act and, potentially, other acts.

I have today written to the council and advised it of my intention. Upon receiving a response from the council, I will further consider the options available to me in accordance with the act and will advise members of this chamber, as appropriate.

HEALTH BUDGET

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) (14:25): I lay on the table a copy of a ministerial statement on a correction to the estimates record made today by the Minister for Health.

QUESTION TIME

URBAN DEVELOPMENT

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:29): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about growth areas infrastructure charges.

Leave granted.

The Hon. D.W. RIDGWAY: As members would be aware, if they have been keeping abreast of issues across the border in Victoria, planning minister Justin Madden is calling a new levy on rezoned land 'a growth area infrastructure charge' saying that it will tap into some of the windfall profits from land rezoning and for the provision of much-needed infrastructure to help share

the cost of building new infrastructure by funding major government works in the areas of roads, public transport and other state government services.

The amount that the minister's colleague is talking about in Victoria is some \$95,000 per hectare. Members will be well aware that the government is about to release its 30-year plan for Adelaide which will, unfortunately, encompass a whole range of high-value farming land which will be rezoned, I suspect, or potentially identified for future growth areas.

My question is: will the minister rule out that this government will impose a growth area infrastructure charge or a development levy between now and the election; and, if it is fortunate enough to be re-elected, will the minister rule out any future Labor government doing so?

The PRESIDENT: The honourable member has asked for an opinion; the minister can answer it.

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:31): The member asks what will happen if this government is fortunate enough to be re-elected. I think we have received lots of good fortune in that respect, but it is really from members opposite.

The Hon. D.W. Ridgway: Answer the question. Are you going to impose it?

The Hon. P. HOLLOWAY: It shows how much attention members opposite have been paying to the affairs of parliament in the past few days because, if the shadow minister had read my comments in the estimates committee yesterday morning relating to urban development and planning, I did cover that issue. The matter was not specifically raised in a question, but I did indicate that this government was not considering the sorts of charges that Victoria is and which I think are described as 'a betterment tax'.

The Hon. J.M.A. Lensink: What?

The Hon. P. HOLLOWAY: A betterment tax. It is well-known in property development circles. If the deputy leader wishes at some stage to become the shadow minister of planning—and it might be quicker than we all think; it could happen—and if she talks to the people in the industry, she had better get used to some of those terms. The idea, obviously, is that, if there is a capital gain that accrues, it should be absorbed or the government should get its take.

The Hon. D.W. Ridgway: Rip it off the developers.

The Hon. P. HOLLOWAY: Well, would you give them a windfall gain and take nothing? This government does not propose, and has consistently resisted, those sorts of development fees. However, as I indicated yesterday, if one is to provide that infrastructure, clearly, if there is no such charge, it is inevitable that private developers will have to contribute towards that. How that has happened in the past is that there have been negotiations between local government in particular and developers in relation to the provision of infrastructure, and to some extent this government has facilitated that.

We did that in relation to Mount Barker several years ago where the council reached some arrangement there with developers because the council argued with some justification that, if there were to be an expansion of housing in that area, it would put pressure on the roads and they would need to be able to cope with that. To facilitate that, it was only fair that those developers made some contribution towards the provision of public facilities. Already, within developments, we do require developers to provide roads and other basic infrastructure such as stormwater schemes and the like, and it is appropriate that we should do so.

This government has consistently not supported the sort of development charges that exist in other states. In New South Wales I believe the charge can be over \$170,000 on individual blocks, if you can believe what is said in the media. We have not supported that in this state but, clearly, if infrastructure is to be provided to enable growth, obviously those making the significant capital gains and profits will inevitably have to contribute in some way to the provision of that infrastructure. Otherwise, those developments will not happen.

DOMESTIC VIOLENCE

The Hon. J.M.A. LENSINK (14:34): I seek leave to make a brief explanation before asking the Minister for the Status of Women a question about family violence.

Leave granted.

The Hon. J.M.A. LENSINK: In a media release of 9 November 2005, prior to the last election, Premier Mike Rann made the following comments:

The law relating to rape, sexual offences and domestic violence has moved ahead in other jurisdictions. In South Australia the conviction rate in rape cases that go to trial is unacceptably low.

He stated further in a press release:

I have asked the Attorney-General in conjunction with the Minister for the Status of Women to investigate the law relating to rape, sexual offences and domestic violence and make urgent recommendations for changes. I do not want to see a protracted process of review.

In a release dated 6 March this year, the Attorney-General stated:

A bill is now being drafted to strengthen the ability of police and courts to prevent and stamp out family abuse.

Just recently in estimates the minister herself stated:

As announced by the Premier in 2006, the proposed new domestic violence laws are intended to improve the system of restraint and intervention.

My questions to the minister are:

1. The original announcement was made nearly 3½ years ago, so what is the delay for this bill?
2. Can the minister advise when the bill will be introduced?
3. Given that there is a maximum of only seven sitting weeks left before the election, does the minister seriously think that the bill will be passed before the election?

The PRESIDENT: There are a lot of opinions being sought.

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) (14:36): I am speechless, Mr President—absolutely speechless. I do not know where the opposition has been; truly, I do not—I think members opposite live on another planet. The Premier did announce a commitment to comprehensively overhaul our rape and sexual assault laws in 2006.

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

The Hon. G.E. GAGO: I think the honourable member has shown her ignorance so she needs to be quiet and listen, because she has completely missed the boat on this. I do not want to have to repeat myself again. Members opposite do not listen to the answers and get up the next day and ask the same question again and again. The Criminal Law Consolidation—

Members interjecting:

The PRESIDENT: Order! The minister has the call.

The Hon. G.E. GAGO: So the Criminal Law—

Members interjecting:

The PRESIDENT: Order!

The Hon. G.E. GAGO: The Criminal Law Consolidation (Rape and Sexual Offences) Amendment Bill 2008 and the Statutes Amendment (Evidence and Procedure) Bill 2007 were passed on 9 April 2008, following a comprehensive consultation process—they have been passed; they are done. These bills provide a clearer definition on sexual offences, including rape, persistent sexual abuse of children and consent. I do not know what the honourable member was doing when the legislation came through this chamber.

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

The Hon. G.E. GAGO: Goodness gracious, it has passed. These new laws came into effect on 23 November 2008. How embarrassing is that? I feel so embarrassed for them. It also ensured that the criminal justice system is more sensitive to the needs of victims of rape and sexual assault. For example, a victim of rape and sexual assault will be protected from cross-examination by the accused in person. We have also progressed legislative reform to domestic violence legislation, and a bill to replace the current Domestic Violence Act is currently being drafted.

Members interjecting:

The Hon. G.E. GAGO: Well, the honourable member referred to rape and sexual assault, so she has missed the boat completely. In terms of domestic violence law reform, the Premier announced his intention to overhaul the law and reform this area around domestic violence to bring this state into line with other jurisdictions.

These changes followed an independent review of the current laws by the very highly respected Maurine Pyke QC. The new laws are intended to improve the system of restraint and intervention for domestic violence and to give police more power to intervene at the time of an incident. They will make it easier for victims to remain in the family home while the perpetrator leaves. They will also ensure police can impose restraint conditions quickly without having to wait for a court listing.

The proposed reforms will complement the goals of one of the key initiatives of our women's safety strategy—that is, our family safety framework—by increasing victim safety and enhancing perpetrator accountability.

Not only have we already passed the first part of our reform in terms of rape and sexual assault provisions but we are well under way in terms of reforming our domestic violence legislation. My understanding is that that bill is being drafted at present; I will need to check that, but that is my latest understanding. As I said, it is embarrassing because I am not sure where the opposition members are when these reforms come through this council and are supposedly voted on by the honourable member.

WASTE MINIMISATION

The Hon. S.G. WADE (14:42): I seek leave to make a brief explanation before asking the Minister for State/Local Government Relations a question about waste collection.

Leave granted.

The Hon. S.G. WADE: In January 2008, the minister (then minister for environment and conservation) invited councils to trial fortnightly collection of waste as part of a Zero Waste food waste trial. In June 2008, the government announced that 10 councils would be funded under the trial and that four councils would trial fortnightly collection.

In March 2009, I raised in this council the issue of the trials putting occupiers in breach of the Public and Environmental Health (General) Regulations 2006 which require owners to ensure that refuse on premises that is capable of causing an insanitary condition is disposed of as often as may be appropriate in view of the nature of the refuse, but in any event at least once a week. Last week the minister stated on Radio FIVEaa:

'The law is quite clear on it, Leon, that any waste that is insanitary is required to be collected weekly...the regulation is quite clear on that'.

However, a number of councils are currently either running or proposing to run fortnightly waste collections. Minister Weatherill has indicated on behalf of the government that the government will legislate to ban fortnightly collection of residual waste. My question is: until the government legislates the ban, will the government use any powers it has under the Public and Environmental Health Act or the Local Government Act to require councils to support our public health laws by providing weekly waste collection?

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) (14:43): As I said, this is a tired old opposition that keeps rehashing and regurgitating the same old questions. What is more, it recycles questions to ministers who are not even responsible for that area. He still has not worked out, even though I have put it on record many times, that the responsibilities for these various aspects of waste management—the trial and recycling—are those of minister Weatherill, and health regulations and whether or not a matter is sanitary is the responsibility of the health minister.

It is a tired old opposition, regurgitating and recycling the same old same old. As I have said in this place many times before, I am not responsible for the operational decisions of councils. Rubbish collection, including how often rubbish is collected, is obviously a decision that councils need to make in consultation with their ratepayers. I have put on record before how important I believe the process of public consultation is.

Obviously, my concern as the Minister for State/Local Government Relations is to ensure that councils adequately consult with their ratepayers. Whether they are participating in the food waste trials or just re-assessing the regularity of rubbish collections, councils need to ensure that they engage with their ratepayers and educate their communities on relevant details; for example, what is and what is not appropriate for recycling.

As the honourable member obviously has trouble hearing, I reiterate that rubbish collection is an operational matter for local government, and it is not my role as Minister for State/Local Government Relations to interfere with the day-to-day business of councils. I remind honourable members that I am not responsible for the waste issues in relation to the trial, but I am happy to pass that on to the Minister for Environment and Conservation. As I have already put on the record, the honourable member knows only too well that the Public and Environmental Health Act comes under the responsibility of the Minister for Health, so I believe the honourable member should direct those questions to him.

As a government, we work very hard to balance the different interests of our communities. Clearly, recycling and the re-use of our waste is a very important environmental issue. Trying to reduce the amount of waste that goes to landfill is an important environmental strategy, and we need to support policies that encourage members of the public to do that. However, we obviously have to balance that with other community interests and needs as well.

