LEGISLATIVE COUNCIL

Thursday 23 June 2011

The PRESIDENT (Hon. R.K. Sneath) took the chair at 14:18 and read prayers.

SUMMARY OFFENCES (PRESCRIBED MOTOR VEHICLES) AMENDMENT BILL

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:19): By leave, I move:

That the sitting of the council be not suspended during the continuation of the conference on the bill.

Motion carried.

LEGISLATIVE REVIEW COMMITTEE

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:20): By leave, I move:

That pursuant to section 21(3) of the Parliamentary Committees Act 1991 the Hon. Paul Holloway be appointed to the committee in place of the Hon. Russell Wortley (resigned).

Motion carried.

NATURAL RESOURCES COMMITTEE

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:20): By leave, I move:

That pursuant to section 21(3) of the Parliamentary Committees Act 1991 the Hon. Paul Holloway be appointed to the committee in place of the Hon. Russell Wortley (resigned).

Motion carried.

STATUTORY OFFICERS COMMITTEE

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:20): By leave, I move:

That pursuant to section 21(3) of the Parliamentary Committees Act 1991, the Minister for Regional Development be appointed to the committee in place of the Hon. Bernard Finnigan (resigned).

Motion carried.

STANDING ORDERS COMMITTEE

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:21): By leave, I move:

That the Minister for Regional Development be appointed to the committee in place of the Hon. Bernard Finnigan (resigned).

Motion carried.

SELECT COMMITTEE ON MATTERS RELATED TO THE GENERAL ELECTION OF 20 MARCH 2010

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:22): By leave, I move:

That the Hon. Ian Hunter be substituted in place of the Hon. Bernard Finnigan (resigned) on the committee.

Motion carried.

PAPERS

The following papers were laid on the table:

By the Minister for Regional Development (Hon. G.E. Gago)—

Parole Board of South Australia—Report, 2009-10

Report of actions taken by SA Health following the Coronial Inquiry into the Death of Ms. Laura Parker

Regulations under the following Acts—

Control Substances Act 1984—Controlled Drugs

Mutual Recognition (South Australia) Act 1993—Temporary Exemptions—Synthetic Cannabis Products

Trans-Tasman Mutual Recognition (South Australia) Act 1999—Temporary Exemptions—Synthetic Cannabis Products

Reflecting on Results: Review of the Public Health System's Performance for 2008-10—SA Health's Formal Response, June 2011

Review of the Impact of the Workers Rehabilitation and Compensation (Scheme Review) Amendment Act 2008, May 2011

MINISTERIAL APPOINTMENTS

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:23): I table a copy of a ministerial statement relating to ministerial appointments made earlier today in another place by my colleague the Premier.

PARKS COMMUNITY CENTRE

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:23): I table a copy of a ministerial statement relating to the Parks Community Centre made earlier today in another place by my colleague the Premier.

QUESTION TIME

REGIONAL AIRLINES

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:24): I seek leave to make a brief explanation before asking the Minister for Regional Development a question about regional airlines.

Leave granted.

The Hon. D.W. RIDGWAY: South Australia is one of the most centralised states. We have land of almost 1,000,000 square kilometres but most of the people, as members would be aware, are squeezed into a tiny pocket of the state called Adelaide. However, rural and regional South Australians, who are not large in number, contribute enormously to our state and the wealth of our state. Rural and regional South Australia, more than any other state, relies on regional airlines—and the regional airline business is doing it tough.

Regional Express (or Rex, as it is known) predicts a 30 per cent drop in profits this year. In 1984, members should be aware, there were 278 regional airports nationally with regular flights and now there are just 170. Nine regional airlines have folded or have been taken over by larger companies since 2001.

The Chief Executive of the Regional Aviation Association, Mr Paul Tyrrell, said this week's ash cloud was another big blow—even more reason for the federal government to maintain its regional subsidy, which is due to end at the end of next year. He said it could make the difference between routes staying viable or being scrapped.

My question is: has the minister—representing as she does rural and regional South Australians—made any representations to (1) the Prime Minister; (2) the Treasurer; (3) any other federal Labor ministers; (4) any South Australian Labor senators; or (5) any South Australian federal backbenchers demanding that the federal government maintain its regional subsidy and, if not, why not?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:25): I thank the honourable member for his most important question. Indeed, the airlines and airports of regional South Australia are critical gateways to our regions, particularly in terms of tourism but also in terms of being able to engage in business activities and access services and a wide range of different amenities, including service assistance, as well. We know that our airports are, as I said, a significant gateway economically, socially and in terms of accessing health.

We know that our Royal Flying Doctor Service relies very much on good runways and airfields that are maintained, so this government is very much committed to ensuring that our airports remain of a high standard. Of course, that is very difficult in a state like South Australia. We cover vast remote areas which makes it very challenging to continue to develop and invest in our airports and airfields. We have a fairly low population base and a vast area, including very remote outback areas, which have to be maintained.

There are a number of activities that I have engaged in, including using the regional development grants funding. Recently, I announced expansions to the Mount Gambier airport to enable larger planes to land there. That is a very important gateway to the South-East, and this will make a significant difference to the size of aircraft that could land in Mount Gambier. I have also recently announced $1 million funding to expand the Port Lincoln airport. Port Lincoln is one of our busiest regional airports and is a gateway to fabulous mining opportunities in and around Eyre Peninsula and the north.

I recently announced increased funding for that airport. I recently visited there and saw the fabulous designs for that proposed new airport. It will be a fantastic amenity. Not only will it be a very pleasant environment to arrive in, depart from and await aircraft in, but it will also have a significant impact on not just the economic but also social and other environmental aspects in the region, particularly enhancing opportunities to access the mining boom.

Of course, members would recall that, recently, I also announced funding to the Leigh Creek aerodrome to enable 24-hour refuelling there. Again, there are fabulous tourism opportunities. The flying doctor service will also benefit significantly from that. So, you can see that I have personally been very actively involved and committed to ensuring that we do continue to develop our regional airports and airstrips.

TRAVEL COMPENSATION FUND

The Hon. J.M.A. LENSINK (14:30): I seek leave to make an explanation before directing a question to the Minister for Consumer Affairs on the subject of the Travel Compensation Fund.

Leave granted.

The Hon. J.M.A. LENSINK: I have asked a number of questions about the Travel Compensation Fund in this place. In particular, in 2009, it had been widely reported that the industry was finding the state-based licensing and the fund ineffective—clogged with red tape and discrimination. More recent reports demonstrate that industry hostility has not ceased and the TCF is viewed by one of the peak bodies as having, 'measures in the regime [which] are duplicate, obsolete and disproportionate'. In September last year, the minister advised that she would bring back some responses but, to date, as far as my records show, this has not happened, while the industry concerns continue. My questions for the minister are:

1. Can she give us a response about whether this regime is effective?

2. What information does she have that we can provide to industry so that their concerns will be addressed?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:31): I thank the honourable member for her questions. Indeed, if she had been listening to one of my responses yesterday in question time where I gave a response to a government question, I gave an update on ministerial council results that went to this issue. Obviously, she was not listening, so, in light of that, I am happy to just give a bit of background information yet again.

The Ministerial Council for Consumer Affairs (MCCA) directed the Standing Committee of Officials of Consumer Affairs (SCOCA) to commission a review of the effectiveness of the current

consumer protection measures in travel and the travel-related services market. The travel industry's current national cooperative regulatory scheme dates back to a framework that was established right back in the 1980s, I think it was.

A key aspect of the cooperative scheme is the Travel Compensation Fund (TCF). The TCF is a mandatory industry-funded scheme for compensating consumers in the event of loss of moneys to prepaid intermediaries. The co-operative scheme has been, I believe, an effective model for nationally harmonised regulation of the travel industry. I think it has served us well in the past.

However, as I have mentioned in this place before, there have been significant changes to the travel service market since the 1980s. Firstly, the relative cost of travel has significantly declined over time. Also, as we know, more people are making their bookings for their airfares and also for their accommodation and other travel packages and are more inclined now to make those transactions online, choosing to book directly with travel suppliers over the internet, rather than through travel agents. So, that exchange of funds is not taking place.

I have reported here before that, in 2009-10, PricewaterhouseCoopers undertook a review to examine and make recommendations for improving the existing state-based industry-specific consumer protection law and also the administrative arrangements for the travel industry. PricewaterhouseCoopers presented their report at the end of June 2010. As a result of that, a public discussion paper listing possible options for reform was released for consultation in March and April of this year.

The Ministerial Council on Consumer Affairs considered feedback from the consultation process at its recent meeting in Canberra on 3 June 2011, which I reported on yesterday. The ministerial council acknowledged there is a need for reform and modernisation of travel industry regulations in Australia, particularly as consumers now have a variety of options available to them and a greater degree of personal autonomy in relation to internet booking arrangements.

Other developments include the Australian Consumer Law providing increased protections for all consumers, including travellers, and the adoption of the national tourism accreditation framework where travel agents will be able to become accredited providers. However, ministers agreed at that MCCA meeting that the modernisation of the regulatory framework for travel needs to foster ongoing consumer confidence, business compliance and financial capacity, as well as competition and innovation.

As a result, ministers agreed to the development of a travel industry transition plan in consultation with industry and consumers. I have to say that there is a wide range of different views across the industry sector itself. There is also a wide range of different views coming from consumers and, certainly, the jurisdictions—different ministers in different states—also have different views on this.

So it does take considerable work to find a position that balances those needs across the sector and that we can get people to land on. This work will now commence and aim to modernise the travel industry regulatory framework whilst maintaining consumer confidence and protection. As I said, a lot of work has gone into this and a lot of consideration has been given to it, and we need to continue discussions with the industry.

ORGANISED CRIME LEGISLATION

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:37): I table a copy of a ministerial statement relating to organised crime made earlier today in another place by my colleague the Hon. John Rau.

QUESTION TIME

EATING DISORDER SERVICES

The Hon. S.G. WADE (14:38): I seek leave to make a brief explanation before asking the Minister for the Status of Women a question about eating disorders.

Leave granted.

The Hon. S.G. WADE: After a massive community backlash, the government was forced to initiate a review of eating disorder services in South Australia. The report was released yesterday. I am reliably informed that it has a number of good ideas in it. In a letter to me the minister claimed that the 17-member project reference group has 'approved the release of the final report'.

From a medical perspective, however, concern has been expressed that the government model focuses on each end of the spectrum—acute services and community services—with no credible transition path between them. Vulnerable young women coming out of an acute phase of anorexia typically need weeks of subacute care. This service was offered by Ward 4G at the Flinders Medical Centre. There will be no such focus in the proposed model.

The minister's letter exacerbates the concerns when he says that the model will include 'a residential program with clinical input'. The phrase 'with clinical input' suggests that the facility will not have on-site medical supervision, meaning that a client will need to get a relatively high level of recovery before they can be placed there. I ask the minister:

1. Given her failure as Minister for the Status of Women to realise the significant threat to vulnerable young women in the original proposal, what steps will she take to consult with women on the proposed new model?

2. Did the 17-member project reference group endorse the recommendations of the final report as claimed by the minister?

3. Will the minister guarantee that vulnerable young women will have access to medically staffed transitional services?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:40): I thank the honourable member for his questions. Indeed, I have spoken on this issue on a number of occasions in this place, and I have put on record a number of times some of the concerns that I have around the services being provided by Ward 4G. I do not think I need to go over those again, but I have made it very clear in this place that I believe it is not the most optimal of environments for the treatment of women for this particular disorder. I believe we can do better than that, and that is exactly what the Minister for Health intends to do.

This issue is obviously a matter for the Minister for Health; however, as the Minister for the Status of Women, I have obviously sought advice on this. I have been advised that services for individuals with eating disorders are currently predominantly provided through the Children, Youth and Women's Health Service, and obviously the Flinders Medical Centre as well. Weight disorder beds on Ward 4G—

The Hon. R.L. Brokenshire interjecting:

The PRESIDENT: Order! The Hon. Mr Brokenshire should not be on the phone in the chamber.

The Hon. G.E. GAGO: Ward 4GP at Flinders Medical Centre is currently co-located with other psychiatric beds, and I have talked about that before. I have already put on the record that this is obviously a location that is not the most conducive to recovery, nor the most conducive therapeutic environment. I do absolutely respect and acknowledge those people who have received treatment at Flinders on this particular ward. I can understand that the services, the treatment and support they have received there has saved the lives of many, many young women in particular, but also young men, and I can understand the attachment that those people and also their families have for that service.

It is completely understandable why these people would feel such a sense of loyalty to this facility and gratitude for the services that it has provided in the past and a sense that they do not want to give that up. So, I do acknowledge that; however, as I have said in this place before, I think we can do better than that. As our knowledge and understanding of models of treatment and care develop over time, it is important that we continue to develop our services to keep in step with that, and that is exactly what the Minister for Health is currently attempting to do. I congratulate him on that and I congratulate him on his preparedness to go out and genuinely consult and listen to people and then to take back those points of view and to consider and incorporate those points of view.

SA Health commissioned an independent consultant to develop a statewide model of care, working closely with a reference group that included clinicians, non-government and university representatives, consumers and carers. I think there has been extensive consultation right throughout. Over 150 people, I am advised, were consulted as part of the development of the new model.

The Hon. S.G. Wade interjecting:

The Hon. G.E. GAGO: It is just nonsense what the honourable member is saying. They were consulted as part of the design of this new model. I was pleased to be informed that the service model is now complete and will be released to stakeholders—

Members interjecting:

The Hon. G.E. GAGO: They are complaining, Mr President, because the Minister for Health listens. They complain when people are not consulted, then when ministers do go out and consult, when they do go out and flag a particular view or a particular position, they flag it, and then consider the views that come back. When they do that and then incorporate those views, they are damned again. It is absolutely outrageous.

The development of the model of care involved examination of national and international best practice models. The new model of care, I am advised, advocates increased community-based options for people with eating disorders and will have a hub-and-spoke structure with outreach for country patients. The hub of specialist clinicians will work with other services, including GPs, community, mental health and other agencies to offer clinical advice and guidance to manage eating disorders. So, the best expertise will be involved in this service design.

I am advised that services will include both residential and day programs and will expand the range of prevention, intervention and treatment services available across the state. The model of care at the start of the process of reform and the implementation committee, including clinicians, consumers, carers, NGOs and other key stakeholders will be established. I understand that the implementation committee will determine priorities for development and implementation, and I have been advised that it is anticipated that the full implementation will occur over a period of one to two years. So, that is the level of detail and thoroughness that is going into this.

I have been assured that there are no plans to move the eating disorder patients from Ward 4G to the Margaret Tobin Centre. The Minister for Health has made that very clear. The six eating disorder beds on Ward 4G—

The Hon. S.G. Wade: That was your key decision before. That was the key element.

The Hon. G.E. GAGO: Well, the minister has listened. Instead of thanking the minister for listening, what do they do?—criticise him. It is just outrageous. The six eating disorder beds on Ward 4G at Flinders Medical Centre will remain open while the implementation committee considers the best location for the provision of residential and community services. The Women's and Children's Hospital will continue to provide eating disorder services for children under 16 years of age, and these services will be included in the model of care.

I am also advised that the cost of the new integrated and expanding model of care is expected to be more than $1 million per annum, and the government is committed to ensuring that services for this vulnerable group are provided with the best care options possible and appropriate to suit the particular stage of their illness and disorder.

DON'T CROSS THE LINE

The Hon. P. HOLLOWAY (14:47): I seek leave to make a brief explanation before asking the Minister for the Status of Women a question.

Leave granted.

The Hon. P. HOLLOWAY: In 2008-09, the state government committed $868,000 over four years to the Don't Cross the Line community awareness campaign. Will the minister inform the council about the latest Don't Cross the Line initiative?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:47): The honourable member is quite right, that in the 2008-09 state budget this government committed $868,000 over four years to the

anti-violence community awareness campaign. The campaign is aimed to inform, educate and ultimately reduce rape, sexual assault and domestic and family violence in South Australia.

The anti-violence community awareness campaign aims to change community attitudes, increase awareness for workers who respond to perpetrators and victims, encourage a culture of perpetrator accountability and highlight the important work, including legislative reforms, which are being undertaken by the South Australian Labor government. The campaign focuses on prevention and early intervention to increase community awareness that violence will not be tolerated and on driving the message of respectful relationships.

Recognising the recent focus of the campaign on domestic violence as well as the identification in the review of the Women's Safety Strategy of the need to ensure a focus on rape and sexual assault, I am delighted to announce a new initiative to raise awareness of violence against women. This initiative has a specific focus on women's safety that incorporates a focus on licensed venues.

Yarrow Place Rape and Sexual Assault Service is a statewide service that responds to rape and sexual assault in South Australia. It provides a 24-hour crisis response service for victims of recent rape and sexual assault. Referrals to the service come from police and health services, crisis phone lines and individuals themselves. It provides clients with a variety of services, including crisis and ongoing counselling, medical care, forensic medical examinations and access to support groups.

Yarrow Place is also a registered training organisation and an RTO, with a range of accredited training packages which focus on capacity building around responding to disclosures of sexual violence. All training packages include content on myths and attitudes towards women and sexual violence, as it recognises that these are fundamental to the perpetration and prevention of violence, particularly towards women.

The hotel industry is one of the largest employers in South Australia, with more than 24,000 people employed in the state's pubs, and even more men and women who frequent those places. This project recognises the potential of the industry to promote messages that will assist in strengthening community attitudes about the prevention of violence against women.

Given these issues, Yarrow Place has developed a proposal for a violence against women awareness and prevention in the hotel industry project. This 12-month project will involve work with the AHA and United Voice, the Office of the Liquor and Gambling Commissioner and also the Office for Women.

The project will enable them to explore the hospitality industry's role in the prevention of violence against women; develop specific strategies to increase awareness of rape and sexual assault in the hospitality industry (this may include specific training programs for hospitality industry students); the inclusion of rape and sexual assault information with existing occupational health, safety and welfare training programs for the industry; and also discuss and plan for long-term industry strategies to ensure that the outcome of this project can be sustained into the future.

I am delighted that Mr David Di Troia, Branch Secretary of United Voice, and Trevor Evans, the Manager for Human Resources and Industrial Relations for the AHA, have advised their support for this project and their willingness to work with Yarrow Place. The project will commence in July 2011. As well as being a wonderful part of our Don't Cross the Line strategy, this project also reflects the directions of the national plan to reduce violence against women and their children.

FAMILIES SA

The Hon. A. BRESSINGTON (14:52): I seek leave to make a brief explanation before asking the minister representing the Minister for Families and Communities questions about the accountability of Families SA.

Leave granted.

The Hon. A. BRESSINGTON: On 6 May 2010, I detailed concerns brought to me by several constituents about the witnessed abuse and neglect of three children who were living in conditions so squalid that the family dog had been removed some weeks before by the RSPCA. I also informed the council that I had been provided with a safety plan prepared by Families SA that warned that the children were living with a man who had 'previously sexually abused a child'.