OIL AND GAS EXPLORATION

The Hon. R.P. WORTLEY (14:47): My question is to Minister for Mineral Resources Development. I understand that the South Australian government has again received international recognition as a top performer in facilitating investment in oil and gas exploration and production. What is the latest information the minister has in this regard?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:48): I thank the honourable member for his most important question. The Fraser Institute just last week announced the results of its third annual survey of senior petroleum industry executives and managers. The survey canvasses issues relating to barriers to investment in oil and gas exploration and production in various jurisdictions around the world.

Provinces, states and countries are ranked by 16 factors that affect investment decisions; that is, regulatory framework, environmental regulation, fiscal and royalty regimes, licensing, taxation, compliance costs, land access, infrastructure, data availability, local gas price, trade and labour regulations, quality of life, security and political stability. A total of 577 respondents completed the survey, enabling the evaluation of a record 143 jurisdictions. As a first, the 2009 survey separated the six Australian states, the Northern Territory and the Timor Gap. So, each was evaluated as an individual jurisdiction.

I am very pleased to say that South Australia was named as the most favourable jurisdiction anywhere outside the United States and Austria. South Australia's one-stop-shop stewarded by PIRSA is the highest ranked agency in the Oceania region, and it is ranked 17th in the world. The Fraser Institute specifically noted the progressive mines department in South Australia, a sentiment which I am sure anyone who has had dealings with PIRSA would support. Commentary from the *West Australian* newspaper describes South Australia as 'the country's shining light'. If I can be allowed to quote from this recent article in the *West Australian*, it states:

Australia's petroleum and mining industry has often pointed to South Australia's one-stop shop approvals approach as a preferred mode. NT used the offer of a similar process to lure Inpex's \$25 billion Ichthys project from Western Australia to Darwin last year.

I point out that the Northern Territory was the next highest ranked Australian jurisdiction—ranking 32nd. In addition to Austria, 15 jurisdictions ranked in the top 17 are US state governments and the US federal agency that presides over the offshore Gulf of Mexico.

This excellent result from the Fraser Institute, an internationally recognised research and education organisation, follows similar positive feedback from Australia's own Productivity Commission. The national productivity watchdog described South Australia's approach to regulating the upstream petroleum sector as a working example of best practice in a number of key areas. I trust that we can keep that up through the passage of the petroleum bill through both houses in the final week of parliament so that we can maintain that position.

LAND MANAGEMENT CORPORATION

The Hon. D.G.E. HOOD (14:51): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question regarding the Land Management Corporation charter.

Leave granted.

The Hon. D.G.E. HOOD: I was astounded to read in the most recent Housing Industry Association data that median sized new housing lots within the Adelaide metropolitan area are now the smallest out of all Australian capital cities at only 422 square metres. I had always assumed that Adelaide block sizes would be amongst the largest, but even Sydney's are some 541 square metres, on average; Brisbane, 600 square metres; and Melbourne, 561 square metres.

The latest HIA data shows that, because of our small block sizes, the median land price in Adelaide of \$360 per square metre is now actually more expensive than Melbourne at \$271 per square metre and Brisbane at \$340 per square metre.

The charter of the Land Management Corporation calls on the corporation to release land with regard to financial merits and in accordance with the performance target. When setting the price that it charges and its fees, the charter states that the corporation must:

...determine a competitive market rate where possible and set prices at this level and achieve a reasonable commercial margin on its services.

Because of this profit centred charter, the LMC made a profit of some \$123 million last financial year. My questions to the minister are:

1. Is the LMC charter, which seems to put profit above all else, hurting South Australian families who just want to build a home on a reasonably sized block of land for a reasonable price?

2. Why should not the directive to make profit be removed from the Land Management Corporation charter and the charter changed so that the corporation should only have regard to the best interests of South Australian families by distributing land when it is most needed, not when most profitable?

3. Finally, how is it that a square metre of land costs 30 per cent more in Adelaide than it does in Melbourne?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (14:53): The answer to the last question is that, clearly, we need more land on the market. That is why, in the very near future, the government will be releasing its 30-year plan for Adelaide, one of the key parts of which will be to release more broadacre land. At the same time, one of the main focuses of the government's direction is to try to contain our development along corridors and make that development medium density so that we can deal with all the other requirements of a good planning system.

We not only need housing to be affordable, and that means cheap land, but we also need to make sure that our suburbs are sustainable. They must have good water practice and design, and, with the release of the Water for Good statement last week, that was a key element that needed to be addressed before we released the 30-year plan for Adelaide. There is much within that particular Water for Good statement which deals with that part of it.

We also need transport facilities. Given that liquid fuel prices are likely to rise significantly, in real terms, into the future, it is important that our cities do not become overly dependant on the motor vehicle. One of the key challenges for any planning system is to remove the dependence that Adelaide has on the motor vehicle; much higher, I would suggest, than most other cities in the world, particularly those in Europe and, increasingly, in the United States. It is imperative that we address that issue. They are all just parts of the planning, and affordability is clearly a key part of it.

So, while at the same time we are trying to deal with all these other issues and we see development along corridors as a key solution to that, with medium density development in those areas, clearly, we also have to have land at the fringes to ensure that housing remains affordable. As I have often pointed out in public forums, Adelaide's geography is starting to play its part in its development. Adelaide is a wedge between the Hills Face Zone and Gulf St Vincent, and that is why the city has developed in an elongated fashion so that the farthest suburbs are 40 kilometres or so to the south and north of the city, and that raises particular issues for Adelaide.

The Land Management Corporation, to get back to the specifics of the honourable member's question, is the responsibility of my colleague the Minister for Infrastructure. I will not comment on issues in relation to the LMC's charter and so on, but I want to say that it would be unfair to blame the LMC for any land shortage issues. The LMC has consistently over the past few years put land on the market. Part of the problem we have—and, again, I alluded to this yesterday in the estimates committees of the House of Assembly—is that, within our current urban growth boundary, whereas the LMC has been consistently releasing land in parcels (and I give the example of Broadview in recent times, and Hackham, Seaford and other areas where large parcels of land have been released by the LMC), not all land within the urban growth boundary is held by the LMC. I believe it used to be 66 per cent, or above, and it is now, I understand, getting down to 30 per cent.

So the LMC has been divesting itself of its land and doing its job in terms of making land available but, unfortunately, the smaller landholdings have not been made available. The point I made yesterday during estimates committees is that, if you have too little land within an urban growth boundary, because that land is worth so much more than land outside the boundary, there is a temptation for private landholders to sit on that land and not release it. There are, after all, reduced charges, and the like, for land within an urban growth boundary, but there is a large capital gain to be made when it is rezoned, so there is a temptation for people to sit on it. I am sure that is why the planning review recommended that we need a 25-year rolling supply of broadacre land, of which 15 years' supply should be zoned ready, to keep the pressure off rising land prices; because, if you have enough land that is zoned ready, there will be less temptation for private landholders to sit on it.

If you look at what has happened with the land within the urban growth boundary, originally the LMC's holdings were fairly large areas and it has gradually divested itself of that. Much of the land that was within the urban growth boundary, particularly before it was amended in December 2007, was in smaller holdings, that is, less than 10 hectares or so. So, just because you have sufficient land within an urban growth boundary that should provide, say, 10 years' supply does not mean that you will have 10 years' supply made available over that next 10 years for housing. If people sit on it and choose not to sell it because they can see that they will make a long-term capital gain just by sitting on their property, you have an issue in terms of affordability. That is something that the government is trying to address, as I say, through those changed policies, which will seek to ensure that we have a larger supply and therefore remove the benefit of sitting on that land.

At the same time, of course, we have to achieve the other objective of the good planning system that I referred to earlier. We have to make our city more sustainable and less dependent on liquid fuels. We have to lower our carbon footprint and make our city more attractive and more of a walkable city so that people will live closer to their employment, and so on. They are all factors that need to be traded off. As I have said in this council often enough, it is really the government's objective through the changes we will shortly be releasing to try to get the percentage of housing in the outer suburbs, in the fringe areas, to 30 per cent or less over the period of the 30-year plan.

That will be a big challenge, because it means that there will have to be higher densities along our growth corridors. However, if we do not do that we will have significant urban sprawl, we will be more vulnerable to petrol price hikes in the future and our city will be much less sustainable and less efficient. That is the challenge facing the government in the first instance, in terms of developing the policy, but it is also a challenge for us all to try to develop our city in a more sustainable fashion.

We do need to keep land affordable. I do not think it is fair to blame the LMC for that because, as I said, it is only one source of land. I think the latest information I had was that the proportion of land within the urban growth boundary held by the LMC was about one third. So, there is plenty of other land that could be released if it were attractive to do so.

LAND MANAGEMENT CORPORATION

The Hon. M. PARNELL (15:01): I have a supplementary question. Are any development plan amendments under way to facilitate the transit-oriented developments in metropolitan Adelaide of which the minister spoke?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:01): There are some developments that would include transit-oriented development features—indeed, one was a major

project on Marion Road near the tram line. However, I will have a lot more to say on that with the release of the 30 Year plan, so I ask the honourable member to be patient. He will not have to wait long for the document to come out.

An honourable member: Are you going to release it in full?

The Hon. P. HOLLOWAY: Of course we will release it in full; it is the government's plan. In relation to specific development plans, obviously some of those have been going on—in fact, just today one that has been around since March 2006, I think, was gazetted for Hindmarsh Island. There are a number of development plan amendments in place, but if we are to get that concentrated development along the corridors it will need a special approach, and it will all be out for public discussion when the 30 Year plan is released.

LAND MANAGEMENT CORPORATION

The Hon. J.S.L. DAWKINS (15:02): Has the minister had any recent discussions with the cities of Playford and Salisbury in relation to the proposed transport-oriented development around the Elizabeth railway station?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:03): The department has been talking to local government. Again, as indicated yesterday during the House of Assembly estimates committee, something like 21 forums have been held with local government in relation to the seven regions. When this plan is released, it will look at seven regions of the Greater Adelaide area—basically, the area from up north at Gawler down to the South Coast and across to the Murray—and their growth expectations and employment needs, population targets and the like. In terms of specific discussions on TODs, again, there will be further information on that when the 30 Year plan is released shortly.

LAND MANAGEMENT CORPORATION

The Hon. J.S.L. DAWKINS (15:04): I have a further supplementary question. Is the minister aware of the significant amounts of prime farming land in the Roseworthy and Freeling areas that have been purchased by housing developers as we speak?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:04): The challenge is to find an area in Adelaide where we can grow that does not have prime farming land. I know one of lesser quality was Buckland Park, and the Hon. Mark Parnell has been attacking that and saying that we should not build there. Various people have said that we should not build, whenever there is a proposition that Adelaide expand or that we build somewhere. Even though we would like to get that down to just 30 per cent at the fringes of our growth, wherever we go there are problems.

As I said, the challenge is to find land which has minimal economic impact and which is convenient to transport corridors. One area where a development plan is being considered concurrently is Gawler East, which was added to the boundary. That land was not of particularly high value, but the reality is that there is not a lot of land left on the fringes of Adelaide that you could not regard as being of high economic value.

If you go further south you have the McLaren Vale wine region, if you go east of Gawler you hit the Barossa Valley, and if you go north of the current area you hit the Virginia market garden area. So, we have to find where the growth can be accommodated in the best possible way in terms of keeping affordability, ensuring our city is sustainable, dealing with less car dependency and other factors, one of which is minimising the impact on quality agricultural land and also on native vegetation where that is an issue. All those factors are part of it. If someone could find me an area that ticks every box and does not involve a compromise between those objectives, I would like to hear about it.

OPERATION FLINDERS FOUNDATION

The Hon. J.S.L. DAWKINS (15:07): I seek leave to make a brief explanation before asking the Leader of the Government a question about the Operation Flinders Foundation.

Leave granted.

The Hon. J.S.L. DAWKINS: Most members of this chamber would be aware of the work of the Operation Flinders Foundation with young people at risk in the northern Flinders Ranges. In recent years the excellent work of the small staff of Operation Flinders, and a legion of volunteers,

has been built on with the development of a number of chapters of the foundation in suburban and regional areas. The chapters consist of two groups: first, a group to raise funds to send a local team to Operation Flinders for the following three years; and, secondly, a group that identifies suitable participants and ensures that mentoring is available after they return from the exercise.

The foundation continues to aim to give as many young people as possible throughout South Australia and beyond access to its world standard Wilderness Adventure Program. As word spreads of its effectiveness, it is hoped that more chapters will be established to give young people the chance to participate in this unique and rewarding program. The initiative and vision of the foundation is to be commended, and I note that it has strong support across South Australia and the great majority of the community of the northern Flinders Ranges.

At this point it is appropriate to indicate that I have been an honorary ambassador for Operation Flinders for a number of years and was involved in the establishment of the Gawler chapter of the foundation.

In recent months significant restrictions have been placed on the exercises conducted by the foundation on the Angepena pastoral lease near Copley following representation to the government by the Adnyamathanha Traditional Lands Association (ATLA). The most recent exercise, due to commence last week, was cancelled due to a decision by the Pastoral Board that such exercises be subject to an agreement between Operation Flinders and ATLA. Eighteen months of negotiation between Operation Flinders and ATLA have led the foundation board to determine that this would make the exercises unworkable. My questions to the minister are:

1. What action will the government take to ensure that Operation Flinders can continue to undertake its exercises in the northern Flinders Ranges, the ideal location for such endeavours, in the most meaningful and beneficial manner for the young people to whom it is dedicated?

2. Is the government concerned that the determination of the Pastoral Board will create a precedent in relation to the ability of other pastoral leaseholders to conduct non-pastoral activities, such as tourism ventures, on their properties?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:10): That is an important question from the honourable member, and I am sure all members of this council who are aware of the work of Operation Flinders would support the ongoing activities of that body. Obviously, the government would be keen to see that continue. I am aware that there have been some issues involving the landowner in relation to those areas.

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

The Hon. P. HOLLOWAY: Well, the collective—the pastoral body that has the operation. I will refer that question to my colleague in another place and bring back a response, because clearly my colleague has responsibility for those issues. I think it would be fair to say that all members of the government would wish to see some outcome that enabled Operation Flinders to continue in full and continue to provide the benefit to those people who use that operation.

UNLICENSED TRADESPEOPLE

The Hon. I.K. HUNTER (15:10): I seek leave to make a brief explanation before asking the Minister for Consumer Affairs a question about unlicensed tradespeople.

Leave granted.

The Hon. I.K. HUNTER: Will the minister advise the chamber of the results of a phone-in conducted by OCBA last month regarding unlicensed tradespeople?

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) (15:11): I thank the member for his question. During a two day phone-in held on 24 and 25 June, reports of tradies behaving badly have emerged. The phone-in, conducted by the Office of Consumer and Business Affairs (OCBA) in relation to unlicensed builders and tradespeople, resulted in allegations of dodgy unlicensed conduct, a fraudulent development application to a council, tradesmen threatening a consumer and reports of shoddy work.

I am advised that the problems reported in some calls were of concern, and many callers did not wish to identify themselves for fear of reprisals. OCBA received more than 30 calls during the two day phone-in, including reports from consumers who felt that they had been treated badly by unlicensed tradespeople and information from reputable tradespeople obviously wishing to rid the industry of illegal operators and shoddy work.

Calls came in from right across the state including allegations of well-known companies, I was disappointed to note, hiring unlicensed contractors, and unlicensed contractors boasting that they did not have a licence and providing false business details. The phone-in has given OCBA many leads to investigate. The tip-offs relate to tradespeople across all fields of building, plumbing, gasfitting and electrical work. The results of this phone-in raised some areas of concern and obviously South Australians should be commended for having the courage to report these sorts of practices.

OCBA is now sorting through these latest allegations recorded during the campaign to independently verify information and launch relevant investigations. OCBA has already sent out 374 written warnings for unlicensed contracting in the 2008-09 financial year and eight people have been prosecuted in the courts. Penalties up to \$20,000 can be imposed for those convicted of engaging in unlicensed work, and unlicensed tradespeople can continue to be reported to OCBA's licensing compliance team.

For consumers wishing to check whether someone is licensed, we have a licensing public register online which is at www.ocba.sa.gov.au/licensing. I encourage people who are contemplating having work done to check the business details of the tradespeople concerned and to make sure that they are licensed and, if people have any concerns, to please call OCBA.

ADELAIDE SHIP CONSTRUCTION INTERNATIONAL

The Hon. J.A. DARLEY (15:14): I seek leave to make a brief explanation before asking the Minister for Mineral Resources Development a question about Adelaide Ship Construction International's lease.

Leave granted.

The Hon. J.A. DARLEY: Over a fortnight ago, I raised the question of Defence SA's sharp increase in rental demand from Adelaide Ship Construction International. For the benefit of the chamber, I reiterate that Adelaide Ship Construction's rent increased from \$50,000 per annum to \$108,000 per annum. In the minister's response, he stated:

The Minister for Agriculture, Food and Fisheries, who is handling this matter, is negotiating with Adelaide Ship Construction International. The government wants to reach a fair deal.

Similar sentiments of negotiating an outcome were echoed by the Minister for Agriculture, Food and Fisheries via several media outlets. When questioned about the minister's involvement, the Crown Solicitor indicated they had no further instructions from Defence SA. I have been in constant contact with Adelaide Ship Construction International and have been informed that the most recent communication from the Crown Solicitor's Office is that it is still making preparations to bring on the court action without any consideration being given to the possibility of mediation.

My question is: can the minister advise what, if any, negotiations have taken place with Adelaide Ship Construction International, and what progress has been made?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:15): I thank the Hon. Mr Darley for his important question. I understand that, this morning, Joe and Marijan Glamocak had a meeting with the Minister for Agriculture, Food and Fisheries (and I think Mr Darley may have there, as well), so the minister has provided me some information in relation to that.

As I understand it, the purpose of the meeting was to confirm the understanding of the process from here on, which is as follows. I believe that it is agreed and understood that the Glamocaks will lodge with their statement of claim with the relevant court. It is understood that, subsequent to that lodgement, a process of mediation will occur to assist in clarifying the issues in dispute with a view to reaching a position that the matters can be agreed. If, at the end of this mediation, the positions are not agreed then, obviously, this matter will need to be resolved through recourse to the relevant court. That is the information from the minister in relation to how that

process will proceed. I thank the honourable member for his interest in relation to resolving this matter.

WORRALL, MR L.

The Hon. R.I. LUCAS (15:17): I seek leave to make a brief explanation before asking the minister representing the Premier a question about Mr Lance Worrall.

Leave granted.

The Hon. R.I. LUCAS: Members will be aware that Mr Lance Worrall was a long-term economics adviser to the Premier, and they may also recall that the thesis for his degree at the Adelaide University Department of Politics went under the title 'Marxist theory and the state'. In the middle of last year, he was appointed to a senior position (CEO in charge of the Public Sector Performance Commission) and questions were asked about the process that was utilised for that.

To that end, I submitted an FOI and received a range of information as follows: Mr Worrall resigned from the position of senior economics adviser to the Premier on 1 August 2008. In his letter to the Premier, where he expressed sadness about having to confirm his resignation, Mr Worrall stated:

The terms of my contract reflect those earlier discussions [that is, taking on the position of interim CEO of the Public Sector Performance Commission]...the terms of my contract reflect those earlier discussions, in incorporating a right of return to the position of Senior Policy Adviser in the Premier's office after the completion of six months service with the PSPC.

I wish to indicate that I did not apply for this position. Rather, an approach was made to me by the CE of the Department of the Premier and Cabinet following an exhaustive national search for a CEO, that apparently did not yield up an acceptable candidate or one available on terms acceptable to the selection committee.

Further, I have a copy of an e-mail dated earlier this year, when the six-month contract was to conclude, asking the senior officer to arrange to extend Lance's contract for up to three months—that is, to the end of May 2009. Finally, a copy of the initial six-month contract through to February states:

The term of any re-appointment to the Position will be subject to a new agreement with the Chief Executive and will be for a term not exceeding five years...if the Executive is not re-appointed to the Position at the expiry of this Agreement it is noted that the Premier intends that he will return to his substantive position of Senior Adviser, Economic Policy in the Office of the Premier.

My questions are:

1. Given the reference to an exhaustive national search for this position, can the Premier indicate who conducted this exhaustive national search, when did the exhaustive national search commence, and what process was used for this exhaustive national search? Was the position that is now being filled by Mr Worrall advertised and, if not, why not?

2. Was the three month extension (to which I referred in the email) to the contract given to Mr Worrall to take him through to May 2009?

3. Has Mr Worrall been given a further extension of that contract or has he now been appointed to a five year term in that position? If he has, when was that decision taken, what is the length of that contract and what are the terms of the appointment made for Mr Worrall?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:21): I will refer those questions to the Premier in another place and bring back a response. I think it is interesting to note that, at a time when speculation is rife that the Hon. Mr Lucas might be returning to the front bench of the Liberal Party—presumably he is going there to try to give the Liberal Party some more focus on issues—we have just seen a snapshot about what might happen and what sort of issues the Liberal Party is concerned about.

Apparently, the burning issues facing South Australia today are not the release of the water plan or the planning issues, but issues about somebody who happened to be contaminated because, at some stage in the past, he happened to work with the Premier, and because he wrote a thesis at university 30 or 40 years ago that happened to have the name Marx in it. That apparently makes him completely unsuitable.

Frankly, with the recent policies of some members opposite (the anti-development policies of the Liberal Party these days), they are beginning to look more Marxist every day. So, maybe the

Hon. Mr Lucas has been going back and reading that thesis and deciding to apply it. I will take those questions on notice and bring back a reply.