Despite hundreds of reports to the child abuse report line of the abuse these children were receiving at the hands of their parents and Families SA knowing that they were living with a

paedophile, our child protection agency had failed to intervene in a meaningful way. On the day I rose, the children had not been removed from their parents nor from the sex offender's home.

Appropriately, I sought to question the minister about her department's involvement in this case and why it failed to protect these children when they were so clearly at imminent risk of abuse and neglect. On 7 June 2011, exactly one year, one month and one day later, I received the following answer:

> Under section 58(1) of the Children's Protection Act 1993, a person engaged in the administration of this act has a duty to maintain confidentiality and must not divulge information relating to personal information relating to a child, a child's guardian or other family members or any person alleged to have abused, neglected or threatened a child. Accordingly, on public interest grounds, I consider it inappropriate to provide the information sought by the honourable member and respectfully decline to answer the question.

It took one year, one month and one day to decide that they could not answer the question.

The member for Bragg in the other place encountered similar evasion of scrutiny by the Minister for Families and Communities when she attempted to ascertain the department's involvement in the tragic case of the five-year-old boy who died following his mother putting methadone in his cordial bottle. My questions to the minister are:

1. What accountability does Families SA face when it fails so miserably that children are left in the home of a known paedophile or die prior to their intervention or from no intervention?

2. If this parliament is unable to scrutinise Families SA, then who does, apart from the HSCC, which has proven to be woefully hopeless?

3. What legal ramifications does the minister believe would be appropriate for child protection workers when children are left in a home after numerous notifications are made and when children remain in that abusive home for prolonged periods of time?

4 What measures will the minister put in place, apart from making funding announcements, to ensure that this agency fulfils its obligation to the children of this state and, if she is unable to present a cohesive plan that is outcome-based, then will she please resign?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (14:56): I thank the honourable member for the questions. I am sure that she is not suggesting that she would want the Minister for Families and Communities to withdraw her funding announcements. I am sure that she does not want the minister to withdraw the new money that she has made available. I am sure that that is not what she intended to say, but anyway I just thought I would clarify that. In terms of the details of the particular case that the honourable member has raised, I will refer those to the Minister for Families and Communities in another place and bring back a response.

REGIONAL DEVELOPMENT INFRASTRUCTURE FUND

The Hon. R.P. WORTLEY (14:56): I seek leave to make a brief explanation before asking the Minister for Regional Development a question about assistance for infrastructure.

Leave granted.

The Hon. R.P. WORTLEY: The Rann Labor government has an extensive record of consulting and engaging in regional communities and, most importantly—

Members interjecting:

An honourable member: I can't hear the question.

The Hon. R.P. WORTLEY: Can you hear me? There have been numerous initiatives under this government, such as the $20 million Riverland Sustainable Futures Fund and the establishment of the Regional Communities Consultative Council. Support for regional development under this government also includes a more general fund, which is available to support the provision of a wide range of infrastructure projects across the state: the Regional Development Infrastructure Fund. My question to the minister is: how is the government delivering on this commitment to deliver opportunities for development in South Australia's regions through the RDIF?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for

Government Enterprises, Minister for Gambling) (14:57): I thank the honourable member for his most important question. As the members have heard me mention on previous occasions in this place, the state government is indeed committed to facilitating infrastructure development throughout the regions of South Australia.

The Regional Development Infrastructure Fund plays an important role towards the achievement of the targets and goals contained in South Australia's Strategic Plan and the Strategic Infrastructure Plan for South Australia. The fund helps to meet these targets, be they economic, social or environmental, by increasing regional job opportunities, increasing investment in the regions and reducing social disadvantage

I am very pleased to advise the council today that I have approved a grant of up to $250,000 from the RDIF to assist Regional Development Australia Limestone Coast to facilitate rectifying inadequate mobile telecommunications coverage in the area. As members would be well aware, in this day and age, mobile telecommunications are critical for the efficient operation of business and also for many people as their primary method to stay in touch with family and friends and work.

With greater advances in technology, there is so much that we are now able to do beyond the simple conversation. Phones now have a huge range of uses from sending text messages and snapshots or using small phones to surf the internet or provide real-time directions using GPS which frequently, I have to say, I have to rely on, given my sense of direction. For people in the regions of South Australia, their mobile phone can be an important tool for work, socialising and also for safety reasons.

The Limestone Coast RDA Regional Roadmap, which was developed after community consultation and includes regional priorities, refers to telecommunications infrastructure needs under its key actions for priority attention. In that document the region's stated aim is to:

> Ensure the Limestone Coast is a high priority region for participation in the national broadband rollout and other telecommunications initiatives to achieve similar capacity and quality enjoyed by metropolitan Australia.

This RDIF grant will go towards the construction of a mobile phone tower south of Mount Gambier. A local motel, restaurant and convention complex, The Barn, located at OB Flat, will host the new tower on its property. The Barn (as it is popularly referred to) Conference Centre has indicated the mobile phone tower construction will potentially underpin a $1 million expansion of its facilities, as it will enable visitors and guests at its facility to use their mobile phones and other devices.

This will contribute to another one of the Labor government commitments to create further employment opportunities as it creates the potential for 10 new positions. The project will provide coverage for mobile phone and data users in a radius of 22 kilometres, I have been advised, obviously benefiting local residents, visitors and other users of mobile communications. For example, the new tower will be particularly useful for the transport and logistics sector who use in-vehicle telematics to support a wide range of tasks, including load tracking, fatigue management and speed management and monitoring. I am very pleased with this project and very proud of our government's commitment to support the regions in their development.

RITUAL SLAUGHTER

The Hon. T.A. FRANKS (15:01): I seek leave to make a brief explanation before asking the minister representing the Minister for Agriculture and Fisheries a question about ritual slaughter.

Leave granted.

The Hon. T.A. FRANKS: The *Four Corners* program entitled 'A Bloody Business' saw an outpouring of community sentiment rarely seen in this country—hundreds of thousands of everyday Australians, all justifiably outraged, sickened and horrified by examples of cruelty. In response, the Australian government acted appropriately to immediately suspend the live export trade to Indonesia, citing the lack of pre-stunning as a major concern.

I am, therefore, shocked to see in today's *Australian* newspaper the Executive Director of Biosecurity SA, Mr Will Zacharin, quoted as confirming that nine South Australian slaughterhouses—

Members interjecting:

The Hon. T.A. FRANKS: When you are ready—three from Victoria, two from WA and one from New South Wales—and I repeat: nine in South Australia—are accredited to slaughter livestock without pre-stunning. The Australian standard for the hygienic production and transportation of meat and meat products for human consumption permits ritual slaughter, with clause 7.12(2) stating:

> An animal that is stuck without first being stunned and is not rendered unconscious as part of its ritual slaughter is stunned without delay after it is stuck to ensure that it is rendered unconscious.

However, the RSPCA states that, in fact, ritual slaughter of sheep does not comply with this standard and they are forced to bleed out after they have had their throats cut. My questions are:

1. Can the minister advise whether these nine facilities in South Australia that have been given exemptions do, in fact, comply with the standard to stun the animals after they have been stuck and, if not, what action will be taken to rectify this?

2. Does the minister accept that allowing ritual slaughter to be conducted in South Australia undermines our national stance against animal cruelty and exposes Australians as hypocrites on the world stage?

3. Furthermore, given the fact that halal slaughtering widely accepts the practice of stunning animals prior to slaughter in any case, will the minister commit to accepting the recommendation from the RSPCA to end the practice of ritual slaughter in South Australia?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (15:04): I thank the honourable member for her most important question. Indeed, I think that most of us in this chamber would have seen, if not the *Four Corners* program itself recently televised, excerpts of that, and I am sure we all agree that the treatment of cattle by the Indonesian abattoirs that were portrayed was deplorable. It was horrific and completely unacceptable. I know that I share the same horror as other members, when we were made aware of that.

I am advised that the federal Minister for Agriculture and Fisheries, the Hon. Joe Ludwig, has made an announcement in relation to suspending the export of live cattle to Indonesia. He has announced a full investigation of these practices, and he is saying that this investigation will be conducted into this issue using an independent reviewer, I understand, to investigate the whole supply chain of live cattle export to Indonesia, up to and including the point of slaughter.

I know that minister O'Brien has welcomed the investigation. I have also been advised that no cattle are exported from South Australia to ports in Indonesia, so that should provide some sense of assurance and form of relief to members. Obviously, in relation to the details of the questions that the honourable member has raised, I am happy to refer those to the minister in another place and bring back a response.

REGIONAL DEVELOPMENT AUSTRALIA ADELAIDE BOARD

The Hon. J.S.L. DAWKINS (15:06): My questions are directed to the Minister for Regional Development:

1. Is it accurate that the Regional Development Australia Adelaide board has no organisational structure or administration and relies on the Department of Trade and Economic Development to provide those services? If so, what is the annual cost to DTED of providing those services?

2. Do metropolitan councils contribute financially to the RDA, as is the case with their country counterparts?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (15:07): I did not quite hear the beginning of the question. Was it the metropolitan RDA that the member refers to?

The Hon. J.S.L. Dawkins: Regional Development Australia Adelaide.

The Hon. G.E. GAGO: Adelaide; thank you. My understanding was, in relation to the initial establishment of RDA Adelaide, that it was originally, if I recall correctly, established as a general overarching RDA. Initially, it was my understanding that it was not required to have, for instance, a roadmap for its area and, initially, it was not contemplated that it would contribute in the same way

to the RDA process involving federal RDA funding. So, it was established in a very different way to the other RDAs around regional South Australia.

However, very close to the announcement of the opening of round 1 of the RDA funding, the federal government made some changes and determined that the metropolitan RDA could participate in the same way, could put proposals forward and should have a roadmap. So, that RDA has worked very hard now to accommodate those changes.

I congratulate them because, as I said, the rules and the information that we were receiving from the federal government did change, and did change considerably, at the last minute. As I said, I compliment the RDA and acknowledge how they were able to readily accommodate the federal government changes and, I understand, they were submitting proposals in that round 1. I think they used the 30-year plan as a bit of a framework to help them put together a road map for that area.

Indeed, the arrangements initially established for that RDA were very different to the other RDAs. I am not familiar with exactly what the administrative support details are. I am happy to take that on notice and bring back a response. As I said, the rules change very quickly. They have been able to accommodate that and we now need to reposition ourselves for future funding rounds to make sure that they are—

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

The Hon. G.E. GAGO: My understanding is that it is a tripartite arrangement for all RDAs, but I will clarify that in relation to the Adelaide RDA.

QUEEN'S BIRTHDAY HONOURS LIST

The Hon. CARMEL ZOLLO (15:10): I seek leave to make a brief explanation before asking the Minister for the Status of Women a question about the Queen's Birthday Honours List.

Leave granted.

The Hon. CARMEL ZOLLO: The Queen's Birthday honours recognise hundreds of Australians each year and events are held around the country to celebrate their achievements. In light of the minister's interests in seeing more women recognised for their contributions to our community, will the minister tell us how many of the recipients were women and how many of these were from South Australia and also provide details of any events that were held in Adelaide to celebrate the Queen's Birthday and women's achievements?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (15:11): I thank the honourable member for her important question and ongoing interest in these important policy areas. Each year, the Queen's Birthday Honours List acknowledges Australians who have made a significant contribution to their communities right across the nation. These recipients inspire us through their achievements and are obviously role models for all of us. They often include the unsung heroes of our communities, many of whom are women.

I congratulate all 376 recipients in this year's Queen's Birthday Honours List and particularly acknowledge some of them. The Australian High Court judge, Susan Kiefel, received the top honour, the Companion of the Order of Australia, for her service to law and the judiciary. Also at a national level I congratulate Marie Coleman on becoming an officer in the general division of the Order of Australia (AO), and she was recognised for her distinguished service to the advancement of women. Apparently, she was a public servant in the Whitlam and Fraser governments.

In South Australia, a number of women received awards across the spectrum of the honours categories and I will acknowledge a few of them. Ms Elaine Attwood was honoured for services to the community, particularly women, through executive roles in the National Council of Women. She is also a significant advocate for human rights, human nutrition and health care policy. Of course, we know that our own Natasha Stott Despoja was recognised for her service to parliamentary Australia.

In the Order of Australia division (OAM), there were a number of people who were successful: Mrs Patricia Johnson, for services to veterans; Ms Marion McCall, for services to aviation Dr Pamela Ryan, for services to psychology; Ms Phillippa Aston, for outstanding public service in the area of housing for people with special needs; and Ms Susan Ireland, for outstanding public service in the area of health services.

As you can see, Mr President, it is an impressive list but, sadly, there were only 125 women who received honours this year compared to 251 men. What is evident is that, while women continue to contribute through their work in the community in business and public life, they are still not being nominated in the same numbers as men. Many women miss out on a place on the honours list simply because they are not nominated. I will obviously continue to work on a number of programs to help close that gap so that we can make sure that women are given credit where credit is due.

As members know, one of the initiatives that I have put in place to help increase nominations for state and national awards is the Women's Honour Roll. The honour roll pays tribute to the South Australian women for their outstanding contribution to the community in either paid or voluntary work. I am very pleased to say that nominations of outstanding women selected for inclusion in the honour roll will be assisted by the Office for Women in nominating those women for national awards and honours, as well as the 'Women Hold Up Half the Sky' Australia Day Council of South Australia Award.

In relation to the second part of the question, one of the events held to celebrate the Queen's Birthday and the Commonwealth Day theme of 'Women as Agents of Change' was a reception hosted by His Excellency Rear Admiral Kevin Scarce at Government House, attended by his wife Liz Scarce. They are very generous hosts, I have to say. The focus of the event was on celebrating regional and rural women as agents of change. A diverse range of women from a range of sectors attended.

Ms Alysha Hermann, recipient of the South Australian Young Citizen of the Year Award presented at the Australia Day Council of SA awards in January this year, was the guest speaker. She was most impressive. She comes from the Riverland. In her background she was faced with a large number of challenges which she overcame. She was quite inspirational, and she was one of many inspirational, hardworking women who attended the event. She was a wonderful speaker, and I very much enjoyed hearing what she had to say and having an opportunity to chat briefly with her. I also would like to mention that my colleague the Hon. Michelle Lensink also attended the event. I am sure that she enjoyed the guest speaker's address as much as I did.

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

The Hon. G.E. GAGO: She is nodding. As usual, Government House put on a really wonderful event. I also acknowledge the Office for Women, which helped Government House staff organise this event. They are absolute troopers, and I very much appreciate all the work that the team from the Office for Women do. It is important for young women, in particular, to see women honoured as it sends a very important message that women are valued in our community for the contribution they make in all areas of life.

PARKS COMMUNITY CENTRE

The Hon. R.L. BROKENSHIRE (15:18): Happy birthday, Mr President. I seek leave to—

The PRESIDENT: Where is the present?

The Hon. R.L. BROKENSHIRE: Sir, no gift. I seek leave to make a brief explanation before asking the Leader of Government Business questions about the Parks Community Centre.

Leave granted.

The Hon. R.L. BROKENSHIRE: In the 2010 budget papers the government said they were going to close the Parks Community Centre and sell it off for housing. Following a great deal of work by many local people—particularly the Save the Parks group, the media, particularly *The Advertiser* and FIVEaa, and many members of parliament—pressure came upon the government regarding this decision. As a result of that, today Monsignor Cappo has put out a document whereby there is going to be reinvigoration of the Parks. However, my questions to the minister that are of concern are:

1. Will the minister confirm that a large percentage of the open space, which is paramount given the fact that the old housing areas have been knocked down and villas gutter to gutter surround the district with little recreation area, will be turned into housing to assist in the payment of the $25 million?

2. While Family First, and I am sure most other colleagues, are very happy about this backflip, will the minister explain to the council where the $15 million will be found once the area is sold for housing? That is expected to take a collection of $10 million, leaving a requirement for an

additional $15 million to complete the project. Will the minister explain to the council and confirm that the money will be categorically there for the provision of this upgrade, given that there is no money in the forward estimates or the budget papers for the $15 million or the $25 million?

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (15:19): The social inclusion commissioner, Monsignor Cappo, was commissioned to conduct a review of the Parks Community Centre. The review was tabled today in the form of a report titled, 'The Parks Community Centre—a practical approach for the future', and an announcement was made that the state government supports the vision set out in that report.

Following the announcement of the September 2010 very tough state budget, we announced that funding would cease for the centre. The community made it known loud and clear that they wanted to keep services there at The Parks, and we listened. The government listened to that message; we heard it and we took action.

We committed at the time to work with the Port Adelaide Enfield council and the community to find a new and better solution for the Parks. Monsignor Cappo has helped us map out a plan in the form of a very comprehensive vision for the Parks. Of course, it is a major rejuvenation of the facility. It is a plan that provides a very clear and exciting vision for meeting the needs of the local community, and it recommends five key elements to be delivered in partnership by the state government and also the Port Adelaide Enfield council.

It recommends the creation of a recreation and sports hub to include a brand-new indoor swimming pool, an upgraded fitness centre, squash courts, an expanded basketball recreation centre, new tennis courts, shared-use clubrooms and a significant new sports field. It proposes a refurbishment and expansion of the existing children's centre to provide expanded day-care services for children in the local area, as well as program and support services for parents. It recommends a new purpose-built health centre, a new library and community centre and the development of a new residential and retail area on the western side of the site.

The plan also envisages a new urban village for the local community, with a new coffee shop, a town square, car parking, pedestrian boulevards and landscaped outdoor areas. The usable open space on the site is planned to increase. I will reiterate: I am advised the usable open space on the site is planned to increase.

The commissioner has also recommended a portion of the site be used for housing, including affordable housing, which will enhance the community hub atmosphere of the new Parks. The plan recommends that the government fund the new Parks Community Centre and sports recreational services with some of the cost being offset by the retail and residential development.

The government is obviously extremely excited with the report and the new rejuvenated future vision for this important centre, and we very much support the implementation of the plan, obviously in consultation with stakeholders, such as sporting clubs and, importantly, in partnership with the Port Adelaide Enfield council.

There will be an intensive consultation period. A great deal of this detail is yet to be sorted through, so not all of that is available to us, but we are certainly committed to continue to work with key stakeholders and the local council to work up an implementation plan for this vision. I would like to congratulate the social inclusion commissioner on this wonderful report and vision for the Parks Community Centre.

STATUTES AMENDMENT (LAND HOLDING ENTITIES AND TAX AVOIDANCE SCHEMES) BILL

In committee.

(Continued from 22 June 2011.)

Clause 1.

The Hon. R.I. LUCAS: I rise to speak generally at clause 1 in response to the minister's answers, which she provided in clause 1, to questions which were raised in the second reading on a previous day, and I thank the government officers for the information that has now been provided to the committee.

There really are only two issues to which I want to refer specifically at clause 1. Many issues were raised in the second reading and were answered in clause 1, and there are only two I would like to raise specifically here—at the moment, anyway.