PLANNING AND DEVELOPMENT FUND GRANTS

The Hon. CARMEL ZOLLO (15:23): Will the Minister for Urban Development and Planning please provide details of the recent allocation of more than \$6 million in Planning and Development Fund grants to local government and support for the Adelaide City Council?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:23): This government has channelled more than \$54 million during the past seven years to develop community facilities such as bike and pedestrian tracks, bridges, and picnic and play areas through the Planning and Development Fund.

Recent grants under the Planning and Development Fund's Open Space and Places for People programs featured several projects developing community space along our waterways, coast and tramline. I am pleased to advise that the final round of P&D fund grants for the 2008-09 financial year were announced last week. The value of these grants totals more than \$4.5 million, and they include:

- \$1 million for the District Council of Mount Barker to purchase and acquire a parcel of land on the outskirts of Mount Barker for open space;
- \$400,000 for the City of Unley to undertake stage 1 of Tramway Park within the City of Unley; and
- \$333,650 for Whyalla City Council to undertake stage 2 of the Whyalla Foreshore redevelopment.

The honourable member asked specifically about assistance provided to the Adelaide City Council through these grant programs. I am delighted to inform the honourable member that, last week, this government advised the Adelaide City Council that it will provide \$3.275 million to support projects that further enhance our great city. The open space grants sourced from the Planning and Development Fund will support Adelaide City Council projects worth \$6.67 million that will beautify key public spaces. The grants to the Adelaide City Council comprise:

- \$675,000 to assist the \$2.369 million cost of returning more than 2,000 square metres of alienated Adelaide Zoo land back to public use to provide improved security and pedestrian access to Botanic Park and the Zoo;
- \$600,000 to assist the \$2.3 million cost of landscaping required to return about 1.8 hectares of previously alienated land to public open space at the former car park at the rear of the Royal Adelaide Hospital. The government had previously provided significant funds to the Adelaide City Council in relation to that project. When it is completed, with that access to the Botanic Gardens off Frome Road, it will be a real contribution to the quality of life within this city;
- Also, the government has provided, through the Planning and Development Fund, \$2.6 million, comprising \$460,000 in the 2008-09 financial year and \$1.6 million in the financial year that began yesterday to fund stage 3 of the North Terrace upgrade, and that will focus on the Prince Henry Gardens in front of Government House.

These grants highlight how the state government and the Adelaide City Council are working effectively together to add value to Adelaide's premier cultural, civic and educational precinct. The mix of projects will ensure that Adelaide's major attractions, such as the Parklands, North Terrace, the Adelaide Zoo and Botanic Park receive the care and attention they deserve.

Support for stage 3 of the North Terrace upgrade will extend the streetscaping work along Adelaide's premier boulevard to King William Street. Extending the North Terrace facelift further east will provide new pavement, lighting, landscaping, public art and street furniture in keeping with the work that has been carried out on the first stages of that project, that is, between Kintore Avenue and Frome Road.

I am pleased that the Adelaide City Council has listened to the public and decided to focus stage 3 on improving the Prince Henry Gardens, rather than insisting on more ambitious plans that would have closed Kintore Avenue, removed the Government House wall and shifted the War Memorial. This government and the Adelaide City Council had previously jointly funded the

\$14 million stage 1 and \$7.4 million stage 2 of that North Terrace upgrade. Since July 2002, this government has provided more than \$5.3 million in Open Space and Places for People grants to the Adelaide City Council for projects that breathe new life into this state's capital.

This investment was part of more than \$45 million allocated in the past seven years from the Planning and Development Fund to encourage local government bodies and community groups to develop public space in their local area for recreation and to improve this state's social amenity. This investment in community projects also helps to create jobs for landscapers, designers and tradespeople throughout South Australia, and it complements the billions of dollars being invested by the Rann government in important infrastructure, such as public transport, roads and schools.

MOUNT BARKER

The Hon. M. PARNELL (15:28): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about developments in Mount Barker.

Leave granted.

The Hon. M. PARNELL: In an answer to a question I asked on 17 June about who is behind the Mount Barker development plan amendment, the minister replied that he would take the question on notice and provide an answer 'quite quickly'. I therefore would like to ask the minister again: first, who were the seven members of the consortium who approached the minister; and, secondly, who is the person these developers have nominated to prepare the Mount Barker ministerial development plan amendment on their behalf?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:29): I did intend to have that information. It was actually five developers. I will have that sent in, and I will give it to the honourable member after question time. However, as I indicated the other day, Mr Dean Day from Daycorp was the lead of those developers.

RECREATIONAL BOATING

The Hon. T.J. STEPHENS (15:29): I seek leave to make a brief explanation before asking the Leader of the Government, representing the Minister for Transport, questions about recreational boating registration fees in South Australia.

The PRESIDENT: Hear, hear!

Leave granted.

The Hon. T.J. STEPHENS: I thought you would have some interest in this question, Mr President. Recently, I was contacted by several constituents inquiring about the unfair recreational boating registration fees in South Australia. South Australia has the highest recreational boating registration fees of all the states, apart from Queensland, which, to its credit, at least offers a seniors and pensioners concession rate, which is almost half the original fee. My questions to the minister are: what is the justification for such outrageous fees, and why does South Australia not offer any concession rate to seniors and pensioners?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:30): I thank the honourable member for his questions. I will refer them to the minister in another place and bring back a response.

AUDITOR-GENERAL'S REPORT

The Hon. D.W. RIDGWAY (Leader of the Opposition) (15:31): I rise to ask some questions in relation to the supplementary report tabled a few weeks ago by the Auditor-General in relation to the Department for Transport. My questions relate mostly to TRUMPS and the whole registration issue, and some other matters. The member for Morphett has asked a range of questions on behalf of the opposition that I think the minister will be able to cover. Clearly, some concerns have been raised, and the Auditor-General raised some issues, as follows:

In April 2008, the external accounting firm reported to the department the results of its review. The report noted that staff working with the new system did not have the knowledge and skills required to operate the system and that this was impacting on revenue collection and disbursement processes. It also noted that discrepancies arising from the system's implementation, variations in banking and clearing accounts were not followed up or effectively controlled.

They are significant concerns. I will go to some transport related questions rather than Service SA, because I think the member for Morphett has covered most of these issues. Is the information contained on the TRUMP system secure? The Auditor-General highlights that at the time of implementation of the system there were a number of defects, including limitations in the TRUMP capability associated with financial control reporting and reconciliation processes, and matters associated with information security controls. So, is that information secure?

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) (15:33): I am happy to refer that question. The owner of the TRUMP system is DTEI. I can answer questions to do with Service SA's use of data. It is a consumer of the database, but it is not responsible for the database.

AUDITOR-GENERAL'S SUPPLEMENTARY REPORT

The Hon. D.W. RIDGWAY (Leader of the Opposition) (15:34): Can the minister confirm whether the \$72.795 million revenue forecast target for 2008, which was expected to be collected by SAPOL and the Courts Administration Authority for traffic infringements, has been met?

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) (15:34): I will refer that question to the appropriate minister and bring back a response.

AUDITOR-GENERAL'S SUPPLEMENTARY REPORT

The Hon. D.W. RIDGWAY (Leader of the Opposition) (15:35): The remaining questions are:

1. What has the minister done since April 2008 to resolve the issues raised by the external accounting firm which reported that staff working on the TRUMP system did not have the knowledge and skills required to operate the system and that this was impacting on revenue collection and disbursement processes, and that there were discrepancies arising from the system's implementation and variations in banking and clearing accounts that were not followed up or effectively controlled?

2. Can the minister explain the increase in the number of employees whose remuneration falls within the band \$100,000 to \$349,000 from 109 in 2007-08 to 204, given that the auditor points out that these numbers include only two DAIS employees?

3. Can the minister provide a list of all 16 consultancies that have been undertaken during 2007 and 2008, given that the department's 2007-08 annual report has not yet been tabled in the council?

4. Were the matters raised by South Australia Police resolved prior to the system going live? I refer to page 103 of the report.

5. The Auditor-General has advised there were 308 outstanding defects in the system ranging from critical/major to minor. How many of those were raised by South Australia Police?

6. What are the mandated security standards for ICT service providers; how often are those service providers required to undertake self-assessment, and is the government provided with reports of these self-assessments?

7. Why has the department not maintained a fully documented baseline of TRUMP system functionality and regular updating of TRUMP test plans since its implementation? The Auditor-General states that such key documentation should address system design, functionality, security controls, operation, and interfaces with other systems.

8. Page 42 of the Auditor-General's Report talks about performance audits of bus depots. What is the current status of the performance audits of bus depots?

9. Of the full-time employees who will be targeted as part of the government's saving measures for targeted separation packages, how many will be employees earning over \$100,000? Page 70 of the report outlines that 204 employees within DTEI are receiving remuneration of \$100,000 in 2008, an increase of 95 over the previous year.

10. I am aware that much of the external work commissioned by the department which used to be classified as 'consultants' is now classified as 'other service contractors' or 'suppliers'. Can the minister provide a list of all service contractors, suppliers and consultants for 2007 and 2008 who received amounts over \$50,000? In 2008, \$50.9 million was spent on other service contracts and \$69.9 million was spent on infrastructure maintenance contracts, and only \$178,000 was spent on consultants. I refer to page 71 of the Auditor-General's Report.

11. Finally, what does the minister expect net foreign exchange losses to be for 2009? Note 11 under 'other expenses' in the Auditor-General's Report states that net losses on foreign exchange were \$976,000 in 2008 and \$1.029 million in 2007.

I thank the minister for her indulgence. That puts on the record the remaining questions on notice.

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) (15:39): Two of those questions I have some responsibility for so I can provide a response. First, in relation to the question concerning follow-up and controls, I can answer with respect to the qualification of the Auditor-General's Report that relates to deficiencies in controls associated with the registration and finance component of the TRUMP system. During the 2007-08 financial year, something like 4.1 million transactions, with a total value of just over \$1 billion, were processed through the TRUMP system. Outstanding transactions included in the June 2008 reconciliation represent significantly less than 0.1 per cent of total transactions.

The type of discrepancies being processed through the bank reconciliation included things such as transactions processed incorrectly through EFTPOS handsets, manual credit card transactions, third party dishonoured cheques, remote payment gateway outages (an example is the internet), and bank adjustments, including fees and interest payments.

Some of the improvements implemented during 2007-08 included the development of system reports, the appointment of additional qualified staff, and the review and revision of documented procedures to ensure they reflect appropriate financial management techniques. The department has also appointed a high level finance team, led by the director of finance, to continue work in addressing those issues raised by the Auditor-General.

The control improvements implemented in 2008-09 include further systems improvements such as the consolidation of payment gateways to the proven Bizgate system to strengthen system and audit trails and reporting capabilities, completion of the GRL receipting system metro roll-out in November 2009, the partial automation and reconciliation process resulting in the lock-down of spread sheets, the reduction of reliance on manual processing and increased checking.

In 2008-09, it also included targeted training programs and updated procedures in cash handling and financial control matters for customer service centre staff, restructured support services to provide separate quality assurance training and audit roles to customer service centres and back of house financial control staff, the completion of mapping all system and manual reconciliation processes and mapping of procedures to the processes, and undertaking a knowledge matrix review in 2009 to ensure cross-training and staff back-up during periods of leave.

In terms of the police matters identified before going live, I am advised that in the lead-up to the TRUMP implementation outstanding defects were very carefully managed. All defects representing a significant risk to the system's operations were resolved prior to seeking approval to implement the system.

ANSWERS TO QUESTIONS

CABINET RESHUFFLE

In reply to the **Hon. R.L. BROKENSHERE** (3 March 2008).

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business): The Minister for Agriculture, Food and Fisheries has provided the following information:

To suggest that the government needs to take action to stimulate regional economies and provide interim social support ignores the fact that the South Australian Government continues to work assiduously with the Commonwealth Government, with local government and with impacted

communities to put in place short and long term measures to ensure that the state emerges from the drought and the global credit crisis in the best possible condition.

I refer you to the Drought website for further details on the programs being delivered—www.service.sa.gov.au/contentpages/sagout/drought.

MARINE PROTECTED AREAS

In reply to the **Hon. J.M.A. LENSINK** (19 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 Environment and Conservation has advised:

- The government is currently conducting surveys on penguin colonies located close to some marine parks focus locations including on Pearson Island, Troubridge Island and Reevesby Island.
- A study of Little Penguin feeding and reproductive behaviour at a number of locations around the State's coast is being conducted through the South Australian Research and Development Institute.
- Little Penguin census counts also currently occur on an annual basis on Kangaroo Island, West Island and Granite Island supported by the Department for Environment and Heritage and Natural Resources Management Boards in collaboration with commercial operators and the community.
- The data collected is being used to inform marine parks baseline data and is an integral component to ensure ongoing monitoring and management is effective.

DRUG USE MONITORING

In reply to the **Hon. R.D. LAWSON** (23 September 2008).

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business): The Attorney-General has received this information:

Over the period that data was collected from Elizabeth Police Station, some differences were identified between the two sites, such as drug use patterns and related activity. For example, it was identified that the Elizabeth sample usually recorded a lower percentage of detainees testing positive to heroin and benzodiazepines but higher percentages of detainees testing positive to cannabis.

Although the collection of data from Elizabeth was a valuable exercise in identifying the levels of drug use and its association with crime in a local context, it was recognised that the continued collection of the data at Elizabeth would be of limited value in further informing the demographic variations between the two sites and the link between drug use and crime, since the patterns identified were well established over the period of data collection. The DUMA data is only one of the sources of data about drug use that justice agencies rely on. Ceasing the collection of DUMA data at the Elizabeth Police Station was not expected to have any impact on service delivery across government and other interested agencies, such as SAPol and Department of Health. The interested agencies were consulted on the decision to cease data collection at Elizabeth. Data collection at the Adelaide City Watch House continues.

In addition to providing information to local police that can be used to assist them operationally, DUMA also contributes to the evidence base for policy formulation by:

- Monitoring police detainees who are involved in illicit drugs and crime markets;
- Providing tracking data that facilitates the examination of trend data;
- Providing information on drug use not just from those known to be drug users, such as injecting drug users;
- Validating self-reported recent drug use with urine testing;
- Providing a large, high-quality database for analysing links between drugs and crime; and

- Providing a mechanism for collecting other key strategic information on issues of importance to law enforcement e.g. drug driving and high speed pursuits and use of weapons through the addition of addendum questionnaires.

Information from the DUMA project is used for administrative purposes, primarily strategic planning, including resource allocation, policy development and providing advice to government Ministers and the government and non-government agencies. DUMA data are also used for research purposes, including the preparation of briefing papers comparing and contrasting with other research project data, examining specific variables (e.g., antecedents in offender drug use) and preparation of literature reviews. A specific example of how DUMA data has been used is SAPOL's Operation Mantle, a policing approach targeting low to mid-level drug dealers.

Data collected from the Adelaide City Watch House continues to contribute to this work, providing a South Australian perspective.

SPENT CONVICTIONS

In reply to the **Hon. R.D. LAWSON** (12 November 2008).

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business): The Attorney-General has provided the following information:

1. The Hon. Mr Lawson has asked three questions. First, he asked when the government will introduce legislation about spent convictions. The answer is that this depends on the progress of the national project to design model laws on this topic. In December, 2008, Attorneys-General around Australia published a draft model Bill and a discussion paper inviting comment on the proposals by late January 2009. All comment will be taken into account by the Standing Committee of Attorneys-General in deciding on the final form of the model Bill. The matter is on the agenda for the Committee's August meeting. The government hopes to introduce a Bill to Parliament based on the final form of the model Bill once that model has been adopted by the Standing Committee of Attorneys-General.

2. Second, he asked what is the justification for the government's delay in introducing such legislation. The answer is that the government wishes South Australia to take part in the national project in the hope of a nationally-consistent approach to this question, including mutual recognition provisions so that a conviction, once spent in the jurisdiction where it was incurred, is spent in all. If the government were to introduce legislation without waiting for the national project to be completed, we would only be coming back to the Parliament soon thereafter to amend that legislation when the national model is settled. That could cause confusion.

The Minister for Police has provided the following information:

3. South Australia has no legislation to permit the deletion of an individual's offender history and there is no position within the State that has authority to suppress or expunge offences.

The State Records Act 1997 prohibits the inappropriate destruction of information unless instructed by a specific retention/disposal ruling and all offender history details are classified for permanent retention.

The Commissioner of Police has advised that the South Australia Police's (SAPOL's) information release practice is based on the Spent Conviction provision of the Commonwealth Crimes Act 1914, which states a conviction will be regarded as being 'spent' or 'inactive':

- If at the time of the commission of an offence, the person was an adult and ten years have elapsed (or in the case of a child five years have elapsed) since the recording of the conviction and the person has not been convicted of a further offence.
- Previous offences attracting a penalty of more than 30 months imprisonment are exempt from being spent.
- A conviction will be disregarded from the date that it is quashed, set aside or a pardon issued.
- Under the Commonwealth Crimes Act 1914, Spent Convictions Scheme Exclusions (October 2004) designated offences are exempt from being spent if the person is working with children or intellectually disabled persons.

- A designated offence means either a sexual offence or any other offence against the person if the victim of the offence was under 18 at the time the offence was committed.

SAPOL's information release practice relates to matters that are found proven in a court of law. In accordance with the Criminal Law (Sentencing) Act 1988, Section 15 and 16, all court hearings with an outcome of 'without conviction' are considered to be a finding of guilt.

'Spent' offences are not released unless required by an Act, Registration Board, requested for Court purposes, or involvement in certain areas eg childcare.

POINT LOWLY

In reply to the **Hon. M. PARNELL** (17 February 2009).

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business): The Minister for Infrastructure has provided the following information:

Alternative port sites have been considered by previous governments and more recently by stevedoring companies and the Department for Transport, Energy and Infrastructure.

A consortium (Spencer Gulf Portlink) has been appointed by the State Government to demonstrate that it can develop and operate an iron ore export port facility at the gazetted harbour of Port Bonython located on the Point Lowly peninsula, while addressing all of the environmental and social impact issues, and without any financial cost to the government.

SA JOCKEY CLUB

In reply to the **Hon. T.J. STEPHENS** (17 February 2009).

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) The Minister for Recreation, Sport and Racing has provided the following information:

I refer the honourable member to my Ministerial Statement of 24 March 2009.

SA WATER BILLING PROCEDURES

In reply to the **Hon. J.A. DARLEY** (17 February 2009).

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business): The Minister for Water Security has provided the following information:

There were no errors made in calculating the initial payment.

As the initial payment applied to water consumed up to 30 June 2008, some customers received two separate payments. This occurred to customers who were billed for water use in July 2008 (for water use between 16 December 2007 and 16 June 2008) and again billed for water use in January 2009 for water use between 17 June 2008 and 16 December 2008 (with the portion of water use between 17 June 2008 and 30 June 2008 eligible for a further ex gratia payment).

BRADKEN FOUNDRY

In reply to the **Hon. A. BRESSINGTON** (18 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 Environment and Conservation has advised:

Due to economic uncertainty, some aspects of Bradken's proposed expansion will now be delayed.

Notwithstanding the delay, Bradken has advised the EPA that it intends to proceed with environmental improvements. However, it has advised that some improvements may not be met within original timeframes.

The EPA advises that some noticeable improvements are expected to take place in the 2009-10 financial year.

PUBLIC SERVICE APPOINTMENTS

In reply to the **Hon. R.I. LUCAS** (3 and 4 June 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 Assisting the Premier in Cabinet Business and Public Sector Management has advised:

The government approved a policy regarding appointment of Chief Executives on 25 October 2004 which is that the appointment of Chief Executives (including Chief Executives of Administrative Units) pursuant to the Public Sector Management Act 1995 be made, subject to individual circumstances, for an initial term of five years with a further re-appointment of up to three years.

MOUNT BARKER

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:43): I seek leave to make a ministerial statement.

Leave granted.

The Hon. P. HOLLOWAY: In question time today and in the previous sitting week the Hon. Mark Parnell asked me a question relating to the consortium of developers at Mount Barker. My information is that that consortium of five comprises the following organisations: Urban Pacific; the Fairmont Group; Walker Corporation; Land Services Proprietary Limited; and Daycorp Proprietary Limited. I am advised that Connor Holmes is not a member of the consortium.

PETROLEUM (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 April 2009. Page 2125.)

The Hon. D.W. RIDGWAY (Leader of the Opposition) (15:44): This bill is similar to the Torrens Linear Park bill and is one that ministerial advisers indicated was not that urgent. As such, it has not gone through our full party room process. Nevertheless, to start proceedings I am happy to make my contribution and indicate opposition support for the second reading stage. At the same time, we reserve our right to make amendments or potentially vote against the measure, although I think that will be unlikely.

The bill does a number of things: it strengthens the provisions for gas storage; creates greater security of tenure and flexibility in the licensing and activity approval provisions; provides for enhanced competition in relation to minerals processing; enhances landowner notice entry and compensation provisions; refines the royalty payment provisions; reinforces the 'one window to government' concept; and streamlines the data submission requirements.