The first issue relates to a claim that the Law Council has made that the inclusion of items that are not fixtures as land, and the inclusion of goods in the landholder base, was in contravention of the intergovernmental agreement on the reform of commonwealth/state financial relations (or the IGA).

The government's advice is that it has been advised that the IGA has not been contravened as it does not limit South Australia from raising taxes on land or on property closely related to land. The government further advised that the IGA requires the abolition of stamp duty on non-real non-residential conveyances before 1 July 2013 and that the government is committed to abolish this tax from 1 July 2012.

Further on, the government noted that the Law Council had also raised concerns in relation to what interests are considered to be interests in land under the provisions and that they were of the view that the provisions are in breach of the IGA. Again, I am advised that the government has advised that the approach taken in the bill is consistent with the proposed definition of 'land' to apply when stamp duty on non-real non-residential property conveyances is abolished on 1 July 2012.

There are a number of other aspects of the Law Council's submission, but I just highlight those two in relation to the intergovernmental agreement to indicate that, essentially, we have warring legal advice, I guess, or lawyers at 30 paces; that is, clearly, the government's legal advice indicates one thing and the Law Council's legal advice, in essence, is indicating a different view.

The Hon. D.G.E. Hood: Lawyers never agree!

The Hon. R.I. LUCAS: As the Hon. Mr Hood indicates, that is perhaps not surprising but it nevertheless highlights in this complicated area how difficult it is to resolve issues in a black-and-white fashion. To be fair to the government, at the end of its lengthy statement at clause 1, the government itself acknowledges that these are complex complicated areas.

I think we have been amending these particular provisions for decades, in terms of trying to close new loopholes which are leveraged open by lawyers and tax accountants and others who, in an innovative way, manage to find ways of minimising the amount of tax that they have to pay. It is a never-ending game, if one can refer to it that way, between, as I said, lawyers at 30 paces. Much of the government's response yesterday (which I thank the government for) is essentially of that particular nature.

It is therefore difficult for those of us who are not lawyers ultimately to do anything other than note, at this stage anyway, the differing views, the different opinions, that have been given by the lawyers and I guess probably also note that it would not surprise any of us if, in the space of a couple of years, we are not back again facing further legislative change either by this government or the next government because a legal case has established that the views the government has here and the parliament ultimately has endorsed were not 100 per cent accurate and that, again, clever lawyers and clever tax accountants have managed to find a loophole around even these new provisions which are being drafted.

The second issue was raised by the Farmers Federation in their late letter delivered to the opposition early this week. They had raised the issue in relation to the Legislative Council amendment relating to Section 92—Land Assets. The letter states:

> Section 92 defines a land asset which means an interest in land in South Australia and is taken to include an interest in anything fixed to the land. Various objections were made previously about this definition because it was possible to have an asset fixed to the land (such as a wind farm turbine) which would ordinarily be owned by a wind farm operator and should not be included as part of the land.
>
> This problem has been overcome by the addition of a new subsection 5 whereby where the Commissioner is satisfied that there was no arrangement in place to avoid duty and an item was separately owned from the land the Commission can determine that the entity's interest will not be taken to include the interest in the item.

SAFF went on to say:

> Therefore in the case of a wind farm the turbines and other plant installed by the wind farm operator which are separately owned from the land would not include it in the land asset value. However, it will be necessary to satisfy the Commissioner that the separation of the ownership of plant in this way is not part of an arrangement to avoid duty and in the normal course it would not be.

It is noted that in section 5(b) that an entity's interest in land will not be taken to include an interest in an item which is owned by another entity unless the land owning entity and the entity which owns the other item are related. This prevents an arrangement being entered into whereby land and items on the land are owned by separate but related entities.

SAFF went on to recommend that:

...section 92 be further amended to specifically refer to wind farm assets as specifically not to be included in a relevant entity's interest in land together with mining assets or the assets of any other entity conducting non-farming business operations on the land by virtue of a lease or licence agreement on arms length terms.

This is an issue that has been raised by many farmers and primary producers. In reply the government states:

...I am advised that the amendments as drafted are considered sufficient in this area and that to amend the provisions as suggested by the Farmers Federation would potentially leave the provisions open to abuse. Under the amendments filed by the government, any assets genuinely owned by a third party will not be taken into account when a farmer's land is sold, under the provisions.

We need to note that the government's advice is that any assets genuinely owned by a third party will not be taken into account when a farmer's land is sold under the provisions. It continues:

Where items are notionally severed or considered to be legally separate to the land by operation of another act or law—for example, wind farms—the amendments will operate to ensure that only those items that are owned by the landholder or a related entity of the landholder will be included as part of the landholder's interest in land.

In all other cases where items fixed to land are owned separately from the land the amendments operate to reinstate the provisions in the current act—ie, they maintain the status quo. The amendments which have been filed by the government in this area were required to be drafted with considerable care in order to avoid unintended consequences and the government is of the view that the amendments as tabled are sufficient to meet the concerns raised by industry bodies in relation to how the bill will operate in practice in this area.

That is the second and final area that I wanted to raise in clause 1. Again, it further illustrates the difficulty of drafting provisions to meet all potential circumstances. Certainly, the issue of wind farms has only been an issue in recent years in relation to properties, and it is now obviously creating a range of further issues in terms of administration of, at the very least, state tax law.

Again, all the opposition can do is note the government's confidence that the provisions as drafted will resolve the issues that have been raised by the Farmers Federation and hope that, indeed, that is the case. I note also the commitment from the government in the terms that it was given in relation to how these provisions will be interpreted to prevent any unreasonable interpretation of these laws in terms of generating additional revenue to the state government as a result of any unfair application of these new laws.

With that, I indicate that, after consultation with the member for Davenport, who has had carriage of the bill for the Liberal Party, we will in the broad during the committee stage support the government amendments that have been flagged. We do not propose to move any further amendments. As I said, we hope and trust that the advice the government has relayed to the parliament and to the committee will prove to be accurate and that we do not see this legislation back before us too soon.

Clause passed.

Clauses 2 to 6 passed.

Clause 7.

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

Page 9, line 19 [clause 7, inserted Part 4, Division 1, section 92(3)(a)]—After 'the land' insert:

other than where the separation of ownership occurs by virtue of or as a result of the operation of another act or law

Amendments 1 to 3 moved in my name relate to items fixed to land which are either separately owned from the land or notionally severed or considered to be legally separate to the land by operation of another act or law.

Where items are notionally severed or considered to be legally separate to the land by operation of another act or law, the amendments will operate to ensure that only those items that are owned by the landholder or a related entity of the landholder will be included as part of the landholder's interest in land.

The amendments are intended to address concerns raised in relation to cases where, for example, a wind farm is constructed on a farmer's land in circumstances where the farmer has no ownership interest in the wind farm. The amended provisions make it clear that the wind farm will not be included as part of the farmer's interest in land unless the wind farm is also owned by the farmer or a related entity of the farmer. In all other cases where items fixed to the land are owned separately from the land, the amendments operate to reinstate the provisions in the current act—that is, they maintain the status quo.

The Hon. R.I. LUCAS: I support the amendment.

Amendment carried.

The Hon. G.E. GAGO: Amendment Nos 2 and 3 are consequential. I move:

Page 9, line 21—After 'to the land by' insert:

virtue of or as a result of the

Amendment carried.

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

Page 9, lines 31 to 36 [clause 7, inserted Part 4, Division 1, section 92(5)]—Delete subsection (5) and substitute:

(5) In addition—

(a) in connection with the operation of subsection (3)(a), if the Commissioner is satisfied that, at a relevant time, it was not part of an arrangement to avoid duty under this Part that an item was separately owned from the land, the Commissioner may determine that an entity's interest in land will not be taken to include an interest in the item; and

(b) in connection with the operation of subsection (3)(b), an entity's interest in land will not be taken to include an interest in an item which is owned by another entity unless—

(i) the relevant entity and the other entity are related entities and—

(A) the relevant entity holds a significant interest in the other entity or vice versa; or

(B) a chain of significant interest can be traced between the relevant entity and the other entity; or

(ii) a person or group holds a significant interest in both the relevant entity and the other entity.

Amendment carried.

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

Page 10—

Line 37 [clause 7, inserted Part 4, Division 1, section 95(1)]—Delete 'relevant entity' and substitute:

private company or a private unit trust scheme

Line 38 [clause 7, inserted Part 4, Division 1, section 95(1)]—Delete 'relevant entity' and substitute:

private company or a private unit trust scheme

Line 40 [clause 7, inserted Part 4, Division 1, section 95(2)]—Delete 'a relevant' and substitute:

an

Page 11—

Lines 8 and 9 [clause 7, inserted Part 4, Division 1, section 95(3), Example]—Delete '(a listed company)'

Line 10 [clause 7, inserted Part 4, Division 1, section 95(3), Example]—Delete '(a private unit trust scheme)'

Line 11 [clause 7, inserted Part 4, Division 1, section 95(3), Example]—Delete '(a private company)'

My amendments Nos 4 to 9 are related and operate together to limit the operation of the proposed section 95 of the Stamp Duties Act. Section 95 is a tracing provision that allows ownership of land

holding entities to be traced through indirect ownership structures. As currently drafted, the bill allows indirect interests to be traced through listed entities where ownership in a listed entity is less than 90 per cent.

This is at odds with the principle that control of a listed entity is only taken into account when the 90 per cent ownership level is reached. This was an unintended consequence of the bill and the amendments operate to prevent the tracing of indirect interests through the listed entities.

The Hon. R.I. LUCAS: The Liberal Party supports the amendments. Again, I congratulate the member for Davenport and the stakeholder groups, such as the Law Council, the Property Council and others, that have highlighted the concerns that they raised with the initial drafting of the bill. If it had not been for the work that those groups and the member for Davenport undertook, these particular provisions would not have been picked up through the work of the Legislative Council—the house of review, ultimately. I place on the record congratulations to those groups and also acknowledge that the government has conceded that the bill was deficient in this particular area and needed to be corrected. I congratulate the government on recognising that fact.

Amendments carried.

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

Page 11—

Line 16 [clause 7, inserted Part 4, Division 1, section 96(1)]—Delete 'related entity' and substitute:

private company or a private unit trust scheme

Lines 17 and 18 [clause 7, inserted Part 4, Division 1, section 96(1)(a)]—Delete 'related entity' and substitute:

private company or private unit trust scheme

Line 20 [clause 7, inserted Part 4, Division 1, section 96(1)(b)]—Delete 'related entity' and substitute:

private company or private unit trust scheme

Lines 27 to 29 [clause 7, inserted Part 4, Division 1, section 96(2)]—Delete subsection (2)

Line 35 [clause 7, inserted Part 4, Division 1, section 96(3)]—Delete 'related entity' and substitute:

private company or private unit trust scheme

Amendments Nos 10 to 14 operate together to limit the operation of proposed section 96 of the Stamp Duties Act. Section 96 is a provision that deems a relevant entity to have notional interest in assets held beneficially by a related entity in certain circumstances. As currently drafted, the bill deems a private entity to have a notional interest in assets held beneficially by a listed entity, when the private entity owns 50 per cent or more of a listed entity.

If unamended, this provision will operate to effectively charge duty on land owned by a listed entity when the relevant level of ownership of the listed entity is less than 90 per cent. This is an unintended consequence of the bill and the amendments operate to prevent a private entity having a notional interest in assets held by a listed entity.

The Hon. R.I. LUCAS: The Liberal Party supports it and I reiterate the comments I made on the previous amendments.

Amendments carried.

The Hon. R.I. LUCAS: Can the minister's advisers advise the council on the background to the proposed changes in section 102E; that is, separation of statutory funds held by life companies? Was this the result of lobbying by insurance companies in South Australia? If so, what was the nature of that lobbying and why has the government agreed, in this legislation, to make the changes as proposed?

The Hon. G.E. GAGO: I have been advised that we were, indeed, lobbied by one insurance company in particular. It came to us with an unsolicited submission and put forward a case that life companies that have statutory funds were dealt with unfairly by the provisions, and it outlined the reasons around that in detail. We looked at that and acknowledged that it raised legitimate concerns and made the amendments accordingly.

The Hon. R.I. LUCAS: Was that life company AMP?

The Hon. G.E. GAGO: I am advised that it was.

The Hon. R.I. LUCAS: Do the changes proposed by the government under 102E now put our law in relation to this issue in a position which is consistent with all or the majority of other jurisdictions, or does it set us apart from the majority or all other jurisdictions?

The Hon. G.E. GAGO: I am advised that New South Wales, Queensland and Victoria have similar provisions.

The Hon. R.I. LUCAS: I assume the minister means similar provisions as proposed in this bill?

The Hon. G.E. GAGO: That is right, I am advised.

The Hon. R.I. LUCAS: Finally on this issue: does this particular change have any revenue implications for the state government?

The Hon. G.E. GAGO: I am advised that there were revenue implications in so far as the company indicated that, without changes, it would not be able to invest in South Australia but, with these changes, it would be able to invest and, of course, that has potential revenue implications for South Australia.

The Hon. R.I. LUCAS: Given that the existing law, I assume, has existed for some time, what was it that prevented AMP investing in South Australia?

The Hon. G.E. GAGO: I have been advised that the company has two statutory funds. Currently the interest that each fund has in property would be amalgamated, so they have kept their interest below 50 per cent. Now, with the bill as it stands with the changes that we have made, that would enable them to individually invest more because of these provisions.

The Hon. R.I. LUCAS: Whilst I understand the view put by the AMP, has Revenue SA projected whether there would be any increase in revenue collected by Revenue SA or any reduction in revenue collected by Revenue SA, or no impact at all, as a result of these changes?

The Hon. G.E. GAGO: I am advised that we believe that there will be an increase because of potentially increased investment.

Clause as amended passed.

Remaining clauses (8 to 10) and title passed.

Bill reported with amendment.

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (15:52): I move:

That this bill be now read a third time.

Bill read a third time and passed.

ELECTRICITY (MISCELLANEOUS) AMENDMENT BILL

In committee.

Clause 1.

The Hon. M. PARNELL: First of all, I would like to thank the minister for responding to some of the questions that were posed in her summing up of the bill, but I have a few more questions. I will raise some of them now at clause 1 and others as we get to the clause that it relates to. In relation to clause 1, I want to ask the minister about the cost of meters. Customers in South Australia are being asked to pay between $425 and $640 for a new time-of-use meter to be installed by ETSA. My first question is: why are those costs so much more than the cost of meters interstate?

The Hon. G.E. GAGO: I have been advised that ETSA Utilities charge for installing an import-export meter. It is, I should say, a regulated service charge which recovers the cost associated with the meter from the customer: labour costs mainly associated with the installation and hard-wiring of the meter, travelling time, vehicle costs and overheads. That is why the costs are as they are.

The Hon. M. PARNELL: I accept that. If the minister does not know why it is so much cheaper interstate, she does not know; that is fine. Is there any obligation to have one of these meters installed if you are to export power to the grid, or are there still people exporting to the grid

with old-fashioned metres where the dial simply spins backwards as you produce more electricity than you consume?

The Hon. G.E. GAGO: I have been advised that you will be required to have an upgraded meter, or some meters can be reconfigured.

The Hon. M. PARNELL: Does that mean people who are currently effectively receiving the same price for the electricity they produce as they pay for the electricity they purchase will be unable to do that if they are forced to go from a spinning disc meter to an import-export meter?

The Hon. G.E. GAGO: I have been advised that, in relation to the new meters, they will receive the price for the energy that is offered by their retailer, and that is going to be somewhere between 6¢ and 8¢.

The Hon. M. PARNELL: That does not answer the question. The preamble to that is: under the government scheme—and we will get to the obligation on a retailer to pay a very reasonable price in the bill—for some people in the future, that will be all they get. My question is: if someone happens to be on an old-fashioned spinning-disc meter where they are currently getting a much better deal, will they be forced to go to a new import-export meter and get a worse deal?

The Hon. G.E. GAGO: I am advised, yes.

The Hon. M. PARNELL: Another question about billing. As I understand it, currently meters are read quarterly and consumers are charged an administrative cost that includes meter reading. One person wrote to me from over on Eyre Peninsula saying that they are in credit. They are $369.94 in credit. They are not getting any interest on that payment, but they are still being charged quarterly fees; yet, when it comes time to settling the balance sheet and paying them out, they only have to be paid out once a year. So, my question to the minister is: is it fair that people who are in credit should be paying quarterly meter-reading charges whilst they do not receive any interest on the credit that is held by the retailer on their behalf?

The Hon. G.E. GAGO: I have been advised that, to minimise the overall complexity of the system and to minimise administrative costs, the obligation is to pay the credit once a year because most people will not be in credit over a year.

The Hon. M. PARNELL: I accept that the minister says that most people will not be in credit for a year, but if you are in credit for a year, is it fair that the electricity company keeps the interest on that credit amount, yet is still able to charge you quarterly meter reading fees? Would it not be fairer for those people who are in credit for a prolonged period to have their meter read once a year, rather than four times a year?

The Hon. G.E. GAGO: It is really a balance between cost and fairness. We have tried to pitch it at a fair and reasonable place that also minimises administrative costs that, in effect, are passed on to consumers, anyway. I guess the other thing is that, in fact, most people prefer more regular or quarterly readings because they like to keep tabs on their power usage. So, in fact, generally speaking, there is a preference for quarterly readings.

The Hon. D.W. RIDGWAY: I want to make a couple of comments more so than ask questions on clause 1, if I may. In particular, I would like to comment on what has transpired since we last debated this bill. I would like to thank minister O'Brien in another place and the minister in this place. I also want to thank ESCOSA for taking the time to do the comparison between all of the schemes that were on the table to be debated because it is a complex issue. The work that ESCOSA did in a very short period of time has, I think, helped all of us get a better understanding of what we are talking about.

The opposition's shadow minister, Mitch Williams, asked the library to do some work, and at 2.25pm today it was emailed to Mr Williams' office. Everyone has been concerned about the ongoing costs of any scheme we have, whether that be the increase from 44¢ to 54¢ or the type of transition scheme we have post 30 September this year, starting on 1 October. The library was requested to calculate what the actual cost per annum was to all the other customers. Often, people get a little confused and think that it is a cost to state government, but it is not; it is a cost to other energy consumers.

I might, if I may, read the advice from the library into *Hansard*, because I think it is relevant to the debate, and I think it encapsulates some of the concerns the opposition has with the ongoing cost to consumers of any scheme we choose. It states:

In answer to your question on the likely impact of [photovoltaic] Feed-In Rebate on Customers in 2012-13, I have prepared an answer that is consistent with the previous model of possible PV costs that you have been provided with from ETSA Utilities. There are a number of assumptions in this answer, and they need to be documented.

1. The scheme will have approximately 45,000 customers installed and metered by 30 June 2011.

2. The other 28,000 customers who had approval for PV installations in mid-June 2011 will also be connected and metered during 2011-12.

3. The output of the grid (PV export) will be in proportion to the increase in size that these recent approvals have sought, i.e. the average size of PV installation will rise from 1.5kW at December 2009 to 2.2kW when the scheme closes. Note that the approvals in 2011 have averaged 2.5kW in size for the approvals issued so far in 2011.

4. The scheme will pay 44 cents per kWh for feed-in, which will increase to 54 cents/kWh on 1 October 2011.

That is assuming that we pass this bill today.

5. No allowance has been made for an alternate scheme.

So it is just that particular set of circumstances.

6. No allowance has been made for addition approvals to 30 September 2011 that could join the scheme, nor for those approvals that may not proceed to installation.

7. The cost per residential customer assumes that the additional recovery is applied as a percentage uplift on network tariffs. This method was used in 2009/10 when initial PV Rebate costs were recovered. It results in about 50% of the cost of PV rebates being recovered from residential customers and 50% from business customers. If the additional costs were applied on a per customer basis, the impact on a residential customer would nearly double, and a lower impact would result on business.

ETSA Utilities forecasts that the annual payments under the scheme will reach $61M, totalling a nominal value of $1,050M over the 20 years.

ETSA Utilities has about $11M pa already provided for PV Rebate payments. ETSA Utilities will commence recovering the shortfall in payments in 2012-13, including a carry-over in excess payments from 2010-11 and 2011-12. This matter will be submitted to the [Australian Energy Regulator] for approval. ETSA Utilities expects it will need to recover an additional $70M in each of the 2012-13, 2013-14 and 2014-15 tariff years based on these estimates. This equates to a 6.4% uplift of the network prices in 2012-13. In subsequent years from 2015-16, about $61M will be recovered from business and residential customers to pay for the [photovoltaic] feed-in rebate.

The likely cost on average per residential customer under these assumptions is about $48 per annum excluding GST, or about $53 per annum including GST. Business customers will see their network charge rise by 6.4%.

Members would say that a figure of about $30, I think, has been provided by the government for the likely increase or cost to residential consumers, and clearly this work here shows that that figure is much closer to $50.

I just wanted to read that into *Hansard*. I think it is important. As I said, I certainly do appreciate, as I think we all do, the work ESCOSA has done and indicate that the opposition is looking forward to completing the committee stage of the bill this afternoon.

The Hon. R.I. LUCAS: I too join with the Hon. Mr Ridgway in thanking the Essential Services Commission for the work that it has undertaken. As I have outlined at length and I do not propose to repeat, I think it makes sense that we get expert advice on these changes before we proceed down the path that we were going to proceed down.

The one issue that I did want to refer interested readers of *Hansard*—all 30 of them— to is pages 25 and 26 of the Essential Services Commission report to all members of parliament. That section of the report refers, in essence, to the reason why we are even debating this. It notes that when the bill was introduced into South Australia in 2007 the purpose of this regime was to address the issue of climate change. The Essential Services Commission notes, on page 25 that:

In Particular, the Commission notes that, as a means of abating carbon emissions as a form of climate change response, there are serious questions as to whether or not feed-in schemes are an efficient proposition from a whole-of-society perspective.

Further on, on page 25 it states:

In addition, the cost of solar PV technology, in terms of capital costs and cost of subsidies, is relatively high. It is an expensive means of achieving greenhouse gas abatement.

On page 26 it goes on:

Moreover, feed-in schemes essentially involve a wealth transfer to effect the carbon abatement; under the current scheme (and under each of the proposals before the Commission) [that is all the amendments that the Greens, Liberal Party, government and others were contemplating] all customers pay (whether via distribution charges, retail charges or a combination thereof) for the benefit which is provided to those who are financially able to install PV generation plant.

Further on the commission notes that in the IPART report it states:

Both the Federal and New South Wales Government's schemes have encouraged the installation of rooftop solar generation units that promote very high-cost abatement.

I will not go through the rest of the quote but those who want to go to page 26 can see it. ESCOSA then notes the report from the Productivity Commission on carbon emission policies and key economies and notes:

Subsidies for solar-photovoltaic systems were found to be a relatively very costly way of achieving abatement and generally very little abatement resulted...

Then the commission concluded:

The Commission concurs with those views [that is, the views of the Productivity Commission and IPART]. While not offering any opinion on the merits of carbon emission abatement as a policy aim, it notes its preference for policy in this area to be reconsidered on a broad basis, taking into account the current existence of multiple and sometimes contradictory approaches, with a view to harmonisation of these approaches in the long-term interests of all consumers. It is imperative that, in pursuing greenhouse gas emission policies, governments facilitate the development of the most economically efficient options.

I conclude by saying that the Essential Services Commission does us all a service because it says, 'We are going to talk about the costs and equity and all those things but the purpose of the scheme, as announced in the second reading, was to address the issues of climate change.' The commission, in quoting other bodies and itself, is providing advice to us and saying, 'Hey, these schemes are very expensive ways of doing it; there are many better ways of actually achieving it.'

I left a little challenge to the Greens to respond to this because I am sure this should be an issue of great concern to them. At this stage, they have not yet taken up that challenge but perhaps this committee stage may not be the place to do it. However, certainly over the coming 12 months or so—we do not want to delay the committee stage—I think that is an issue that I would be interested in hearing about from the Hon. Mr Parnell and the Greens and others, in relation to how these schemes are actually achieving the goal in terms of climate change and greenhouse gas abatement in a cost-effective way for South Australian consumers.

Essentially, that is what we were debating in 2007. That is what we are debating now, even though we are talking about all these other issues about cross-subsidies and those sorts of things. Is this policy actually doing what it was meant to do? We now have expert advice from a number of bodies raising very significant questions about the whole purpose and reason for these particular schemes which we are about to add to by whatever amendments we pass this afternoon.

The Hon. M. PARNELL: I am not rising to the challenge, because I was proposing to address this issue at some stage and I might as well address it now. I do not, for one minute, accept the Productivity Commission's analysis—and I will explain why: because it is based on flawed assumptions. The honourable member talks about climate change being a primary driver of this policy. The response of our economy and our community to climate change is going to be a long process. It involves many things; it is not just about the actual generation of a watt of electricity from one source rather than the other. There is also industry policy in here as well including giving a boost to clean green renewable energy in South Australia.

That was part of the intention of this legislation. Whilst primarily framed as a climate change response, it was also part of industry policy to give the solar industry a boost. What the Productivity Commission does is state the bleeding obvious, if I can put it that way. What they are saying is that there are always cheaper ways of doing things that we are not doing, rather than the things we are doing. Now, to give an example, if we accepted that philosophy on life, no-one would have a rainwater tank and you would not bring up your own children; you would send them out to a children farm, because it would be more efficient to do it that way. That is the Productivity Commission's thinking.

Let us have a look at exactly what they did in coming up with their conclusion which, not surprisingly, made the front page of *The Australian* not long ago. The first thing they have done is understated the emissions abatement from solar power by using what has been described as

'grade 1 mathematics'. I am not talking about top grade: I am talking about year 1, primary school, mathematics.

They assumed that every solar system in Australia was 1.5 kilowatts in size. Clearly, they are not. They also then overstated the subsidy that was provided to solar power by 'guesstimating'—and that is all they did, it was a 'guesstimate'—that 50 per cent of generated solar power attracted a feed-in tariff, whereas a typical 1.5 kilowatt system if that, in fact, is what you have, typically receives a premium on only 17 to 28 per cent of its generation. That analysis was provided by Mr Ged McCarthy, the President of the Solar Energy Industries Association.

The solar costs that were used by the Productivity Commission are nearly twice what they currently stand at, and those costs are still falling rapidly. Those costs are then compared to the wholesale electricity price, and they ignore some of the considerable economic benefits that solar power can provide, in relation to reducing costs in terms of electricity transportation.

We will get on to that topic later but, certainly, the transmission losses that come when you transport energy vast distances from, say, the brown coal power stations of Yallourn in Victoria to South Australia do not exist when it comes to solar power, because chances are that any excess solar power that you produce goes next door or down to the end of your street. It does not go all the way back to Yallourn or all the way back to some interstate power station. So, the Productivity Commission, by their shoddy analysis, have been particularly unhelpful and I do not think that members should take that report as, basically, justification for opposing all small-scale renewable energy because that, in effect, is what their report says.

Clause passed.

Clauses 2 to 5 passed.

Clause 6.

The Hon. M. PARNELL: I move:

Page 3—

Before line 10 [clause 6(2)]—Insert:

(2aa) In making a determination, the Commission must (in addition to having regard to the factors specified in the *Essential Services Commission Act 2002*) fix different prices for the sale and supply of electricity (including the standing contract price under section 36AA and the default contract price under section 36AB) in accordance with the following requirements:

(a) the requirement that prices fixed for small customers who are concession card holders do not incorporate any costs associated with compliance with Division 3AB;

(b) the requirement that prices fixed for small customers who do not fall within the ambit of paragraph (a) incorporate the costs referred to in paragraph (a).

As well as explaining my amendment, I want to pose a number of questions to the minister. This is an important section in the bill, because it goes to the question of who should pay the cost of the feed-in scheme and how those costs are shared through the community, including how they are shared amongst residential and business customers.

Members should know but, I think, most members of the community do not know, that the South Australian solar feed-in scheme, as well as the commonwealth solar credit scheme, are currently entirely paid for by electricity consumers, not by government. So, when we are talking about how much something costs, we are not talking about how much it costs the government: we are talking about how much it costs the community. As members would know, you do not find line items in the state budget allocating amounts to the solar feed-in scheme. So, that is the first point to make.

If the cost is paid for by electricity consumers, then it is going to be borne disproportionately by those in the community who are least able to afford it. For people who are on low incomes, the combined support that is provided, not just to solar PV but also to massive air conditioners (and I will get onto that later), is not negligible. What might be a small impost on most people is, in fact, a more considerable one for low income people.

That is why the South Australian Council of Social Service and a number of their member groups, including UnitingCare Wesley, want those with the least capacity to pay to be excised from

the pool of consumers who fund the scheme; and that is effectively what my amendment does, and I will get to the detail of that shortly.

Already we have the benefit in the regulations under the electricity legislation of an appropriate description of low income people that we can use to excise them from a requirement to contribute to the cost of this scheme. As I understand it, there are 200,000 households—so that is 27 per cent of the 700,000 households in South Australia—who are already eligible for the state government energy concession scheme.

If we were to exclude those people from the cost of the solar feed-in scheme, from having to contribute to it, we would effectively increase their concession by 15 per cent, and that would be a very welcome increase for low income people. At the same time, it would add less than 1 per cent to the average bill for other households. This would deliver a direct saving into the pockets of those who are struggling the most with the rising cost of electricity.

As I said before, if people are nervous about any form of cross-subsidy, just remember that these massive air conditioners that are going in represent an incredible cross-subsidy that, in effect, adds about $100 a year to the electricity bills of those who either do not have those big air conditioners or cannot afford them. That is because, for every $1,000 invested in these big air conditioners, another $3,000 is required to upgrade the network to cope with the extra demand.

If we are going to talk about cross-subsidies and how bad they are, let's put it in perspective. Some cross-subsidies actually make sense, and a cross-subsidy that helps low income people to be better able to afford the price of essential utilities I think is one we should support.

The minister, in responding to this issue in her earlier contributions on this debate, has talked about the extra administrative costs that would come from having to separate these people, who we already know because they are already on an energy concession scheme—but there would be an administrative cost associated with that. I accept that there would be an administrative cost whenever you do anything administrative. Therefore, my question to the minister is: what is the government's estimate of the administrative cost that would accompany exempting these 200,000 low income households from having to contribute to the scheme?

The Hon. G.E. GAGO: That level of detail is not available at the moment. I am happy to take that on notice and bring back a response.

The Hon. M. PARNELL: I think that would be good, because it is one thing to say that the government is worried about the extra administrative costs but I think it would be great to find out whether there is, in fact, anything to really worry about, bearing in mind that these costs would be over a scheme that is in the tens of millions of dollars.

I have another question and, if the minister needs to take this on notice, she will. Apart from the administrative costs, are there any other barriers to including this amendment? In other words, are there any other barriers to excising these low income people from the scheme other than administrative cost?

The Hon. G.E. GAGO: I have been advised that it is in fact the retailer who is the one who deals with concession holders so that ETSA does not know who concession holders are. Of course, they vary over time and keep changing; therefore, a system would need to be developed that would advise ETSA who the concession holders were and would be able to keep those changes updated continually. I am advised that the IT platforms to do that are currently not in place, and there would be costs associated to develop those and put them in place, and then costs of maintaining that system.

The Hon. M. PARNELL: I thank the minister for her answer. I take it to mean that the retailers know who these people are, they have to keep their databases up-to-date, and they have not worked out how to share it with ETSA. I will accept that is not an insurmountable barrier in the electronic age.

If the minister would take on notice: is the cost of administering a scheme, such as proposed by this amendment to excise the low income people, any more complex or any more costly than the complexity of dealing with the 45 kilowatt per day export limit, which is already in the government bill? Perhaps if the minister could take that on notice, because it is a technical question, but behind it is the fact that you have some extra administration you will have to do anyway in keeping a track on the upper limit of electricity. It seems to me to be no more difficult with low income people.

I make the point in passing because members have already referred to the ESCOSA report. ESCOSA identified that they thought there might be some administrative costs, but they made no attempt—fairly, in the one week that they were provided—to quantify what any of those costs were, and certainly there was no attempt to compare even a ballpark guess of costs in relation to a scheme that costs tens of millions of dollars.

If I can, I want to move on to another question of the minister, and this is a fundamental one. My question of the minister relates to who actually pays for the cost of the feed-in scheme. Is it just households, or is the cost of the scheme smeared across all electricity customers? It is an important question because ESCOSA assumed in their analysis that the cost was only shared amongst householders rather than amongst all electricity consumers. Just to make it crystal clear, we know that business consumers are a large group of consumers. They are smaller in number obviously, but they are much larger in terms of the actual amount of energy that they consume. Who is actually paying for it?

The Hon. G.E. GAGO: I have been advised that the cost is shared across all electricity customers.

The Hon. M. PARNELL: I thank the minister for her answer. I hope that is right because that basically shows that the ESCOSA figures, which determine what they say is the increased cost to householders, are wrong because they worked on the assumption that it was only other householders who are paying for the scheme.

Another question related to that same topic is: whilst that might be what ETSA Utilities does, whose decision is it as to the pool of consumers over whom the cost is spread? Is it in the legislation that all consumers have to pay, whether they are domestic or business consumers? If it is ETSA's decision alone, what guidance can or should the government provide ETSA?

The Hon. G.E. GAGO: I have been advised that it is not covered in the legislation, that it is, in fact, the utilities who determine the tariff and how costs are allocated and that they then, in turn, submit it to the AER for approval.

The Hon. D.W. RIDGWAY: I just indicate that the opposition has considered the Greens' proposal, but the 200,000 households that receive an energy concession is just too big a pool to exclude, in our view. We had some sympathy for what the Greens were trying to achieve, but it was just too big a pool and it would unfairly shift the burden of the scheme onto other consumers, bearing in mind that there are a number of anomalies in that pool of 200,000 people. There are a number of cases where those households may not be in financial stress and are at least able to pay, as the Hon. Mark Parnell indicates. To break it down into much smaller subsets to be able to get a group that the opposition would be comfortable with is, I think, too difficult, so we are not prepared to support the Greens' amendment.

The Hon. G.E. GAGO: The government opposes this amendment. I have already put some of the issues on the table, but ESCOSA has indicated that there may be practical and administrative costs arising from the proposal to exempt concession holders from paying the costs of the solar feed-in scheme. Concession cardholders were excluded from contributing to funding. The cost of the scheme and the number of customers funding the scheme would then fall by approximately one quarter, so the cost to remaining customers would increase by approximately one-third, I am advised. To successfully implement the proposal it is likely that the administrative costs of the scheme will increase, which would be passed on to remaining customers.

The Hon. R.I. LUCAS: The only other point I would make is that governments have the option of assisting those with the greatest difficulty in terms of paying their utility bills—in this case, electricity—through direct and explicit subsidy. Some of us prefer an open and transparent way of counting the cost of what it is to provide a subsidy to those most in need.

The government and the opposition have indicated their unwillingness to support this particular cross subsidy to be woven into the complicated nature of this particular scheme. The government can speak for itself, but an alternative government, for example, does have the policy lever available to it, should it so wish, to assist those most in need in terms of their electricity bills by a direct and transparent subsidy paid by the taxpayers to that particular area of need. If a government is going to provide a subsidy, I personally prefer that as opposed to a complicated, hidden and perhaps costly way of administering a cross subsidy being woven into this particular scheme.

The Hon. M. PARNELL: I would just like to make a few closing comments in relation to this amendment. I can see that I do not have majority support, but this is one of the important amendments that we have been asked as a parliament by the peak welfare bodies to incorporate into the legislation, so I will be dividing on this one. I just say that in case other members want to get any comments on the record, rather than just their names. I just make the point again that the analysis that the minister gave, that if you remove one quarter of the people from the pool of householders, somehow you add a third to the cost for everyone else. Well, that is the government falling into exactly the same trap that ESCOSA fell into, and it contradicts the answer the minister gave previously that the cost is smeared over all electricity consumers, not just households. So, those figures do not add up.

I want to follow up what Hon. Rob Lucas said about alternative ways of helping low-income people—and I was going raise this, anyway, before the Hon. Rob Lucas mentioned it. Minister O'Brien, in the media, has been talking about different ideas the government has had, including the idea of putting solar panels on the roofs of all Housing SA properties. I would like the minister to explain to the committee, if she can, what the government has in mind in relation to other ways of helping low-income people cope with rising electricity prices and, in particular, how the government intends to help low-income people join the solar revolution.

The Hon. G.E. GAGO: I have been advised that the minister recently announced that he is looking into measures to assist low-income people to access alternative energy, such as solar, and that work has only just commenced. Also, of course, in this budget, an increase in concession payments was announced for those people who are required to use electricity for medical purposes, such as ventilators, respirators and such like. So, they are a couple of measures that have been put in place.

The committee divided on the amendment:

AYES (6)

Bressington, A.	Brokenshire, R.L.	Franks, T.A.
Hood, D.G.E.	Parnell, M. (teller)	Vincent, K.L.

NOES (13)

Dawkins, J.S.L.	Finnigan, B.V.	Gago, G.E. (teller)
Gazzola, J.M.	Holloway, P.	Hunter, I.K.
Lee, J.S.	Lensink, J.M.A.	Lucas, R.I.
Ridgway, D.W.	Stephens, T.J.	Wade, S.G.
Zollo, C.		

Majority of 7 for the noes.

Amendment thus negatived.

The Hon. M. PARNELL: I move:

Page 3—Line 14 [clause 6(2), inserted subsection (2a)]—After 'Division 3AB' insert:

, including the extent to which such electricity enables a retailer to reduce costs associated with network services and the value to the retailer of any such reductions in costs

The legislation before us requires the Essential Services Commission of South Australia to determine a fair and reasonable value to a retailer of electricity that is fed into the network.