The bill had its genesis in a discussion paper released in 2005 on implementation issues related to the Petroleum Act 2000. The initial four-year operation period of that act had understandably presented implementation problems, and the discussion paper attempted to identify those issues and suggest appropriate solutions. A green paper on the proposed amendments followed late in 2006, and this government bill is a response to the issues initially identified and the proposed amendments that followed. A name change from the Petroleum Act to the Petroleum and Geothermal Energy Act reflects the changing face of the mining sector and of our focus on renewable energies and the great asset South Australia has in the geothermal resource that is in our state's north.

In addition to the name change, it is supported by an addition to the objects of the act regulating the exploration of geothermal resources and natural reservoirs for storage and production. The definition of 'petroleum' is extended to cover the product of coal gasification, a process used to produce synthetic petroleum. Other substances occurring as a result of petroleum storage in underground reservoirs are covered as regulated substances. The bill also clarifies that petroleum produced and reinjected into a natural reservoir is owned by the licensed producer and not the crown.

The minister has already been able to designate highly prospective regions under an amendment in respect of the competitive tender process and the regions. So the minister, on my understanding, already has a responsibility to designate a highly prospective region under the act.

Such areas are the Cooper and Otway Basins, and the minister is required to give out an acreage by tender. These areas, seen to be highly prospective for petroleum exploration, will be replaced by a 'competitive tender region'. Market supply, proximity to infrastructure and technological innovations, amongst other things, will all contribute to the suitability of an area for the competitive tender process, and this change highlights that geological prospectivity is only one contributing factor. This change is predominately for marketing purposes, although I suspect it will now make access to these areas more streamlined.

A change to the act means that exploration licences for these areas will be renewable twice rather than once, and the maximum area for a petroleum exploration licence will be extended to 10,000 square kilometres. The opposition has always been a bipartisan supporter of our minerals and petroleum industries—

The Hon. R.P. Wortley interjecting:

The Hon. D.W. RIDGWAY: Sadly, we have another inane interjection from the Hon. Russell Wortley. While we have enjoyed bipartisan support in recent years, the current Premier was vehemently opposed to the development of Roxby Downs.

The amendment bill amalgamates the definitions of 'owner' and 'occupier' as 'owner of the land' for the purposes of avoiding unintended consequences, such as only the occupier of the land being notified, while the landowner, who is entitled to compensation for entry, is not notified.

I think that is very important because, as we saw with some of the old mines in and around the Barossa Valley, with high commodity prices (the price of copper and some of the other metals had gone up before the global financial crisis), there was tremendous pressure on those old resources for mining companies to explore and perhaps open up some of the old mines. While we are debating the petroleum bill, I think it is important to recognise landowners' rights, and this piece of legislation enhances the protections for landowners.

Under clause 44, an owner of the land may now be compensated for reasonable costs incurred in relation to any negotiation or dispute relating to access to land and activities carried out on the land. Compensation will also be provided for the devaluation of land caused by the development of permanent facilities by the licensee.

I ask the minister whether he can actually provide some details of the likely circumstances where compensation would be payable to a landowner. My understanding is that it is likely to be by the licensee, so obviously the person proposing the development, but I think there is always a grey area and creative tension between landowners and miners, whether they are miners digging something up or working in the petroleum industry.

The Hon. P. Holloway: SEA Gas Petroleum.

The Hon. D.W. RIDGWAY: The minister interjects, 'SEA Gas', when it put the pipeline through from Victoria through to South Australia. There are always issues and I think, by and large, they are negotiated on the way through, but it appears that the bill does enhance and provide more clarity of that whole process. I would certainly like some explanation from the minister in relation to that.

A number of licence changes will appear in this new bill. Under, I think, section 13 of the act, there is a range of licences, and I will just speak to them quickly. There is a preliminary survey licence, a speculative survey licence, an exploration licence, a retention licence, a production licence, a pipeline licence and then, of course, an associated facility licence.

The exploration, retention and production licences will each be broken into three subcategories: petroleum, geothermal and gas storage. We in the opposition support this change because it is important that we support some of these emerging activities in our petroleum industry. The preliminary survey licences permit the preparatory work necessary prior to mining activities. The bill will allow the minister (on application) to vary the area to which the licence relates, which is already the case for the pipeline licence. Further, there will no longer be a maximum aggregate five year term for a preliminary survey licence. This is already the case for speculative survey licences.

As stated, the exploration licence class will be divided into three categories. Depending on the category, the licensee may carry out exploratory operations (operations to establish the nature and extent of the discovery) and establish the feasibility of production and appropriate production techniques. The holder of an exploration licence will be entitled to the grant of the corresponding

retention or production licence for the regulated resource discovered in the area. Therein lies the significance of the divisions of the three licence categories.

Of most interest to the opposition is clause 17, which provides that the maximum licence area for gas storage will be 2,500 square kilometres. The rights under this licence will continue after the exploration and production licences have been extinguished. Royalties will not be payable for gas storage, and the maximum licence area for a geothermal exploration licence is to be increased from 500 to 3,000 square kilometres. The opposition is likely to support this because it enhances the storage of gas and CO₂ sequestration, which will also be covered under this bill.

Interestingly, clause 45 creates a provision for the precedence of exploration licence applications; namely, applications will be dealt with in order of receipt unless the minister calls for tenders for exploration licences under section 22 of the act. So, it puts in a 'first in, best dressed' basis for exploration licences.

The class of a retention licence (which a number of clauses are addressing) protects the interests of a licensee and discovery of a regulated resource until they have properly evaluated the productive potential. Once again, the licence is divided into three: for a gas storage retention licence it will facilitate the testing of natural reservoir storage suitability; the area of a petroleum retention licence is to be limited to 100 square kilometres; and for geothermal retention or gas storage it is 1,000 square kilometres. I think one can see that it underpins our emerging geothermal industry and also recognises the importance of gas storage.

There will be three categories of production licences, and the main purpose is to cover the in situ gasification and coal seam methane as part of the petroleum production process, and to cover the storage or withdrawal of petroleum as part of ensuring supply and delivery to the market. In South Australia we have not seen as much in situ gasification or coal seam methane production as in other parts of Australia but we know that South Australia has a very rich resource in the Arckaringa Basin, to name but one. I think the Officer Basin is another and there is a whole range of areas where we have coal of quite high quality but deeply buried a long way from market and a long way from anywhere that needs to burn coal.

We also have a number of deposits on the West Coast, some at Lochiel, even Cooke Plains in the Mallee, and Kingston in the South-East, although the Kingston resource is below the aquifer and that has always presented problems. Many years ago Western Mining was looking at trying to mine there but the community was quite concerned because it would have to undertake a dewatering of the area which would have had a huge impact on the underground water resources in the South-East. More recently, another company (Hybrid Energy) was looking at a way of strip mining (I cannot remember the exact term) to access that coal. Its plan was not to dig it out as coal, as Western Mining's was some 20 or 30 years ago, but to have a coal to liquids plant and turn it into diesel on site and then sell the diesel.

These production licences will be an important part of the industry going forward. I think we have accessed the low-hanging fruit in terms of the oil and gas which has been easy to access in our state, and now we will have to look at accessing some of the resources that are more difficult to get to. Also, the associated facility licence allows for the operation of facilities outside a licensed area that are reasonably necessary or incidental to the primary operations. This definition will be divided into an associated activities licence or a special facilities licence. Currently, only a petroleum production licensee or an associated facilities licensee can build or operate a processing facility. This new associated facility licence will allow third parties, non-primary licence holders, to construct and operate facilities.

Often you will find that there will be companies that are expert in accessing a resource but not expert and not having the capacity to turn that resource into another product. We might see some coal being brought to the surface and then the associated facility licence (operated by another company) turning coal into liquid or gasification. The current act has created some unnecessary impediments to this sort of entrepreneurial investment in searching or processing the production of minerals and for geothermal energy. It is important that the potential for this third party ownership and operation of processing facilities not only provides an opportunity for that third party investment but also for companies that have expertise, not necessarily in mining or petroleum exploration but in other areas, in order to allow access into the market.

Clause 33 of the bill provides that licensees will have to lodge monthly returns showing the quantities, substance or energy produced/sold and the royalties payable. The minister can gazette particular licences or categories of such where this does not apply. This will assist the government

in creating a more accurate projection of royalty payments. I have asked the minister questions on monthly returns before, and in the budget you will see an estimation of royalties. Really, the government is in the hands of the miners and the petroleum producers. I think that monthly returns seem to be a logical way forward.

Clause 55 of the bill will require a licensee to carry out a fitness-for-purpose assessment of facilities operated on land within their area at prescribed intervals. This will be to assess the risk to public health and safety, the environment and the security of production or supply of natural gas (if it is relevant), and a report as such will need to be provided by the licensee, who must promptly carry out any remedial action that is necessary or appropriate in view of that report. Failing to comply will attract a penalty.

Again, it is important as our mining industry and energy industry expand that the community has some confidence that people are operating within the framework that has been established under this legislation. It is sad to say that the government has not resourced the EPA or PIRSA adequately to monitor some of these mining and energy operations. We saw what happened with Marathon Resources a couple of years ago where the regulatory authorities were not paying attention and, of course, we had a problem with Marathon Resources and the disposal of waste from its drilling.

The opposition sees this as a reasonable step forward. We have not taken this through our party room as yet, but I indicate that we have contacted nearly 20 stakeholders, including the Aboriginal Legal Rights Movement, Adelaide Energy Pty Ltd, Australian Coal Association, Australasian Compliance Institute, Australian Pipeline Industry Association, Beach Petroleum Ltd, BHP Billiton, EnergyQuest, Flinders Power, Geothermal Resources Ltd, Heathgate Resources Pty Ltd, Hybrid Energy SA, Origin Energy, Origin Energy Retail, Petratherm, Santos, SAPEX, Torrens Energy and Stuart Petroleum.

All of these companies have been contacted for their feedback; at this stage, we have had only one response. However, I intend to take this through our party room process before we next sit. With those few comments, I seek leave to conclude my remarks later.

Leave granted; debate adjourned.

[Sitting suspended from 16:05 to 18:15]

APPROPRIATION 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) (18:15): 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.

Over the past 12 months the global economy has faced unprecedented challenges.

It has been well documented how international economies including the United States, the United Kingdom and Japan, through to nations such as Ireland and Iceland, are wilting in the wake of the economic crisis.

The crisis has claimed international financial institutions and caused many others to be bailed out by central banks and governments at a cost of trillions of dollars.

Economists have described it as a virus—as having a contagion effect, and, as a result nearly every advanced economy in the world has been dragged into recession.

In my recent trip to New York, I was advised that the immediate outlook for the United States is grim.

Nominal house prices are down 30 per cent from their peak with one commentator believing that the market would not bottom out until the middle of next year.

It is estimated that approximately 50 per cent of houses being sold are foreclosure transactions and one commentator believes the foreclosure rate could grow as high as 40 per cent of all mortgaged homes.