Amending this so that it refers to a fair and reasonable value to the electricity market fed into the network recognises that solar energy does have some network benefits that accrue to market participants other than the retailer but including the retailer, such as avoided losses, transmission and network costs.

This amendment that I am moving now is aimed at making sure that the ESCOSA determination of the fair and reasonable price (or any subsequent review of a fair and reasonable price) is as wideranging and thorough as possible, and that it considers what the real value of consumer-generated solar is by allowing ESCOSA to take everything into account.

At the very least, ESCOSA's review should take into consideration the costs for large-scale transmission across state borders (which is estimated at about 10 per cent) and savings from not having to purchase extra electricity from generators to allow for network losses (which is estimated at about 6 per cent).

It is a bit like knowing that when you drive your truck from Melbourne to Adelaide, a certain number of boxes are going to fall off the back, so you actually load a few more boxes on before you start so that you end up with the amount that you want. That is how network losses work, and they should be incorporated into the calculations. These calculations should be on top of the savings to retailers that are made by their not having to purchase the electricity from wholesale generators.

The effect of these amendments would be hopefully to increase the amount that retailers are obliged to pay households. Retailers are currently paying just 6¢ to 8¢ per kilowatt hour and then they are onselling that electricity to your neighbours for a premium. If the retailer contribution increases, then under the scheme that the Greens will be moving later on, the community top-up payment automatically decreases. As a result the overall cost of the South Australian Solar Feed-In Scheme will decrease and the savings will then be passed on to other consumers.

It is worth pointing out that these amendments do not dictate to ESCOSA what it should come up with as a fair and reasonable price. They simply tell ESCOSA that it should take everything into account because otherwise there is a risk that it might view its brief very narrowly and take into account only the wholesale price of electricity.

It may well be that, when ESCOSA does take into account the avoided transmission losses and other avoided losses, it might decide that they do not add up to much so they might not, in fact, have much of an impact. It is not the job of the parliament to dictate to ESCOSA what the price should be, but surely it is within our power to make sure that it takes into account all relevant considerations—and that is the effect of this amendment.

The Hon. G.E. GAGO: The government opposes this amendment. The requirement for ESCOSA to have regard to the fair and reasonable value to a retailer of electricity fed into the network does not appear to prohibit the consideration of the value of reductions of costs associated with the network services; therefore, this amendment does not appear to be necessary.

The Hon. D.W. RIDGWAY: The opposition will also be opposing the amendment.

The Hon. R.I. LUCAS: My question is to the mover of the motion, the Hon. Mr Parnell: is it your argument that the result of your amendment is that it will lead to an increase in subsidy paid by electricity retailers from the 6¢ to 8¢ that currently exists? I think that is what I heard him say.

The Hon. M. PARNELL: The 6¢ to 8¢ is being used as a range because that is what most people are guessing ESCOSA will come up with as a fair and reasonable price. It will be something in that range. What I am saying is that I want to leave open the possibility that that amount might be a bit higher because this parliament has given ESCOSA a little bit more guidance as to what it should take into account when it is working out a fair and reasonable cost.

The simple thing is that, if you produce excess electricity, it does not flow back to Yallourn or back across Bass Strait to some hydro scheme: it basically goes next door or down to the end of your street. In fact, having a more distributed network can lead to savings in terms of the necessity to upgrade some of the large-scale, long-distance distribution. So there is a saving that comes from having a more distributed production system. It is not just one power station providing everyone, for example:, it is a range.

I know that people will say, 'Well, there are other costs as well because you might have to upgrade the power lines down a certain street if everyone puts solar panels on their roof.' You have to do that if everyone puts a big air conditioner in, as well, so it sort of cuts both ways. All this amendment does is that it basically requires ESCOSA to take into account more than just the wholesale price of electricity, which does not include any of these other benefits which are known to accrue from solar power.

The Hon. R.I. LUCAS: The only point that I make is that—and the Hon. Mr Parnell has clarified that he sees this as potentially a way of the retailer paying more—the inference is that, in some way, that is a good thing; it just hits the retailer. Ultimately, if the distributor is paying more or if the retailer is paying more anywhere in the system, in the end they do not take a hit to their bottom line: the system operates as such that all the consumers still end up paying. The inference of what the Hon. Mr Parnell is arguing is that this is a good thing because the retailers are going to pay more, and the electricity users are not going to.

Ultimately in this system, with a national electricity market, if the costs go up for distribution or if the costs go up for retailers, it flows through to all electricity consumers. I think it is just a fundamental misunderstanding of the way the national electricity market operates in terms of its costing. However, we are not going to delay; the numbers are not there to support it.

The Hon. M. PARNELL: I need to quickly respond to that. It may well be regarded as a fundamental misunderstanding of how the entire economy works. The consumers always end up paying at the end of the day for everything. I just do not see that the argument really prevails. The advantage, as I see it, is that it does give the potential to share the costs slightly differently. We are not talking about pauper companies here. We are talking about very wealthy companies that have been getting either free or very cheap electricity which is why—and I want to remind members of this—in response to a Greens bill, the Legislative Council voted to stop the 'great solar rip-off', as we were calling it. Last year we in this chamber voted for a bill to make the electricity companies pay a fair and reasonable price for the electricity they produced. That bill, as I understand it, is still languishing in the lower house.

So, let us not get confused here. We collectively support the idea of the electricity companies having to pay a fair and reasonable price. All my amendment does is remind ESCOSA that they do need to take into account all costs—either actual or deferred costs—when they are working out what a fair and reasonable price is. It is a simple amendment. Whether it adds 1¢ or 2¢ to the retailer contribution, I do not know, but it seems to me that we are being more honest with the South Australian public by trying to sheet home costs where they lie, notwithstanding the fact that in the economy, as in life generally, ultimately, we all end up paying, one way or another.

Amendment negatived.

The Hon. M. PARNELL: I move:

Page 3—After line 14 [clause 6]—Insert:

(3) Section 35A—after subsection (4) insert:

(5) In this section—

concession card holder means a person who—

(a) is a recipient of the *South Australian Government Energy Concession*; or

(b) falls within a class of persons who are experiencing hardship determined or approved by the Commission for the purposes of this Act.

This is consequential on the failure of my low income protection amendment earlier, so I will move it for the record but I will not be dividing on it.

Amendment negatived; clause passed.

New clause 6A.

The Hon. M. PARNELL: I move:

Page 3, after line 14—Insert:

6A—Amendment of section 36AA—Provision for standing contract with small customers

Section 36AA—after subsection (4) insert:

(4aa) The fact that a small customer feeds electricity into a distribution network in accordance with Division 3AB is to be taken not to be a basis on which an entity may refuse to sell electricity to the customer at the entity's standing contract price and subject to the entity's standing contract terms and conditions (and the standing contract terms and conditions of an entity must be consistent with the requirements of this section).

This amendment makes it clear that an electricity retailer cannot refuse to allow a solar household to connect through them to the electricity grid. We have heard anecdotal evidence of retailers trying to claw back the cost to them of the solar feed-in scheme by charging a higher contract rate for the electricity that they supply to the household. In fact, I was sent a spreadsheet from one solar panel owner who worked out that they would have received more money overall, after 12 months, from an electricity retailer who did not pay anything for the electricity that was exported than a retailer who did pay them 6¢ or 8¢ because the first retailer charged a lower rate for the electricity that they supplied.

This amendment also seeks to prevent price gouging, if you like, by making it clear that solar customers must, in fact, be accepted. The government will say that such a provision is already in the legislation, but solar customers must not be refused to be able to buy electricity at the retailer's standing contract price, subject to their standing contract terms and conditions. Basically, it prevents the retailers from using the fact that someone is a solar customer to bump them up to a more expensive contract.

The Hon. G.E. GAGO: The government rises to oppose this amendment. In South Australia, only one retailer is a declared electricity retailer and, therefore, has a standing contract price and standing contract terms and conditions. The Electricity Act states that this entity must, at the request of a small customer, agree to sell electricity to the customer at the entity's standing contract price and subject to the entity's standing contract terms and conditions. Therefore, this amendment is not necessary.

The Hon. D.W. RIDGWAY: I indicate on behalf of the opposition that we oppose the amendment.

New clause negatived.

Clause 7.

The Hon. M. PARNELL: I will not be moving my amendment No. 5. It is one of a number of amendments that relate to both the current scheme and the transitional scheme where the Greens will be supporting some aspect of the government's proposals in that area. So, I will not be moving my amendment No. 5, but I will be supporting the minister's amendment and moving, later on in committee, some amendments to the minister's amendments.

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

Page 3, line 20—Delete the definition of *designated day*.

This amendment is in response to the solar industry, which has expressed concerns in relation to a boom or bust industry. The new category of qualifying customers will provide the solar industry with an increased transition period away from public support. The decrease in feed-in tariff payment for this category of qualifying customers is required to manage the cost of the scheme to all electricity consumers.

The Hon. A. BRESSINGTON: I indicate that I will be supporting this amendment. However, I also think that it is very important for it to be on the record that, if it was not for the efforts of the Hon. Mark Parnell pulling together the information session that he did, there would have been no transition scheme and there would have been a boom and bust situation with the solar industry. As a member of this council, I would like to make sure that Mr Parnell gets the credit for at least encouraging the government to take a different approach to this.

The Hon. D.G.E. HOOD: Family First supports the amendment.

The Hon. D.W. RIDGWAY: I indicate the opposition also supports the amendment.

Amendment carried.

The Hon. M. PARNELL: I move:

Page 4, after line 14 [clause 7, inserted section 36AC]—Insert:

retirement village means a retirement village within the meaning of the *Retirement Villages Act 1987*;

This amendment relates to the predicament that the residents of retirement villages find themselves in as a result of the inflexibility of this scheme. Under the bill and the new regime, there are going to be some limits to eligibility in terms of who can benefit from a feed-in scheme. They include, first, a limit of one generator per customer; and, secondly, the solar feed-in bonus being limited to the first 45 kilowatt hours a day exported to the grid. Those two things together, in fact, make it very difficult for retirees living in retirement villages to access the scheme.

In many situations, community titled retirement villages operated under the Retirement Villages Act have only one meter provided by ETSA for the whole village. From this meter, a private power distribution infrastructure is installed, which complies with Australian and ETSA standards, but it is a private distribution network to each residence and each residence then has its own meter. They are billed individually for the power that they use. The meters are read and billed by a private meter-reading organisation. ETSA terms this a 'bulk supply arrangement' with 'associated private distribution network'. It is also called an 'embedded network'.

The problem arises when retirement village residences have photovoltaic systems on their individual roofs with an associated dedicated inverter, which means that the net power generated from each individual resident is then fed back to the grid via the single meter that applies to the whole village. This scenario means that the entire retirement village, in effect, has one generator which is in the name of the company or the entity running the retirement village. Consequently, it is limited to receiving the feed-in tariff bonus to only the first 45 kilowatt hours produced per day.

The impact of that is that each residence—for example, if you had 86 homes in a village—would receive just a very small amount because the whole village would very soon reach and surpass the cap that has been reached. On the figures that I have been provided with, in that scenario each residence would be entitled to half a kilowatt hour each or 30¢ a day compared to $2.40 a day, which they would otherwise get if they were separately metered.

An 86-home retirement village would generate in the order of 350 kilowatt hours of energy exported per day. That is based on a 1.85 kilowatt system on each residence, producing 4 kilowatt hours of net export electricity. That would mean that, of that 350 kilowatt hours, 305 will not attract the feed-in bonus and, in effect, that penalises retirees who are largely on fixed incomes and, therefore, they are significantly impacted by ever increasing electricity prices, so they are not able to benefit from solar energy.

I should point out that we are not looking to the owners of retirement villages making a profit from the scheme because the bulk purchase of electricity, whilst it may result in a slightly reduced cost to residents, when it is combined with a feed-in tariff, could actually significantly offset the cost of electricity to residents. So, it is in fact about benefiting people—older people, generally—on fixed incomes. We think amending the scheme to enable the residents of retirement villages to access the scheme is a fair change to make, and I think it warrants the support of all members.

The Hon. G.E. GAGO: The government rises to oppose this amendment. ESCOSA has indicated that there may be practical and administrative costs arising from this proposal. Some retirement villages are inset networks whereby the electricity infrastructure belongs to the village itself rather than ETSA Utilities. In these circumstances, ESCOSA notes that the costs incurred by the operator of the inset network in administering the scheme would be recovered from other residents in a retirement village, resulting in higher electricity prices than would otherwise be charged.

The Hon. D.W. RIDGWAY: I indicate that the opposition has some sympathy for what the Hon. Mark Parnell is trying to achieve but, for the reasons outlined by the minister, unfortunately it would be impractical to do this and, therefore, the opposition will be opposing the amendment.

Members interjecting:

The ACTING CHAIR (Hon. J.S.L. Dawkins): Order!

Amendment negatived.

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

Page 5, line 29—Delete 'the amount of $0.54 per kWh' and substitute:

The feed in price

I understand this is consequential.

Amendment carried.

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

Page 6, lines 13 to 29—Delete subsections (5) and (6) and substitute:

(5) A person is not eligible to receive a credit under this section—

(a) on or after 1 October 2013 in respect of a generator (being a qualifying generator) unless the person is a Category 1 qualifying customer or a Category 2 qualifying customer in relation to that generator; or

(b) on or after 1 October 2016 in respect of a generator (being a qualifying generator) unless the person is a Category 1 qualifying customer in relation to that generator.

(6) If a generator is, on or after 1 October 2011—

(a) altered in a manner that increases the capacity of the generator to generate electricity; or

(b) disconnected and moved to another site,

a credit under this section will not be payable from the date of the alteration or disconnection.

This amendment sets the date that solar customers in the transitional scheme will cease to receive the feed-in tariff.

The Hon. D.W. RIDGWAY: I indicate that the opposition discussed this at length, and we have agreed to support the government's amendment to provide a transitional period to the date mentioned in the amendment.

The Hon. D.G.E. HOOD: For the record, Family First also supports the amendment.

The Hon. M. PARNELL: I am supporting the amendment.

Amendment carried.

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

Page 6, after line 39—Insert:

(9) For the purposes of this section—

(a) a Category 1 qualifying customer is a qualifying customer in relation to a qualifying generator where—

(i) the generator is a qualifying generator before 1 October 2011; or

(ii) a person, before 1 October 2011, has received permission to connect the generator to a distribution network from the holder of a licence authorising the operator of the network and has, within 120 days after 1 October 2011, made arrangements with the holder of the licence for a new meter to be installed on account of that connection; and

(b) a Category 2 qualifying customer is a qualifying customer in relation to a qualifying generator where—

(i) the person does not qualify to be a Category 1 qualifying customer under paragraph (a); but

(ii)—

(A) the generator is a qualifying generator on or after 1 October 2011 and before 1 October 2013; or

(B) a person, before 1 October 2013, has received permission to connect the generator to a distribution network from the holder of a licence authorising the operation of the network and has, within 120 days after 1 October 2013, made arrangements with the holder of the licence for a new meter to be installed on account of that connection.

(10) In this section—

feed in price means—

(a) in relation to a Category 1 qualifying customer with respect to a qualifying generator—$0.54 per kWh;

(b) in relation to a Category 2 qualifying customer with respect to a qualifying generator—$0.16 per kWh.

This amendment introduces the new category of 'qualifying customers' that will provide the solar industry with an increased transition period away from public support.

The Hon. M. PARNELL: I move:

Amendment to Amendment No. 4 [Gago-2]—Inserted section 36AE(10)—Delete the definition of feed in price and substitute:

feed in price means—

(a) in relation to a Category 1 qualifying customer with respect to a qualifying generator—the price per kWh from time to time that, when added to the prescribed amount as determined from time to time under section 36AD, results in a total price of $0.54 per kWh (and if the prescribed amount is equal to or greater than $0.54 per kWh, the price for the purposes of this paragraph is to be taken to be $0.00 per kWh);

(b) in relation to a Category 2 qualifying customer with respect to a qualifying generator—the price per kWh from time to time that, when added to the prescribed amount as determined from time to time under section 36AD, results in a total price of $0.30 per kWh (and if the prescribed amount is equal to or greater than $0.30 per kWh, the price for the purposes of this paragraph is to be taken to be $0.00 per kWh).

This is the absolute guts of the bill, and we are going to have to spend a little time working our way through this, because we have several models and various permutations and combinations of those models. Certainly, the Greens' position, for example, on the Liberal amendments may well hinge on the government's attitude to my amendments.

In this amendment No. 4, as I understand it, this is the section that sets out the two feed-in scheme. There is the scheme for the existing customers and those who join the scheme before 1 October, and then there is what we are calling the transitional scheme for those who join the program after 1 October.

As I understand the amendment, the government is proposing that those who are in the schemes now or who join before 1 October will be paid the sum of 54¢ per kilowatt hour net for exports of electricity to the grid and that, on top of that, they will get the fair and reasonable price set by ESCOSA that we have already talked about earlier.

First, can the minister clarify that the discussions that I have had with the minister over the last week about incorporating the ESCOSA established fair and reasonable price into the feed-in tariff has amounted to nothing and we are now looking at 54¢ per kilowatt hour net to 2028, plus the ESCOSA set fair and reasonable price? Can the minister clarify that that is the intent of the first part of this amendment?

The Hon. G.E. GAGO: I am advised that the intent is to deliver the 54¢ plus the retailer component.

The Hon. D.W. RIDGWAY: I move:

Amendment to amendment No. 4 [RegDev-2]—Inserted section 36AE(10)—Delete '$0.54 per kWh' and substitute:

$0.44 per kWh

That has the effect of reducing the price of 54¢ down to 44¢. I think one of the issues that have been of concern, especially to the opposition, is: what does this additional 10¢ mean to the consumers across South Australia? From the latest figures that have been provided to me by the shadow minister, Mitch Williams, it appears that over the life of the scheme this extra 10¢ to 2027 will equate to $190.8 million, so effectively $10 million a year so that every cent is $1 million a year.

It was the Premier who announced the 10¢ after the review was done. It does impact significantly on consumers, notwithstanding they will already receive the 44¢. The opposition thinks that 44¢ which, of course, will have the fair and reasonable price of about 6¢ to 8¢ added back in on top of that is a reasonable compromise. While people have been promised the 54¢ by the government and by the Premier, and some would argue that this is somewhat retrospective, they actually have not received that particular benefit yet. It is a benefit in the future, so we are wanting to maintain the existing customers at 44¢ going forward.

The Hon. M. PARNELL: I need some more clarification from the minister. She has clarified that the 54¢ is a fixed amount going forward to the year 2028. Can I ask the minister to also clarify that, under this regime, the transitional scheme—that is, for those who join after 1 October—will be the sum of 16¢ and that will be fixed for the sum of 10 years? I ask her to make it clear that the government is not proposing that that 16¢ includes the retailer contribution. It is simply a feed-in tariff paid for by other consumers, but that it is a fixed amount for 10 years.

The Hon. G.E. GAGO: I have been advised that it is in fact fixed at 16¢ plus the retailer's component for five years, not 10.

The ACTING CHAIR (Hon. J.S. L. Dawkins): The Hon. Mr Parnell, are you going to move your amendment?

The Hon. M. PARNELL: I do need to say a fair bit more about this because, as I say, this is the crux of the bill. What the minister has told the chamber by her comments is that the government's intention is for the government to ask the Legislative Council to support the most expensive scheme that will add the most to the power bills of ordinary South Australians of all the

models put forward, and I am just got gobsmacked that that is what they want to do. I seek leave to incorporate into *Hansard* a statistical table.

The ACTING CHAIR: Is it purely statistical?

The Hon. M. PARNELL: It is purely statistical. It has numbers in squares.

Leave granted.

ESCOSA Modelling of Cost of SA Solar Feed-in Scheme
(based on figures taken from Table 7 and 8 from Appendix 3 of the ESCOSA Report: *Proposed Amendments to the South Australian Photovoltaic Feed-in Scheme*)

	Distributor	Retailer	Total
Government (no carbon price)	268.4	73.9	342.3
Greens (no carbon price)	251.2	79.0	330.2
Government (with carbon price)	268.4	117.4	385.8
Greens (with carbon price)	240.0	125.3	365.3

Note: assumes Discount Rate of 8 per cent

The Hon. M. PARNELL: I will just refer to it before I hand it over. Basically, using the figures that ESCOSA provided in their modelling of the various schemes, they worked out how much the Greens' proposal cost—and that is the amendment that I have moved—and how much the government's scheme would cost, and they did it under two scenarios.

They did it under the current scenario where the price of pollution is effectively free—where we do not have a carbon tax, so it is free—and they did it with the price of electricity affected by a carbon price. When they modelled the two schemes, the price of the government's scheme with no carbon tax was $342.3 million. The price of the Greens' scheme was $330.2 million. So, the Greens' proposal was $12 million cheaper, but the great tragedy of what the government is now doing is that the Greens' proposal actually had more solar panels being put on more roofs in South Australia in the future. So not only is it cheaper for all households but you get more solar panels. I just cannot for the life of me understand why the government is going down that path.

When ESCOSA factored in a carbon price, the Greens' scheme is $20 million cheaper. This just astounds me, because when the public get wind of what this parliament is doing, they will realise that the electricity bills that are going to hurt them on an ongoing basis have been beefed up by the government ignoring cheap options and going for expensive options purely on the basis of a comment that the Premier made in August; that is, he thought that existing people should get an extra 10¢ a kilowatt hour, when those people did not ask for it and the solar industry was not calling for it. It was simply, in many ways, a throwaway line. The government will say it was on the basis of a report that was produced, but clearly it was an irresponsible announcement.

The Greens' amendment proposes to have the 54¢ still in as a number but we were not going to calculate that number the way the government has, which is 54¢ ad infinitum. Our 54¢ was going to include the ESCOSA determined fair and reasonable price. The Greens' model is: if we take the fair and reasonable price of 6¢, the retailer would pay 6¢ and the rest of the community, the other electricity consumers, would pay 48¢, and that is how it would be calculated.

However, people would still get what the Premier told them they would get, which is 54¢. The government's proposal is for the most expensive scheme with the least benefit to anyone other than those who are already in the scheme, and they are going to get a windfall that they did not ask for and that, in terms of people who have signed up in the last year or two do not need, because the payback period for solar panels was already cheap.

The government's proposal locks in a very large public subsidy until the year 2028 which will be long after the majority of solar households have paid off their panels. That might have made sense back at the start of 2008 but it makes no sense in 2011. If electricity prices rise as high as many commentators estimate, the solar households will be getting a big financial windfall well beyond what parliament originally intended, and this financial windfall will be at the expense of other households without solar panels.

Let it not be said that the Greens do not want people with solar panels to get a great return on their investment—we do—but we want to be economically responsible about how we do this. We want to keep a lid on the price of electricity for all consumers. We can do that in a way that enables a transition scheme that will give even more solar households a chance to be

established—and on the Greens' estimate we could get an extra 40,000 households with solar panels on their roofs for less cost than what the government is proposing. That is why I think the sensible model is to phase out the community top-up, to reduce it over time as electricity prices rise and the retailer contribution increases.

The way we are going, if the Greens' model is not supported, then it is just going to be a massive impost. We will hear what other speakers have to say, but I might ask the indulgence of the house just to briefly get some advice on this because we are now faced with the dilemma that the government is proposing to do something that is incredibly economically irresponsible and, all of a sudden, the opposition's amendment starts to become much more attractive.

I will take some advice quickly. I do not need the debate to stop if other speakers want to continue but I would appreciate it, if there are not any other speakers, if I could have a minute to get some advice. My tendency is to support the Liberals because, whilst that is less generous to existing solar panel owners, it certainly is more economically responsible, given that we represent all electricity consumers in this state.

The Hon. D.W. RIDGWAY: Can you explain the process? A few of us have had discussions with parliamentary counsel, but I think it would be useful for you to explain how we will proceed forward, given that the opposition's amendment is the most economically responsible and probably the most sensible of all the amendments.

The Hon. M. Parnell: It is the second best.

The Hon. D.W. RIDGWAY: The Hon. Mark Parnell says it is the second best. Having said that, I think it makes sense. We have all moved our amendments.

The CHAIR: I will be putting the Hon. Mr Ridgway's amendment first. If that succeeds, I will then be putting the minister's amendment as amended.

The Hon. G.E. GAGO: The government rises to oppose the Ridgway amendment. The government is cognisant that over 45,000 customers have joined the scheme since the announcement on 31 August 2010 of the intention to increase the feed-in tariff to 54¢. It needs to be assumed that a substantial proportion of those customers have based their purchasing decision on that 54¢. For those reasons, we will be proposing the amendment.

The Hon. D.G.E. HOOD: There are three amendments, aren't there? We will be supporting the government's amendment and opposing the other two, and I will explain why. The simple reason is this: the minister quoted 40,000 households. In fact, I am informed that something like 70,000 households will come in under this scheme by the time it expires. The truth is that those people have signed up under the full expectation of getting 54¢ a kilowatt. I just do not think it is reasonable for us to then change the amount that they are expecting to get, albeit they are currently only eligible for 44¢.

The Premier made a very public statement which, I think, most people out there would assume would pass into law although, of course, that is not always the case. They would assume it would pass into law that that would, in fact, be 54¢ a kilowatt. Now, that being the case, I do not see that it is fair to those people who have signed up in good faith, expecting those conditions, to then change the game on them at a later stage. So, we will be supporting the government's position on this one.

I also think the 16¢ for the so-called category 2 group of people is a very reasonable amount for a transition scheme. Let us be clear about this: people have had a long time to join the solar scheme. It is not like it is new. There have been many, many months where the solar companies have been advertising most aggressively to get people into this scheme. So, I do not think it is fair, firstly, to change the rules on people who have already joined the scheme. Secondly, I think 16¢ is a very fair transition amount. So, for that reason, we will be supporting the government's position on this one.

The Hon. M. PARNELL: I just want to make some observations. It is not often that I am lost for words, but I am struggling with this one. Two things: first of all, I think that the government and, perhaps to a lesser extent, the Hon. Dennis Hood assume that the good citizens of South Australia pay more attention to the Premier's pronouncements than we know they do. Now, the reason I can say that is that, when I talk to the people in the solar industry about what is driving the uptake in solar electricity, it is not, 'We heard the Premier on 22 August last year say that he was going to introduce legislation to bring the feed-in tariff to 54¢.'

The reason it is going gangbusters is the very generous commonwealth scheme which helps people with the up-front purchase price. When people are buying big capital items, it is the up-front cost that is driving the purchase. That is the first consideration. The second consideration is: how long before I pay back my panels? Ultimately, what is driving this current boom is the federal scheme and the fact that they have announced it is going to be wound back over the next couple of years. I do not accept, firstly, that the 54¢ has been the driving factor and therefore we somehow owe it to people, who may have heard the Premier say that, to legislate to do what the Premier said.

The Hon. Dennis Hood—and he and I agree on many aspects of this—talks about changing the rules. The rules are what we are writing. The Premier will say what the Premier says out there in public but the Premier doth not, by proclamation, legislation make. The fact is that he said he wanted the tariff to go up to 54¢ for existing customers, and I can hear his press conference tomorrow: 'The government wanted to be generous to people with solar panels. We wanted to give them more money'—that they never even asked for and, as a result, we are blowing out the electricity costs for everyone else in the community. He is going to blame those naughty Liberals and the Greens for having stymied his ill-thought-out policy proposal to increase the feed-in tariff when it was not asked for.

Had the government adopted a more sensible approach of tailoring off the scheme—

The Hon. P. Holloway: You were the ones who wanted 20 years. Come on! Let's have some reality here.

The Hon. M. PARNELL: The Hon. Paul Holloway talks about the 20-year scheme. I do not recall seeing him at the international solar congress, where the Premier got to his feet in front of hundreds of people from around the world and announced what a fantastic solar feed-in scheme we had, and he personally thanked me and the Greens for putting it up to 20 years, because that is what he knew and that is what the industry knew the solar community needed in order to drive take-up. If you look at the take-up rates, you will find that, even with that 20-year scheme, in those early days the take-up was not that great because the panels were still expensive and it took a long time to pay them off.

The only reason it has gone gangbusters recently has been a combination of factors, most of them outside our control, such as the Australian dollar, the price of panels and the commonwealth announcement. Had the government done what it said it would do and reviewed this scheme promptly, we could have, in a sensible way, managed a transition away from subsidies, but the idea of actually increasing it at the same time you chop it off makes no sense at all.

Therefore, I do not accept that somehow we have an obligation as a parliament to give effect to something that the Premier announced that was ill thought out. People are going to say, 'Mark, you have got 54¢ in your amendment.' We have, but we have constructed it in such a way that it declines over time and is economically responsible. What the government has now put forward is going to be rued by South Australian electricity customers for many years because there will be an extra chunk on the top of their bill that will come from this ill-thought-out scheme.

So, whilst I will be moving my amendment if I get the chance, if it is not made redundant by the passage of other amendments—

The CHAIR: You have moved it.

The Hon. M. PARNELL: But what I am saying is that you may well decide, as a result of previous decisions that are made, I am not allowed to. I will leave that to your call.

The CHAIR: You have already moved it.

The Hon. M. PARNELL: Yes, but you said you will consider it after the other two. Once those two have been—

The CHAIR: No, if the Hon. Mr Ridgway's amendment is defeated, then we consider yours.

The Hon. M. PARNELL: Only if that is defeated?

The CHAIR: That is the way they were filed.

The Hon. M. PARNELL: That is good. Thank you for your guidance. Given the indications I have had from both sides that the Greens amendments are not going to succeed, we will be supporting 44¢.

The Hon. D.G.E. HOOD: If I can have an opportunity to respond to that. I do not accept, either, that the only reason people are jumping on board the latest solar schemes is purely because of the capital cost. I do not accept that. Certainly, I think that is a significant component of people's decisions but, also, there is no question that people do their sums and they realise that the feed-in tariff helps them pay these things off over time, hence, that becomes part of their arithmetic in working out whether or not it is worthwhile in their individual circumstance to proceed.

I will give you a quick example. When somebody goes to buy a car, you take into account the cost in outlay of that vehicle and the running costs of that vehicle. We all do that because we know that the cost is not just in purchasing something, it is also in owning it and running it. That equally applies to this scheme as well, and that is why I feel strongly. People I know have actually done this and have taken into account very much what the return will be in terms of the reduction in their power costs and also the potential to receive money back through the feed-in scheme. I think people have considered both of these aspects and I do not think it is fair to change the rules on them, and that is why we will not be supporting anything that does that.

The Hon. A. BRESSINGTON: I am going to support the Hon. David Ridgway's amendment. I think we have a bit of a dilemma here. We are worried about people who already have committed to solar energy on the 54¢ feed-in scheme, but we are not even talking about the other side of the coin where the most disadvantaged people in our community are subsidising that for everybody else. They are the least able to participate in the scheme and the ones that are actually expected to subsidise it, and I think that is quite a perverse situation for us to have.

I am supporting the Hon. David Ridgway's amendment because I think he may have the numbers. I prefer the Hon. Mark Parnell's amendment—scales are down more, and I think that would be more effective, more cost-effective and more fair over time—but for fear that the Hon. Mark Parnell's will not get up, I am going to support the Liberal amendment.

The Hon. K.L. VINCENT: I would like to echo the sentiments of the Hon. Ms Bressington. It is my primary intention, if you like, to support the amendments of the Hon. Mr Parnell; however, in light of the fact that these are very unlikely to get up, I will support those of the Hon. Mr Ridgway.

Hon. D.W. Ridgway's amendment carried; Hon. G.E. Gago's amendment as amended carried.

The Hon. M. PARNELL: My amendment No. 12 is a review clause. Basically, it is ensuring that the scheme is reviewed in a reasonable time, but I will not be moving this amendment because now that the transition scheme is so short, there is no real advantage to having a statutory review. I withdraw that amendment.

Clause as amended passed.

Clause 8 passed.

Schedule 1.

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

Clause 1, page 7, line 40—Delete paragraph (d) and substitute:

(d) disconnected and moved to another site,

The government's intention was for the disconnection clause to only apply to substantive disconnections such as moving a solar system from one place on the network to another. The amendment clarifies this intention.

The Hon. D.G.E. HOOD: Family First supports the amendment.

The Hon. D.W. RIDGWAY: The opposition is supporting the amendment.

Amendment carried.

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

Clause 2, page 8, after line 9—Insert:

(ab) will be taken to be a Category 1 qualifying customer under section 36AE (as enacted as part of new Division 3AB) with respect to a qualifying generator; and

This is consequential.

Amendment carried; schedule as amended passed.

Title passed.

Bill reported with amendment.

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (17:41): I move:

That this bill be now read a third time.

Bill read a third time and passed.

STATUTES AMENDMENT (BUDGET 2011) BILL

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

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (17:42): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill introduces legislative amendments required to implement budget measures that have been announced as part of the 2011-12 Budget.

This Bill amends the *First Home Owner Grant Act 2000*, *Liquor Licensing Act 1997, Statutes Amendment (Budget 2010) Act 2010 and the Summary Procedures Act 1921.*

This Bill amends the *First Home Owner Grant Act 2000* to phase out the $8,000 first home bonus grant by 1 July 2013. The bonus grant is currently available for eligible first home buyers who purchase or build a new home valued up to $400,000. The bonus grant currently phases out for newly constructed homes valued between $400,000 and $450,000.

The amendments will reduce the first home bonus grant to $4,000 from 1 July 2012 and fully abolish the grant from 1 July 2013. The $8,000 first home bonus grant will continue to be available for eligible transactions entered into prior to 1 July 2012.

Under current arrangements it is estimated that around 1600 first home buyers will be eligible for some level of first home bonus grant in 2011-12. The phasing out of the grant is expected to result in some first home buyers bringing forward their home purchase decisions, which could assist in stimulating the residential building sector in this period.

In recognition that the bonus grant is now only available for a limited timeframe, the Bill includes similar commencement and completion conditions for the building of new homes as were in place for the Commonwealth's First Home Owner Boost Grant, which was provided for a specific period of time as part of the Commonwealth Government's economic stimulus measures.

To qualify for the first home bonus grant, eligible first home buyers who enter into a comprehensive home building contract will be required to commence construction of the home within 26 weeks after the contract is made. In addition the contract must state that the new home will be completed within 18 months of commencement of the new home (i.e. the laying of foundations) or otherwise the home must actually completed within the same timeframe.

Owner builders who are eligible for the bonus grant will be required to complete their new home within 18 months after the commencement date. There are also completion requirements for 'off-the-plan' homes which have regard to the nature of 'off-the-plan' constructions.

The Commissioner has the discretion to allow a longer period for either the commencement of and/or the completion of the building of a home having regard to the specific circumstances of the transaction.

The requirements for first home buyers to be eligible for the $7,000 First Home Owner Grant remain unchanged.

This initiative is expected to provide estimated savings to the state budget of $21.3 million over four years.

This Bill will amend the *Liquor Licensing Act 1997* to introduce new fees for holders of liquor licences to offset the costs of compliance.

Currently, fees are payable for an application for a licence but not for the grant of a licence and, since licences (apart from a limited licence) are ongoing and no subject to a renewal process, fees are not collected on an annual basis to cover the ongoing costs of compliance.

The Bill introduces a legislative framework for the payment of annual fees for the ongoing licence classes. The regulations will fix the date for payment, the period to which the fee is to relate and the basis for the calculation of the fees. It is intended that the scheme will accommodate different fees that reflect the level of compliance effort required on the part of the Liquor and Gambling Commissioner. To that end it is proposed that there will be two base fees which will be different depending on the type of business conducted under the licence and significant additional fees for licences that authorise early morning trade.

A limited licence is a licence for a special occasion or series of special occasions. Some of these licences are for very large commercial events such as the Clipsal 500 and the Big Day Out. The Bill introduces a legislative framework to enable the regulations to fix a fee payable on the grant of such a licence.

The Liquor and Gambling Commissioner will have the discretion to grant either a reduction in the annual fee or an exemption under hardship provisions, both on application of the licensee.

This initiative is estimated to cost $2.5 million over four years to implement, administer and enforce compliance. The initiative will provide estimated savings of $15.1 million over four years to offset the cost of providing liquor regulatory services.

This Bill will amend the *Statutes Amendment (Budget 2010) Act 2010* to reverse arrangements to employee recreation leave loading entitlements announced in the 2010-11 Budget.

As part of the 2010-11 Budget initiatives, recreation leave loading for specified public sector employees was to be replaced with an additional recreation leave entitlement of two days per annum from 1 July 2012.

This amendment means leave loading arrangements will now not be altered from 1 July 2012.

This initiative is estimated to cost $66.9 million over three years from 2012-13.

This Bill will amend the *Summary Procedure Act 1921* to introduce a cap on court awarded costs against the police.

Under current provisions, the Magistrates Court can award costs to reimburse acquitted persons for the reasonable costs of professional representation. These costs are not bound by the scale of costs set under the *Magistrates Court Act 1991*. In contrast, the South Australia Police are rarely able to recover more than a nominal amount of costs for successful summary prosecutions.

The amendment will reduce the Court's discretion to award costs against police in unsuccessful summary prosecutions through a general rule that costs are to be awarded against the Crown in such a case only if it is proper to do so. In deciding whether it is proper, the Court must consider a list of factors including whether the investigation into the alleged offence was conducted appropriately, whether the defence acted unreasonably, whether the dismissal was for technical reasons, whether the defendant by his conduct brought suspicion on himself and other matters.

Further, if costs are to be awarded, the Court must ordinarily award costs on the scale of costs, unless a higher amount is justified.

These amendments are consistent with similar legislative provisions recently introduced in Queensland.

This initiative provides estimated savings of $1.6 million per annum from 2012-13.

This Bill will further amend the *Summary Procedure Act 1921* to introduce a court enforcement fee for police appearances at court.