The financial crisis will see not only depressed growth in the United States, but also a major restructure of their banking system with some estimating that over 1000 banks will disappear.

The International Monetary Fund has issued their World Economy Growth Forecast in July last year predicting robust growth of 3.9 per cent this year.

Less than 12 months later the IMF is now forecasting the world economy will contract by 1.3 per cent.

Mr Speaker, while the outlook for Australia is not quite as grim—we are not immune.

Our national economy is suffering a double hit.

The financial crisis means lenders are reluctant to make capital available and that is restricting growth. At the same time, economic difficulties being experienced by many of our trading partners have caused some of our export markets to dry up.

The Rann Labor Government has an enviable record of delivering budget surpluses and as a result South Australia is in a strong position to weather the economic storm.

Just a year ago, the state budget returned a surplus of \$464 million and all budget debt had been eradicated—in fact the budget had accrued over \$250 million in financial assets.

In addition, we have invested record sums in our key services in health, education, transport, police and the criminal justice system and in securing our water supplies.

The Rann Labor Government has also delivered billions of dollars in tax reforms, making South Australia a better place to do business and providing an economic environment in which more than 100,000 new jobs were created—two-thirds of them full-time.

However the economic crisis has had a devastating impact on the state's revenue.

Since the 2008-09 Budget, GST and state revenues have plunged by billions of dollars.

In the 2008-09 Mid-Year Budget Review, I outlined the government's actions to improve the state's fiscal outlook in response to the global financial crisis.

Mr Speaker, the fiscal outlook has continued to deteriorate—pushing the budget back into deficit.

Now the total fall in GST revenue since the 2008-09 Budget is projected to be \$2.9 billion over the forward estimates with state revenues plummeting by \$882 million over the same period.

When I first began to frame this budget we faced the prospect of an operating deficit well in excess of \$500 million and significant deficits in each of the following years.

Mr Speaker, this would not be sustainable, and as a result the government has made some tough decisions which I will detail later in order to place this state on a path to surplus.

Net operating deficits will still be recorded this year and next. But in 2010-11 and beyond, the Rann Labor Government will return South Australia to surplus once more.

In detail the net operating results are:

- a \$265 million deficit in 2008-09;
- a \$304 million deficit in 2009-10;
- a \$78 million surplus in 2010-11;
- a \$96 million surplus in 2011-12; and
- a \$304 million surplus in 2012-13.

General government net debt is expected to grow to \$3.2 billion by 30 June 2012, largely reflecting the government's record infrastructure spending, before beginning to decline by 30 June 2013.

As a percentage of GSP net debt is expected to be 3.4 per cent at 30 June 2013—a fraction of what it was in the 1990s.

Mr Speaker, the International Monetary Fund and the Commonwealth Government have sent a clear message.

The best response to the economic crisis is for governments to invest in, and where possible, bring forward investment in key infrastructure.

It is a strategy to stimulate the economy and importantly to support and secure jobs.

This budget does that.

This government will continue its commitment to rebuilding critical infrastructure.

In partnership with the Commonwealth, we will bring forward projects such as the upgrade and electrification of the Gawler line—part of a record public transport infrastructure program worth in excess of \$2 billion.

The Adelaide Desalination Plant will be expanded to a 100 gigalitre capacity—enough to produce about half of South Australia's critical human water needs.

Mr Speaker, in the next financial year alone, our infrastructure program will support nearly 14,000 full-time equivalent jobs—providing a direct stimulus to the South Australian economy when it is needed most.

Over the next four years this government will deliver an infrastructure program totalling \$11.4 billion—continuing to support jobs and the economy.

The government's capital spending will grow from 1.8 per cent of GSP last year, to 3.0 per cent this year, and to 5.0 per cent of GSP next year—a clear demonstration of how this government investment is stimulating the economy during this difficult period.

However, this expenditure program has to be delivered while keeping state debt at manageable levels and the budget in a sustainable position. This is no time for fanciful new infrastructure proposals.

Mr Speaker, the 2009-10 Budget is framed in the face of a significant plunge in revenue.

The significant weakening in property market conditions experienced in 2008-09, and anticipated to continue into 2009-10, will have a major effect on property based revenue.

As a result, revenue from stamp duty on conveyances will decline by more than 20 per cent in 2008-09, costing the state budget more than \$180 million.

Even though there have also been significant reductions in interest rates—continued uncertainty and a modest economic outlook will continue to have a dampening influence on the property market and hence state revenues.

Mr Speaker, as I have already explained, the government's receipt of GST grants has declined markedly.

In 2008-09 GST revenue grants to South Australia are expected to be more than \$350 million lower than the original budget estimate.

Despite the revenue pressure, the 2009-10 Budget contains no new taxes, consolidating the significant tax relief provided in previous budgets.

Payroll tax reductions, announced in the 2008-09 Budget, will take effect from 1 July 2009 as scheduled.

The payroll tax rate will be reduced from 5.0 per cent to 4.95 per cent and the payroll tax threshold will increase from \$552,000 to \$600,000.

This will be of significant assistance to business and will continue to support jobs.

It's estimated that 6700 employers employing about 370,000 South Australians are expected to benefit from these reforms, including an estimated 180 employers who will no longer be liable for payroll tax when the threshold increases to \$600,000.

From 1 July 2009, South Australia will have the second lowest payroll tax rate in Australia, equal to that of Victoria.

The payroll tax reforms delivered by this government will be worth more than a billion dollars by 2012-13.

Mr Speaker, while I acknowledge land tax is for some taxpayers a burden—general reform cannot be afforded at this time.

However, from 1 July 2009, this budget will provide land tax relief for land that is used for residential aged care facilities approved under the Commonwealth *Aged Care Act*.

This measure will ensure that all Commonwealth accredited, residential aged care facilities will not be required to pay land tax, regardless of whether they are run as a not-for-profit or a commercial operation.

The estimated cost of this measure is \$6.2 million over the four years from 2009-10 to 2012-13, including \$1.6 million in 2009-10.

Consistent with the government's revenue reform commitments, remaining mortgage duty and rental duty will be fully abolished from 1 July 2009 and stamp duty on the transfer of non-quoted marketable securities and non-real property transfers will be abolished from 1 July 2012.

This is fully in accordance with the *Intergovernmental Agreement on Federal Financial Relations*.

Mr Speaker, with government comes responsibility for sound economic management and also for difficult decisions.

As a result, today I am announcing that the New Prisons and Secure Facilities Project will be cancelled.

This has been a difficult decision for government, but one that is necessary to ensure that we can continue to deliver our commitment to deliver critical infrastructure and key services.

The decision to cancel this project will reduce our future debt obligations by more than \$500 million.

Mr Speaker, the government carefully examined the case for the full range of our infrastructure, and, on balance I believe it is right to put schools, hospitals and public transport ahead of building new prisons and secure facilities.

There remains provision in the budget for 232 additional prison beds over the next three years.

This is in addition to the 374 new beds provided in 2007-08 and 2008-09.

A total of 606 new beds in our prisons.

In addition, \$50 million has been allocated for essential works in the existing facilities.

Mr Speaker, today I am announcing the government is to establish a Sustainable Budget Commission to be led by the noted economist Geoff Carmody. Mr Carmody was the co-founder of Access Economics and was the executive officer of the Commonwealth Government National Commission of Audit which reported in June 1996. Mr Carmody is familiar with this type of work and will bring a great deal of experience to the role.

Other members of the Commission will be Mr Bruce Carter, Chair of the Economic Development Board; Monsignor David Cappelletti, Commissioner for Social Inclusion; Professor Jennifer Westacott, Senior Partner at KPMG; Mr Chris Eccles, the Chief Executive of the Department of the Premier and Cabinet; and Mr Jim Wright, the Under Treasurer.

The Commission will be supported by a secretariat from the departments of Treasury and Finance and Premier and Cabinet.

It will be asked to recommend strategies to achieve additional budget improvement measures of \$750 million in the forward estimates period, with \$150 million to be achieved in 2010-11, \$250 million in 2011-12 and \$350 million in 2012-13.

This savings task is challenging, but one that the Rann Government has previously confronted.

Similar savings tasks were conducted in 2002 and 2006.

Cabinet has already tasked the Commission with examining the budget process and putting forward an appropriate date for the 2010-11 Budget taking account of the 2010 election and the Commission's work.

Full terms of reference will be given to the Commission immediately following the March election so that it can begin detailed work.

To achieve a proportion of this savings task, the government will pursue wage outcomes across the public sector of no more than 2.5 per cent per year.

South Australia can't afford a blank cheque for public sector pay deals and it's time they reflected what is a reality for workers in the private sector.

During these difficult economic times, many South Australians working in the private sector have had their take home pay cut as their firms reduce shifts.

Others still have lost their jobs.

Mr Speaker, the Commonwealth has forecast cost of living increases of 2 per cent or below up to 2011-12.

Increases of 2.5 per cent therefore mean that public sector workers will still receive real wage increases and will limit the need to cut further jobs from the public sector.

Given that many public sector workers enjoy security of tenure, it is not unreasonable for them to restrain their wage demands.

Mr Speaker, the Commonwealth announced the Nation Building—Economic Stimulus Plan in February to address the impact of the global financial crisis on Australia.

The Rann Government fully supports the plan.

It will provide an immediate employment boost whilst making long-term investments to strengthen future economic growth.

Accordingly, the Council of Australian Governments developed special arrangements for implementing the plan and all Premiers and First Ministers signed the National Partnership agreement on the Nation Building and Jobs Plan.

The plan will deliver \$1.8 billion in additional funding to South Australia over four years, commencing in 2008-09, in the areas of education, housing and transport.

In addition, on the 12th of May this year, the Commonwealth budget provided a further stimulus package, with South Australia receiving \$1.1 billion for a range of capital projects including:

- \$645.7 million for public transport infrastructure that includes \$291.2 million for the Seaford rail extension, \$293.5 million to bring forward the upgrade and electrification of the Gawler line and \$61 million for an improved link between the O-Bahn and the central business district;
- \$228 million to help facilitate the expansion of the Adelaide Desalination Plant to 100 gigalitres; and
- \$200 million to build a new Health and Medical Research Institute adjacent to the new Royal Adelaide Hospital.

Mr Speaker, the Commonwealth's investment is supported by the state government's own infrastructure investment program creating a partnership for jobs and economic stimulus.

Mr Speaker, the Education and Children's Services operating budget for 2009-10 will exceed \$2.3 billion.

Spending per government school student continues to grow in 2009-10.

Spending per student has risen from \$7598 in 2001-02 to \$12 627 in 2009-10—an increase of more than \$5000 per student.

In partnership with the Commonwealth, the 2009-10 Budget provides around \$1.5 billion for new education initiatives over the next four years.

It includes around \$1.2 billion over the next two years for government and non-government schools in South Australia for a program of capital works under the Building the Education Revolution initiative as part of the Nation Building—Economic Stimulus Plan.

This program will deliver new gyms, libraries and classrooms to over 520 government schools as well as maintenance and refurbishment programs worth up to \$200,000 each in 589 government schools across the state as part of the Primary Schools for the 21st Century and National School Pride programs.

The 2009-10 Budget also includes:

- \$107.7 million over four years for low socioeconomic status schools in the government sector;
- \$72.5 million over three years for the government school sector to improve the ratio of computers to students in Years 9 to 12 as part of the Commonwealth's Digital Education Revolution;
- \$65.1 million over four years for the government school sector to provide access to an early childhood education program for all children in the year before school by 2013;
- \$51.1 million over four years for maths and science programs in government primary schools;
- \$4.3 million in 2009-10 to improve literacy and numeracy outcomes in government schools; and
- \$4.2 million over three years to improve teacher quality in government schools.

Mr Speaker, in March 2009, the government announced Pinnacle Education as the preferred bidder for the Education Works—New Schools PPP project.

This project involves the development of six new schools for the communities of Playford North, Inner North and Inner West areas of Adelaide for more than 4600 students.

Subject to final negotiations, contractual close is expected in mid 2009 and the first two schools are expected to open in 2010.

Mr Speaker, last year's budget announced the commencement of a major 10-year program to redevelop, electrify and extend the state's public transport infrastructure.

This budget builds on that commitment by announcing a further major expansion of rail infrastructure and services to Seaford, and the earlier implementation of a number of rail projects.

To support these arrangements the Commonwealth will provide \$618.7 million over four years, in addition to \$27 million in 2008-09.

These projects include:

- \$354.2 million over four years to extend the Noarlunga rail line to Seaford—comprising \$291.2 million for track and related infrastructure and \$63 million for the purchase of new electric railcars;
- \$293.5 million for the upgrade and electrification of the Gawler rail line, enabling the completion date of this project to be brought forward by two years. The total investment in the Gawler line over the next four years is \$335.5 million;
- the electrification of the Noarlunga line, with an additional \$77.4 million to be spent over four years. The total investment in the Noarlunga line over the next four years is \$327 million; and
- \$61 million over three years to improve the link between the O-Bahn busway and the central business district, significantly reducing travel times.

Further state support of \$125.9 million over four years will support the infrastructure upgrades, new and existing public transport services, free travel for seniors, as well as measures to provide for more track inspections, more graffiti removal teams and more security officers on our trains.

Mr Speaker, the budget reaffirms the government's commitment to improving road safety, with the provision of an additional \$23 million over four years for rural roads.

This support will be used to address roadside hazards, improve signage and provide junction improvements.

Mr Speaker, next year, the Health budget will exceed \$4 billion for the first time.

The government remains committed to a health reform program including major investments in hospitals and primary healthcare.

Over the next four years works will be undertaken on redevelopment of the Queen Elizabeth, Lyell McEwin, Whyalla and Berri hospitals, Flinders Medical Centre and Glenside Campus, and progressing the new Royal Adelaide Hospital and GP Plus centres at Marion, Elizabeth and Port Pirie.

The 2009-10 Budget continues to support health services by providing \$546.1 million over four years in partnership with the Commonwealth for health initiatives, including:

- \$200 million to build a new Health and Medical Research Institute adjacent to the new Royal Adelaide Hospital;
- \$114.2 million to further improve and increase health services across South Australia;
- \$60.9 million to improve the operations of emergency departments by increasing access to hospital care, establishing acute medical units and improving patient flow;
- \$53.9 million towards improving indigenous health by providing culturally responsive primary healthcare services and improved patient journeys through hospital;
- \$51 million for additional nurses and midwives;
- \$40 million towards increasing sub-acute services, including home rehabilitation and a community pharmacy network;
- \$25.1 million for a dental health program; and
- \$15.1 million for the SA Ambulance Service to provide more out of hospital emergency medical care.

In addition, \$6 million will be provided in 2010-11 to support the purchase of new aircraft by the Royal Flying Doctor Service to provide emergency and primary healthcare to rural and remote communities.

Mr Speaker, in December 2007, the government announced that a new 800 bed state-of-the-art hospital would be delivered as a PPP project.

Project planning and documentation for the new Royal Adelaide Hospital is progressing and expressions of interest will be sought in mid 2009.

The new hospital is expected to be completed in 2016.

Mr Speaker, the Rann Government is delivering water security for South Australians in the face of ongoing drought conditions to ensure water supply to the more than 90 per cent of South Australians who rely on the River Murray.

This Budget provides:

- \$833 million in 2009-10 on the \$1.8 billion 100 gegalitre Adelaide Desalination Plant—with phase one delivering first water by December 2010; and
- \$164.6 million in 2009-10 and \$413.7 million over four years to upgrade and expand wastewater treatment plants and water recycling infrastructure.

The 2009-10 Budget also continues, for a further 12 months, the exceptional circumstances interest rate subsidies for drought affected areas. The Commonwealth will provide up to \$93.6 million in total and South Australia will contribute \$10.4 million.

Over the next four years the government will also invest more than \$52 million in projects to increase storm water reuse.

Mr Speaker, the 2009-10 Budget further supports economic development through significant investment in the state's infrastructure and strengthening of our future workforce capacity.

The budget provides:

- \$155.2 million over four years to address the skills shortage by providing nearly 56,000 training places;
- \$37.3 million over four years to support the development of strategic industrial land precincts that provide access to national road and rail links and international port facilities;
- \$14.6 million in 2009-10 to improve infrastructure in TAFE facilities as part of the Commonwealth's nation building package;
- \$12 million over four years to expand the domestic tourism marketing campaigns to increase South Australia's share of the interstate tourism market;
- \$10 million over five years commencing in 2009-10 to support the establishment of a Materials and Minerals Science Learning and Research Hub at Mawson Lakes and a Photonics and Advanced Sensing Institute at The University of Adelaide;
- \$3.2 million over three years from 2010-11 to extend the role of the Olympic Dam Taskforce as part of the state's commitment to the expansion of the Olympic Dam project; and
- \$800,000 over four years to attract international students to South Australian universities.

Mr Speaker, the Techport Australia Common User Facility will be completed during 2009-10.

The facility is a key component of shipbuilding infrastructure to support the construction and commissioning of the Royal Australian Navy's Air Warfare Destroyers.

Mr Speaker, the government this week also announced a new initiative to promote 'green jobs'.

The Premier announced the provision of \$20 million over two years for the Renewable Energy Fund to support research, development and commercialisation of renewable energy technologies in South Australia.

Mr Speaker, in partnership with the Commonwealth, including through the Nation Building—Economic Stimulus Plan, around \$692 million will be provided over the next four years for the Department for Families and Communities to construct and refurbish social housing, to assist the homeless and provide additional resources for the disability sector.

As a result, under the Nation Building—Economic Stimulus Plan alone, South Australia will build 1500 new homes and refurbish around 400 more, while existing state funded programs will provide more housing support for people on low incomes, people at risk of homelessness and people with a disability.

The Remote Indigenous Housing Agreement will provide \$124.1 million over the next four years to address the serious issue of overcrowding and homelessness in our indigenous communities.

Mr Speaker, the 2009-10 Budget provides the essential resources to maintain the government's focus on law and order.

The Rann Government believes in supporting its police service as it continues to enforce the range of law and order policies we have introduced over the past seven years.

Most recently our police have begun enforcing the suite of new laws available for it to take up the fight against the criminal bikie gangs with government support also provided to the Crime Gang Taskforce.

In 2009-10 the operational budget for South Australia Police will be around \$661 million.

That's an increase of 5.1 per cent compared to the 2008-09 Budget and 79 per cent more than was spent in the last budget of the last Liberal Government in 2001-02.

In this year's budget there is also support for the \$59 million Police Academy Redevelopment project, with \$5.4 million to be spent in 2009-10.

When completed it will provide a modern, technically advanced, training facility for South Australia's police recruits.

The Budget will also provide \$3.3 million in 2010-11 for a new police station at Yalata.

Under this government, South Australia Police has never been better funded or staffed.

Mr Speaker, more than \$100 million will be invested over four years to upgrade to a new digital Government Radio Network to provide our emergency services with the very latest technology.

The South Australian Government Radio Network is one of the largest public safety radio communications networks in the world, with more than 30,000 registered agency and volunteer users covering more than 220,000 square kilometres of the state, and more than 96 per cent of its population.

It is part of the critical infrastructure that is essential to the state's police, ambulance and emergency services when they are required to respond to emergencies and calls for assistance.

Mr Speaker, other measures included in the 2009-10 Budget to support the government's commitment to law and order, include:

- \$2.4 million over four years for expanding DNA testing services;
- \$2.4 million over four years for video conferencing facilities in prisons;
- \$1.1 million over four years to establish a community corrections centre at Gawler; and
- \$471,000 in 2009-10 to facilitate an earlier opening of the Sturt Street Courts.

Mr Speaker, this has been a difficult budget to frame in challenging economic times.

This budget strikes a balance between delivering record investment in key infrastructure, supporting South Australian jobs, making responsible decisions to bring the budget back into surplus and preparing our economy for the opportunities that will emerge as the global financial crisis recedes.

In conclusion, I would like to thank the outstanding work of my Ministerial colleagues, their Chief Executives and their staff in assisting in the preparation of this budget.

I would also like to thank the Under Treasurer, the Department of Treasury and Finance and my personal staff for their efforts.

I commend this budget to the House.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides for the Bill to operate retrospectively to 1 July 2009. Until the Bill is passed, expenditure is financed from appropriation authority provided by the *Supply Act*.

Clause 3: Interpretation

This clause provides relevant definitions.

Clause 4: Issue and application of money

This clause provides for the issue and application of the sums shown in Schedule 1 to the Bill. Subsection (2) makes it clear that the appropriation authority provided by the *Supply Act* is superseded by this Bill.

Clause 5: Application of money if functions or duties of agency are transferred

This clause is designed to ensure that where Parliament has appropriated funds to an agency to enable it to carry out particular functions or duties and those functions or duties become the responsibility of another agency, the funds may be used by the responsible agency in accordance with Parliament's original intentions without further appropriation.

Clause 6: Expenditure from Hospitals Fund

This clause provides authority for the Treasurer to issue and apply money from the Hospitals Fund for the provision of facilities in public hospitals.

Clause 7: Additional appropriation under other Acts

This clause makes it clear that appropriation authority provided by this Bill is additional to authority provided in other Acts of Parliament, except, of course, in the *Supply Act*.

Clause 8: Overdraft limit

This sets a limit of \$50 million on the amount which the government may borrow by way of overdraft.

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

At 18:18 the council adjourned until Tuesday 14 July 2009 at 14:15.