Currently, the South Australia Police may be awarded a $25 appearance fee for each court file finalised by a guilty plea or finding.

From 1 July 2012, this fee will be replaced with a $100 court enforcement fee awarded at the time a defendant is found guilty in court. The fee would not apply where a defendant pleads guilty in writing without the need for any court hearing.

This initiative will provide estimated savings of $13.4 million over three years from 2012-13 which will assist in meeting the cost of prosecution.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause is formal.

2—Commencement

The Act will come into operation on a day to be fixed by proclamation. However, Part 2, which amends the *First Home Owner Grant Act 2000*, will be taken to have come into operation on 10 June 2011.

3—Amendment provisions

This clause is formal.

Part 2—Amendment of *First Home Owner Grant Act 2000*

4—Amendment of section 3—Definitions

Section 3 of the *First Home Owner Grant Act 2000* is amended by this clause to insert a definition of *contract for an 'off-the-plan' purchase* into the general definition section. The term is currently defined only for the purposes of section 13A but under this measure is also to be used in sections 18BA and new section 18BAB.

5—Amendment of section 13A—Special eligible transactions

This clause removes the definition of *contract for an 'off-the-plan' purchase* from section 13A as the term is to be defined in section 4 for the purposes of the whole Act.

6—Amendment of section 18BA—Bonus grant for transactions on or after 17 September 2010 but before 1 July 2012

This clause amends section 18BA so that the first home bonus grant payable under that section is not available in relation to eligible transactions that commence on or after 1 July 2012.

The clause also inserts additional criteria that are to apply in relation to eligible transactions with a commencement date of 10 June 2011 or later. Those criteria are as follows:

- if the eligible transaction is a comprehensive home building contract for a new home—
    - the laying of the foundations for the home must commence within 26 weeks after the contract is made, or any longer period the Commissioner may, in particular circumstances, allow; and
    - the contract must state that the eligible transaction is to be completed within 18 months after the laying of the foundations for the home is commenced or the eligible transaction must be completed within 18 months after the laying of the foundations for the home is commenced;
- if the eligible transaction is the building of a new home by an owner-builder—the transaction must be completed within 18 months after its commencement date;
- if the eligible transaction is a contract for an 'off-the-plan' purchase of a new home—
    - the contract must state that the eligible transaction is to be completed on or before 31 December 2013; or
    - the eligible transaction must be completed on or before that date.

A new subsection authorises the Commissioner to extend the time within which an eligible transaction must be completed under the section if the Commissioner considers there are proper reasons for doing so.

7—Insertion of section 18BAB

This clause inserts a new section.

18BAB—Bonus grant for transactions on or after 1 July 2012 but before 1 July 2013

Section 18BAB provides for an increase in the amount of a first home owner grant if—

- the commencement date of the eligible transaction is on or after 1 July 2012 but before 1 July 2013; and
- the transaction relates to a contract for the purchase of a new home, a comprehensive home building contract or the building of a new home by an owner builder; and
- the market value of the home is less than $450,000.

The bonus is payable in the case of a comprehensive home building contract for a new home only if—

- the laying of the foundations for the home commences within 26 weeks after the contract is made, or any longer period the Commissioner may, in particular circumstances, allow; and
- the contract states that the eligible transaction must be completed within 18 months after the laying of the foundations for the home is commenced or, in any other case, the eligible transaction is completed within 18 months after the laying of the foundations for the home is commenced.

In the case of the building of a new home by an owner builder, the bonus is payable if the eligible transaction is completed within 18 months of the day on which it commences.

In the case of an 'off-the-plan' purchase of a new home, the bonus is payable if—

- the contract states that the eligible transaction must be completed on or before 31 December 2014; or
- in any other case, the eligible transaction is completed on or before that date.

The amount of the bonus grant will, if the market value of the home does not exceed $400,000, be $4,000. If the market value of the home exceeds $400,000, the amount of the bonus grant is to be determined in accordance with a formula set out in the section.

The Commissioner is authorised to extend the time within which an eligible transaction must be completed under the section if the Commissioner considers there are proper reasons for doing so.

8—Amendment of section 18BB—Market value of homes

This amendment is consequential and ensures that section 18BB, which sets out how the market value of a home is to be determined, applies for the purposes of new section 18BAB.

9—Amendment of section 18C—Amount of grant must not exceed consideration

The amendment made by this clause is consequential.

10—Transitional provision

Under this clause, the amount of a payment made to a person under section 18BA of the *First Home Owner Grant Act 2000* in relation to an eligible transaction with a commencement date of 10 June 2011 or later will be recoverable from the person as a debt due to the Crown if the person is not entitled to the payment under section 18BA as amended clause 6.

Part 3—Amendment of *Liquor Licensing Act 1997*

11—Insertion of section 50A

This clause inserts a new section for the collection of annual licence fees

50A—Annual fees

The scheme for imposition of annual fees is to be set out in the regulations. It will not apply to a limited licence since a limited licence is not ongoing. The section provides for a default penalty and for suspension of a licence if the annual fee remains outstanding.

12—Amendment of section 53—Discretionary powers of licensing authority

Section 53(3) currently provides that a licensing authority may, on such conditions (if any) as it thinks fit, vary or waive compliance with formal requirements relating to an application. The amendment also contemplates variation or waiver of the payment of fees relating to the grant of the application.

13—Insertion of section 59A

This clause inserts a new section for the collection of licence fees on the grant of a licence.

59A—Licence fee payable on grant of licence

There are 2 components to this provision. The first is a fee payable for a limited licence. A limited licence is a licence for a special occasion or series of special occasions, including large commercial events such as the Clipsal 500 and the Big Day Out. The details of the fee will be set out in the regulations. The second is a pro rata payment of the first annual fee payable for a licence other than a limited licence that is payable on the grant of the licence.

14—Amendment of section 138—Regulations

This clause amends the general regulation making power so that a regulation may provide for the Commissioner to waive, reduce or refund fees payable under the Act.

15—Transitional provision

The transitional provision enables the initial regulations under section 50A to make adjustments to the scheme in its introductory period. It is also provided that an application to reduce trading hours to match actual hours made before the date for payment of the first annual fee need not be advertised and may be made without payment of a fee.

Part 4—Amendment of *Statutes Amendment (Budget 2010) Act 2010*

16—Repeal of sections 60 and 61

17—Repeal of section 63

These clauses provide for the repeal of those sections of the *Statutes Amendment (Budget 2010) Act 2010* that relate to leave loading allowances for recreation leave.

Part 5—Amendment of *Summary Procedure Act 1921*

18—Substitution of section 189

This clause substitutes current section 189 with a more detailed scheme relating to costs.

189—Costs generally

This section retains the existing general rule relating to costs.

189A—Costs payable by Crown in certain criminal proceedings

New section 189A provides that, in proceedings for an offence prosecuted by a police officer that are dismissed or withdrawn, costs may only be awarded if it is proper to do so. Subsection (2) sets out a list of circumstances relevant to the making of a costs order. Subsection (3) provides that costs may only be awarded in accordance with either a scale prescribed in the regulations or, if there is no such scale prescribed, the scale of costs prescribed in relation to criminal proceedings under section 49(1)(e) of the *Magistrates Court Act 1991*. Subsection (4) provides that the Court may allow a higher amount for costs if satisfied that the higher amount is just and reasonable having regard to the special difficulty or complexity of the case, or where the Court finds that the prosecution has not acted in good faith in bringing the proceedings.

189B—Costs payable by defendant in certain criminal proceedings

New section 189B provides that, if the Court finds a defendant guilty in proceedings for an offence prosecuted by a police officer, the defendant must pay costs of $100 (or, if an amount is prescribed by regulation, that amount), unless the prosecution agrees that no costs order should be made.

189C—Costs in preliminary examination

This section retains the existing provision that costs will not be awarded against a party to a preliminary examination of an indictable offence unless the Court is satisfied that the party has unreasonably obstructed the proceedings

189D—Costs against complainant in proceedings for restraining order

This section retains the existing provision that costs will not be awarded against a complainant in proceedings for a restraining order unless the Court is satisfied that the complainant has acted in bad faith or unreasonably in bringing the proceedings

189E—Costs—delay or obstruction of proceedings

This section retains the existing provisions relating to the award of costs in the event of the delay or obstruction of proceedings (and retains the existing procedures in relation to such awards of costs).

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

APPROPRIATION BILL

The House of Assembly requested that the Legislative Council give permission to all honourable members of the Legislative Council holding commissions as ministers during the period of the examination of estimates to attend and give evidence before the estimates committees of the House of Assembly on the Appropriation Bill.

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (17:43): I move:

That the Minister for Regional Development (Hon. G.E. Gago) and any other member of the Legislative Council holding a commission as minister during the period for the examination of estimates have leave to attend and give evidence before the estimates committees of the House of Assembly on the Appropriation Bill, if they think fit.

Motion carried.

ADELAIDE OVAL REDEVELOPMENT AND MANAGEMENT BILL

Adjourned debate on second reading.

(Continued from 22 June 2011.)

The Hon. T.J. STEPHENS (17:44): I rise to speak on the Adelaide Oval Redevelopment and Management Bill and add some comments to support my colleagues the Hon. Robert Lucas and the Hon. David Ridgway. I just want to touch on a few things, starting off with the decision-making processes and how we have come about this. The Liberal Party came out with a bold vision of an inner-city, covered stadium. The Labor Party, prior to the election, realised that we were getting some traction and decided that it would try to drag football and cricket, kicking and screaming, and do a deal at Adelaide Oval.

That was not because it was the best possible outcome for sport in South Australia, not because it would be a state-of-the-art stadium for football participation for the next 50, 60 or 70 years, and not because it was the best outcome for cricket because, in fact, cricket, as we speak, has the best cricket ground in the world down the road, with the best cricket pitch and more

than adequate facilities, magnificent surroundings and certainly has never had a requirement for a 50,000-seat stadium to accommodate cricket patrons, and neither is it likely to.

What we have seen with this decision-making process is pure politics. The reality is that the Labor Party held enough seats at the last election to win. The Liberal Party had the majority of the popular vote but, sadly, they were not in the required number of seats. Whilst the Labor Party won the election, I have never considered that it has had a mandate to burst ahead and develop Adelaide Oval.

The Hon. P. Holloway interjecting:

The Hon. T.J. STEPHENS: The Hon. Paul Holloway is interjecting and making a fuss, and I think that is appropriate, given that it will be one of the last few times I will be speaking when he is still in the chamber. So, former minister, rip in! I cannot recall the Hon. Paul Holloway making a speech on this issue, but I am looking forward to his putting on the record how he thinks this is a 21st century stadium when, in fact, we know that this is a 20th century stadium for the 21st century.

I have a couple of questions that I will put now so that, hopefully, the minister can answer them before we progress to the committee stage. One question I would like the minister to report back on is: has there been any modelling for wind in the new inner-city stadium? Of course, it is not so important for cricket, but incredibly important for the spectacle for football is the wind effect on a game and the actual spectacle. I am really concerned that, in a horseshoe-style stadium, the spectacle of a game of Australian Rules football will be impaired. I would like to hear what modelling has been done with regard to that issue.

I also would like an assurance from the minister that she is prepared to go to the South Australian Cricket Association and make sure that it opens up its vote so that it is open and transparent. In a little while, I will read one of the many emails I have had which show concern for the way in which the actual vote was conducted and the incredible concern that seems to be out there as to the propriety of the vote.

I am not suggesting that the vote was anything but proper but, for goodness sake, why SACA would not release all details and further fan suspicion is beyond me. To me it is a reasonably simple process: you make it open and transparent, then those who are questioning the process and the result really have no argument. But, sadly, what we have seen to date is the typically incredibly poor way this has been handled. So, I seek assurance from the minister that, before we proceed with this, she will ensure that SACA opens up the vote so that people can see that it was open and transparent.

Some time ago, I met with a number of SANFL officials, and I am pleased to say that I have a pretty good rapport with most of the people in the SANFL. I can remember well before this debate suggesting that perhaps we could have Adelaide and Port Adelaide away games sold so that they could be played at Adelaide Oval. This would mean that AFL footy would still be played at Football Park every weekend but some of the poor crowd-pullers like North Melbourne may well have decided that they would be prepared to play Port Adelaide or Adelaide away at Adelaide Oval.

At the time that I had those discussions with people I do respect and certainly like, they were met with horror—absolute horror. I was dismissed out of hand. I was told at the time that the only way AFL football would ever be played at Adelaide Oval would be over their dead bodies. I must say that those people who made those comments are certainly alive and well and seem to be prospering throughout this whole scenario.

We know that football's position with regard to moving to Adelaide Oval in the first instance was that it was absolutely against it. Football was in a strong financial position. We heard boasts about how football was in the top 100 companies. I have certainly seen a number of press releases that have been released by the SANFL over that period of time boasting of the strength of its financial position.

As we know today, football is now a basket case. That position of strength has been eroded dramatically and football has come on their knees to Adelaide Oval. It is not their preferred position. They never had the courage to stand up and support our position for an inner-city covered stadium even though, almost to a man, they were privately prepared to talk about how much better our proposal was.

Football has come a full 180 with regard to its strength and its thoughts with regard to Adelaide Oval. It saddens me as a member of parliament that many members of the Labor Party have acknowledged to us that our proposal was better but because—

The Hon. P. Holloway: Name them.

The Hon. T.J. STEPHENS: I don't actually want to, because I do respect private conversations and I hope that I can always maintain that reputation in the parliament that when I do have a private conversation with a member of parliament, especially from the government—and, of course, I hope one day the opposition will be the government—I will respect those private conversations.

Anyhow, a number of people said, 'Look, we've invested too much political capital in this to actually backtrack.' I ask: what sort of way is that to invest in the future of sport in this state? I believe that this is a 50-year decision and I, for one, believe that it will be a disastrous decision. The youth, the generation of today, demands facilities that are far superior to what my generation demanded. As a 20 year old or an 18 year old, I would have been happy to go and watch a game of VFL/AFL football in the rain. It would have been a thrill for me to do that, coming down from Whyalla. I certainly loved the game and would go to great lengths to watch it. I would not go and sit in the rain for love nor money these days.

The Hon. A. Bressington interjecting:

The Hon. T.J. STEPHENS: The Hon. Ann Bressington viciously interjects and calls me too old and a crock. She is right: I am sure I am, but the reality is that young people of today are just not as dedicated. They expect better facilities. Of course, one of the problems you have is that in Victoria they have developed what is now called Etihad Stadium, which is about a 50,000-seat stadium, where you can go without any fear of the weather impacting on your enjoyment and the standard and quality of the game. That is what people expect.

Anybody who knows anything about football knows that if you can play the game in near-perfect conditions, the majority of the time you are going to get a very good standard of football and a great spectacle. The problem we have in this country is that we have a benchmark. We have seen it. The majority of those who have been there are enamoured with that particular facility and, of course, now we as a state are going to go backwards and build a horseshoe stadium at which the SMA claims that 70 per cent of patrons will be undercover.

Well, they would want to improve it. I sat in the new stadium (which I applauded being built) and I was on the record in congratulating this government and the Howard federal government at the time for putting in $50 million to develop the Adelaide Oval to the point that it is today. I have been on the record before and I stand by it. I think it is terrific as it is at the moment.

However, having said that, as a cricket ground the SMA quite rightly states that it was designed for summer; it was designed to allow breezes to come through the stand. I can tell you that on a wet day it is a bit of a disaster. The number of people I saw squirming, supposedly well and truly under cover (this was a couple of weeks ago at an Australia versus New Zealand International Soccer match), was nothing short of a disgrace.

Many people had paid good money to be under cover and they were not just getting damp: they were getting soaked. Here we have a brand new stadium, the first part of this bold vision for this government, and it is just a complete and unmitigated disaster when catering for a winter sport. Goodness knows how much money is going to be needed to be spent on the new western stand to make it remotely agreeable for AFL football.

I have touched on my thoughts regarding the current state of Adelaide Oval; I think it is terrific. I just do not think the money is required to be spent on increasing the capacity of Adelaide Oval at the moment. I would have preferred Port Adelaide to be playing there at the moment. The panacea to all of Port Adelaide's problems to date has been, 'Well, once we move to Adelaide Oval all our problems will be solved.'

I look forward to that with bated breath. I would love to think that they would be playing there at the moment. The ground can fit about 38,000, and I would love to see them filling it up. It would be very encouraging. I would also like to see pigs flying, but that is highly unlikely. The Hon. Mr Gazzola, that was not directed at you, so do not even intimate that it was.

One of the things that I think people have not touched on is how this current proposal has abandoned soccer. The new oval will be totally unsuitable for watching soccer. Our proposal was

for Australian Rules Football in winter and major events in winter that you could plan, whether it be concerts or whatever, because you would have a roof. In summertime, obviously, it is the A league players. The larger soccer games would have been well catered for in our stadium that would have been easy to reconfigure.

My goodness! Why would you go down the path of building a state-of-the-art stadium when you could build something second best? This is about what people in South Australia expect from this government—second best. The Hon. Mr Holloway is soon to retire, and we might name a stand after him. I can imagine that in 10 years' I will be pointing out to the Hon. Mr Holloway the deficiencies, and I hope he is suitably embarrassed.

I have mentioned the SACA vote. As I said, I have had a number of people contact me who are quite concerned and disturbed. I will read out the majority of one particular email. After the normal greeting it goes on to state:

1 We know that two journalists voted six times on behalf of SACA members (who were not themselves) using names and membership numbers. As the voting system was set up there was no method of voting confirmation, such as return email (which you have with hard copy voting, such as a signature on and possession of the voting form).

2 We also know that the *Sunday Mail* journalist was told by Mr McLachlan on the Friday before the vote that the proxy vote was running at 60% [at 60 per cent yes vote]. This figure was reported by the *Sunday Mail* the day before the vote and I also believe on *Adelaide Now* the morning of the vote. It is clear from the total vote announced that the figure was wrong. Given the total voting numbers, it was impossible to get to the 80% after the meeting starting at 60%. It is also clear McLachlan's sole purpose of having this figure published was to maximise the Yes vote at the meeting so that the rowdies who had dominated the previous SACA information meetings did not overwhelm the Yes voters (there or who had already cast their votes, knowingly or otherwise). It needs to be remembered that a mere 600 additional No votes (out of 12,000 supposedly cast) would have swung the outcome.

This is clearly an inappropriate use of his position, that is to attempt to influence the outcome of the vote while it is happening. Whether he knew the number or not, as President of the SACA he should never have made any comment about the vote as it was happening.

We also know that the Sunday Mail did not report this as it had done a deal with SACA and [the] SMA to say nothing negative at any time prior to the vote in return for the 'exclusive' about how the oval would look in late March.

3. We checked with Computershare before the vote started and were told that no information (neither how many votes cast or relative percentages) about how the [vote] was going would be provided to any party at least until the start of the SACA meeting (and we believe properly not until after all votes had been counted.) Comments by [Mr] McLachlan just after Easter suggested he was aware of how the vote was going. On the morning of the vote, ABC Breakfast repeatedly asked SACA CEO John Harnden whether he knew how the count was going and he repeatedly declined to say either way. If he did not know and things were being done properly, he would have had no issue with answering those questions in the negative.

4. Despite requests, SACA did not allow any representative of the No case to scrutinise the voting.

Mr President, I ask you: why would they not have allowed that? It is just beyond belief.

5. SACA claims that the vote was 'independently' carried out with Ernst & Young as returning officer and Pitcher Partners as scrutineer. But these parties are not independent of the SACA as both had material conflicts of interest with this role with the vote given their financial relationships with SACA. [Ernst & Young] was enjoying significant contract work from the matter. (they are cited as 'independent experts' on at least two financial matters in the SACA so-called Information Booklet). [Ernst & Young] were also undertaking at that time a major (and no doubt lucrative) strategic review for the SANFL. Pitcher Partners are also the SACA's auditors. Further, both Pitcher Partners and Ernst and Young would have had a host of uncomfortable questions to answer should the vote have gone down as in all likelihood the SACA were broke and would have had to be bailed out by someone (like the AFL is bailing out Port and the SANFL.)

Just on that, not everything you receive is right. As I am well aware, the AFL is not bailing out Port Adelaide and the SANFL: the AFL is lending money, I am told, to the tune of $10 million. This notion that the great white knights, Andrew Demetriou and co., have come in to rescue football in this state is a nonsense. They are providing a loan and all that does is compound the problems, but the SANFL will eventually have to repay the loan. He goes on to say:

This is not to raise any implication about their integrity other than to say that these professional relationships mean they were not independent as they had significant conflicts of interest and that as a matter of professional conduct they should have stood aside from taking on these roles because of those pre-existing roles.

6. The SACA and Ernst and Young have declined requests in our letters to reveal any voting details. [Ernst & Young] refer us to the SACA and the SACA say because of [Ernst & Young] and Pitcher Partners being 'independent' they have no need to do anything more.

My goodness! You would not want transparency, would you?

7. We know of one No vote that on the night was not recorded as being ascribed to his proxy even though there is no doubt the vote was filled in and mailed in good time before the proxy vote closed. We appreciate this alone may not count for much but what other proxy or direct votes were also not counted and why? Note, the top point about the six improper votes cast by the journalists.

8. When the SACA sought shareholder approval for proxy voting, it repeated many times in the publicity about it that proxy voting meant that in any vote, the Chairman had the sole call to allocate votes that were blank and/or unclear and to determine whether any votes were valid. Nonetheless, this right in the Chairman was not actually enshrined in the amendments to the SACA constitution. These rights of the Chairman were again claimed for the Adelaide Oval vote. While this may be common practice in corporate votes, it is improper in the type of vote the SACA held (see further below.) In elections, and this was effectively one of those, such unclear votes are either counted as informal or how they should be treated decided in conjunction with scrutineers from both [or] all sides. [Mr] McLachlan and SACA have again declined to reveal any details of how many votes were made the subject of the Chairman's discretions and as noted above, we were not allowed to have a scrutineer and those who presided over such issues (E&Y and PP) had material conflicts of interest and were not independent assessors of the issue.

9. If the SACA wishes to hide behind 'best or common corporate practice' it needs to have its Information Booklet assessed through the same prism. On that count, for an organisation with 20,000 members in a transaction of $500 million and involving the sale of its major asset, the corporations law would have required a more detailed document with a published independent expert's report assessing whether the transaction was in the best interests of members. The SACA so-called Information Booklet would have passed no standard under corporations law and would have been recalled and the SACA told to issue another that did comply. The fact that the SACA complied with the technical or strict requirements of the Associations Incorporation Act does not mean it met any test about what was appropriate in the circumstances. That law applies as equally to the SACA (with 20,000 members) as it does to local football clubs (50 members) where the corporations law does [not] distinguish between different types of entities and transactions based on size. The fact that the relevant commissioner under the act did nothing should come as no surprise as he answers to a government minister.

10. The conduct of the meeting also raises questions about probity. [Mr] McLachlan ruled that any member who had voted was not allowed to speak. (Yes, members who had voted prior to the night were allowed to withdraw their votes so they could ask a question, but this was somewhat inconvenient once the meeting had started.) Who gave him that right to deny someone who had voted the right to speak at their members' meeting. This would have also applied should any member who had voted on the main resolution sought to move any procedural motion even though they had not then voted on such a matter. That approach did not apply to the AGM held last September.

Further, people were only allowed to ask one question or make one statement and had only two minutes to do so. No right was given (despite our prior requests) for a member of the No campaign to make a statement other than according to those rules. In contrast, the Yes case was allowed to make opening statements that lasted about an hour and of course could sit there and advocate their case in response to each and every question or comment made (whether for or against).

To me, it sounds a bit like the fairness of question time in this place. The email continues:

11. It is questionable whether the SACA offer to reduce its subscription fee to members in the event the motion passed was not a bribe and contrary to electoral law.

12. The SACA vote was about permitting the proposed 'transactions' between the SACA and the SANFL to proceed. At no stage in the so-called Information Booklet or at the meeting was the AFL mentioned as a party or the Crows and/or Port as parties. Yet, with the SANFL also broke it is likely that the AFL, the Crows and/or Port will be a party to the 'transactions'. The SACA members did not vote on such arrangements. (Even though we now know that discussions to save Port were well advanced prior to that vote and we understand the Port licence (and probably also the Crows licence) have already been transferred back to the AFL and thus they will inevitably be a player in the final SMA arrangements if they ever get agreed).

There are some last points.

- Votes need to be assessed according to type being hard copy proxies, online proxies, meeting votes and those of all categories that were the subject of the chairman's discretions (as discussed above). We suspect there will be a gross yes/no discrepancy between the first three categories as to be statistically extremely unlikely to have been caused other than by some form of ballot rigging. A check of when votes were recorded, especially online and whether the source of those votes can be checked ought to also be made. A review of how the chairman used his self-appointed discretions also needs to be undertaken.
- Votes need to be checked for duplicates, especially between online and hard copy and meeting proxies.
- Votes need to be checked against SACA membership numbers as held by SACA and not those provided to Computershare. (There was also a stream of correspondence between us and the SACA about the SACA allowing those who were not financial to become so by 28th April so that they could vote even though in our view this was in breach of the SACA's own constitution.)
- The integrity of the online voting needs to be investigated. Was it possible for people to vote in the names of other people and if so why weren't precautions against misuse put in place? Also, was it possible for a person to vote more than once? What form of voting confirmation existed to prevent illegal voting to occur?

- What information and when was information passed between Computershare, Ernst and Young, Pitcher Partners and by any of them and the SACA about the vote prior to the declaration of the poll? Why was each piece of the correspondence appropriate and not a breach of probity?

As members can see, there are many concerns raised by people. They have not been raised flippantly. There has obviously been a lot of thought and attention go into those concerns. My duty as a member of parliament is to raise them because if you are not prepared to be open and transparent, then you become part of the problem. I will not be accused by anybody of being part of this process if, in fact, it has not been carried out in the manner it should be. I have questioned the integrity of the vote. I have asked questions to the minister about modelling with regard to wind and what effect that will have on football.

I would like to close by talking about the Liberal Party's position and deflect criticism from many who are outraged by the fact that we cannot stop this particular proposal. The reality of life is that the Adelaide City Council have come that close to the government on this particular issue. If we had decided to block legislation, it looked to me as if the council and the government could well have done a deal anyhow. They were so close on so many areas, there was very little to argue about. The fact that we have legislation before this place has at least given us the opportunity to try to ensure some probity with the whole process.

Unlike the normal modus operandi of this government, this project will receive full scrutiny. For someone like me who was never really in favour of this second-rate proposal, that is the minimum amount of comfort that I can get out of it. The reality of life is that this is a democratically elected parliament. The opposition are the opposition because they do not have numbers to control the proceedings and the government have the numbers, so we will do our absolute best to scrutinise the project, follow it every step of the way and, at any point if we uncover anything that is inappropriate, then I can promise you we will pursue it until its end. With those few words, I reluctantly will support the second reading of the bill.

The Hon. T.A. FRANKS (18:12): I rise to give a Greens contribution following the portfolio holder for this area, the Hon. Mark Parnell, as the sports and recreation portfolio holder for the Greens. We have before us a bill which details the Adelaide Oval redevelopment plan, in particular in regard to the management of the Parklands. No doubt other members have also been lobbied by the Adelaide City Council, people from the community, sports lovers, sports haters, people who have a passionate interest in this issue, and it certainly has been something that has got South Australians fired up. It certainly was a key election issue in March 2010 for this state parliament.

What I find interesting is that the proposal we have before us is for a 50,000-seat stadium that will cost $535 million, yet that is not what went to the South Australian people in the election, and certainly we have never had a debate. As the Hon. Kelly Vincent said in her contribution, we have never had a debate about whether or not South Australians believe that that is the amount, the size and scope of the stadium that we would like to see in our city.

I echo the words of the Hon. Mark Parnell. The Greens support footy in the city; we like the idea. We think the city has great potential, and as the Hon. Mark Parnell touched on, for aspects such as public transport and access to the games and other entertainment options that may be put in there. I would hope that not just sport is going to be put into the stadium but also entertainment in general. We think that that is quite appealing given the structure, in particular the public transport structure, of the Adelaide metropolitan region.

Certainly, the SMA and others have gone to great lengths to assure the Greens that there is a public transport plan coming. We were even told the hopeful estimate that 50 per cent of the crowds that would be coming to any particular match or game would be coming by public transport. What we have not seen is any detail on how they hope to achieve that, and it is certainly a significant jump from what we see now.

Getting back to the issue at hand, the Adelaide Oval is, of course, iconic in South Australia's history and in our culture. It was established in 1871, just after the formation of the SACA itself. It is world-famous for cricket and the test matches which it has housed since 1884, where I understand England beat Australia by eight wickets. However, it has not always simply housed cricket. What we are talking about here of having a multipurpose stadium is nothing new.

In fact, 16 sports have been played at the Adelaide Oval at one time or another: archery, athletics, baseball, cycling, gridiron (would you believe) Highland games—very much a dying art these days; and I know a Scottish dancer or two who would love to actually be able to use the Adelaide Oval again, but they certainly will not get the numbers—hockey, lacrosse, lawn tennis,

rugby league, rugby union, quoits and, of course, soccer. Most recently we saw the international-friendly match between the Socceroos and New Zealand at Adelaide Oval.

The picket fence that we also know and love has been there surrounding the oval since 1900 but, at that time, it accompanied a cycling track, so, in fact, it had nothing at all to do with the cricket being there. In 1911 the Australian Football Council carnival was played at the ground and won by South Australia against worthy sides from Victoria, WA, Tasmania and New South Wales. It is considered, quite rightly, to be one of the most picturesque test cricket grounds in Australia, if not the world, and I think that is why people are so passionate about this, not to mention the fact that it sits in the Parklands, which are very much an Adelaide treasure.

The oval currently seats about 40,000 spectators yet maximum crowds of days gone by far exceeded this; the highest attendance at a cricket match being 50,962 on the third day of the infamous Bodyline test cricket series. I understand that, on that third day, mounted police patrolled to keep those 50,962 spectators in line. It is a shame they could not do anything about the bowling team from overseas.

The maximum crowd we have had there for an Aussie rules game—it was the SANFL actually—was at a grand final between Port Adelaide and Sturt, which was 62,543; so big numbers at this ground are nothing new either.

The Hon. J.S.L. Dawkins: I was there in 1965.

The Hon. T.A. FRANKS: The honourable former lord mayor Steve Condous actually gave me a call about this issue, and I understand he was there, too.

The Hon. J.S.L. Dawkins: Sturt lost by three points.

The Hon. T.A. FRANKS: Sturt lost by three points. I knew that they would have lost. I actually have a note here saying, 'I wonder who won.' I was not alive at that stage, but it does not surprise me that Sturt lost. The scoreboard, of course, is iconic. We have had lights on the ground since 1997, entering into this new era of sport, and those lights have been controversial, not least of all in today's paper where we see that the new lights and the proposed arrangement for televised AFL at the grounds may not in fact be compatible.

I am not sure whether anyone else's office was contacted prior to that *Advertiser* article, but certainly we had a tip-off from a cameraman or two that they can see that the shadows cast over the ground might possibly create some issues with the contract that has just been awarded with regard to the broadcast of the AFL in years to come, so that certainly will need to be addressed.

We have seen temporary stands go up and down, we have seen stands come and go. Change is nothing new for this oval. The AFL is certainly nothing new for this oval either. Even to this day, SANFL matches can quite regularly occur at the Adelaide Oval, including, of course, the traditional grand final rematch on the afternoon of ANZAC Day where diggers and many others enjoy that particular match highlight of the season.

We have seen wonderful concerts over the years as well: Fleetwood Mac, David Bowie, Kiss, Madonna, Paul McCartney, Michael Jackson, Billy Joel and Elton John, as well as Pink and Pearl Jam and AC/DC, and even Wolfmother in recent years. Anyone who remembers and liked Led Zeppelin will like Wolfmother.

The Hon. J.M. Gazzola: That's not true!

The Hon. T.A. FRANKS: Oh, apparently, that's not true, according to the Hon. John Gazzola. I will defer to him on that, because I actually don't like Led Zeppelin. Adelaide Oval will be resuming its home—

Members interjecting:

The PRESIDENT: Order!

The Hon. T.A. FRANKS: —as the home of South Australian football if this bill and many other measures are to progress forward in this state. Of course, it has come about through the collaboration of SACA and SANFL and some contribution from the AFL, and it has been many, many decades and then many years of recent work in the making. We know that, for many decades, SANFL and SACA would not have contemplated a project such as this.

What we have before us is a proposal for a city oval that will house those two organisations and their respective sports. It comes at the expense of a previous proposal, which was a $190

million refit of the AAMI Stadium, which was talked about back in the late 2000s, prior to 2009. At that point, certainly Mr Leigh Whicker found that to be his preferred option—and I will just note that before we move on, because we have not really discussed that in this context.

I will reiterate that figure: $190 million for a refit of AAMI Stadium is what was on the table some years ago. At that time, the AFL was certainly open to that, but obviously things have moved quite rapidly since then. The Liberal Party has put up proposals for city-based stadiums. In that context, in 2009, we suddenly heard talk, I understand, of a $300 million stadium in the city. That was the first mooted amount around about then.

Since then, of course, we have progressed a little further. Prior to the last election, we were looking at a $450 million stadium, but then again, these figures seem to be very flexible, and I am not sure what they are based on, which will be my point at the end of all of this. So, we were suddenly looking at $450 million, having had a concept for a $190 million refit of AAMI and then, say, a $390 million or so stand-alone stadium.

We went to the last election, and the then treasurer completely forgot that there has been an $85 million blowout that he had been told about before election—as you do! An amount of $85 million to this government could not pay for things such as disability services or continued adult re-entry education or to keep the Keith, Ardrossan and Moonta hospitals operating to their full standards.

The Hon. K.L. Vincent: It's crazy talk!

The Hon. T.A. FRANKS: 'It's crazy talk,' is the Hon. Kelly Vincent's, I believe, sarcastic comment. We must remember not to be too sarcastic in *Hansard*. Of course, it is demonstrative of where this government's priorities do lie. These figures go up and up and get thrown about and bandied about with no real reason behind them, as far as I can see.

Where we sit today is that the Adelaide Oval is set, in the next four or so years—I understand that there is a plan to try to make this happen by 2014, in time for the next election—to be the new home of AFL football in South Australia. The SANFL, the AFL and SACA have all come to their arrangements. Certainly, if I was having my debts wiped to such large amounts as some of those organisations are, I would be happy to come to similar arrangements, I should imagine.

Let us have a look at what the AFL Chief Executive, Andrew Demetriou, thinks about this wonderful working relationship. He thought that it was a wonderful result for AFL football and a fantastic result for fans of the game in South Australia.

This was when the South Australian government had pledged just $450 million to transform the Adelaide Oval into the world-class 55,000-seat stadium. At that stage, of course, the state government had plans to seek up to $150 million of this from the federal government with the remaining $300 million to be raised by the redistribution of funds for the proposed AAMI Stadium upgrade and West Lakes tram extensions.

Of course, this was all tied in to winning federal support and making the Adelaide Oval FIFA-compliant for Australia's bid to host the World Cup in 2018 or 2022. Under that, we proceeded along and, as we know, suddenly the amount went up by a little $85 million or so. Of course, we did not succeed in our bid for the World Cup. In fact, we only got the one vote, so I am not sure whether or not our state and our federal governments should have been a lot more cautious in proceeding and making such grand schemes and plans.

It is also quite interesting that the design features of the new Adelaide Oval and the glossy brochures and certainly the website with a fly-through also make a lot of the wonderful advantages that this will bring to the new Riverbank Precinct. Again, the Greens are quite supportive of investigation of the new Riverbank Precinct, and certainly sports and entertainment and food and cultural activities in this area would be something that we would welcome in many ways, but the footbridge, which is actually a key part of the whole project, had always been portrayed in the advertising and the glossies as linking the oval across the Torrens, of course, into the CBD where the public transport is, where the food currently is, and where it is necessary for people to be able to travel to make this scheme work.

The footbridge, of course, is not even part of the costings yet, so goodness knows what figure we will end up paying for a footbridge that will support this. Many South Australians probably share my cynicism that the footbridge should always have been included in the costings if we were being real with the South Australian people but, given the figures that have jumped up and down, I do not think we ever were being real with the South Australian people here.

Sporting fans in the modern era are demanding good facilities to enjoy their sport, not only at their venue of choice but also the transport that supports that, and the entertainment and dining options available to them before and after. That is again another plus for having an oval in the city, but South Australia and the Adelaide Oval are no Robinson Crusoe in desiring that sort of an experience.

The Hon. Terry Stephens mentioned Etihad Stadium, and certainly I am a fan of Etihad Stadium. I think it is a fantastic experience if you want to go and see a game. It is easy to get in and out, transport is a breeze, you do not get wet, you can see the game really well no matter how high up in the stands you are or how low down in the stands you are, and it is a fantastic cultural experience. I would love to think that South Australians would be able to share in that, but at what cost? Could you not just for a moment think about whether or not we are actually being ripped off here?

The Gabba had a facelift a few years ago, and they have certainly got function centres that hold up to 800 guests there. They are AFL and media equipped and also change room equipped, and they also accommodate cricket there. Their television broadcast facilities and media rooms and also of course their patron facilities with 31 food and beverage outlets and 26 fixed bar outlets are pretty much the standard that we are talking about here. They consider themselves a world-class ground. That facelift cost $60 million. It was quite controversial in that state. I cannot imagine what they would think of our $535 million that we are looking at here in South Australia.

Then again, a few hours down the road at Carrara, the new Metricon stadium cost $144 million. I will note here that it was originally priced at $250 million when it was first mooted. Again, it has all the mod cons that you would expect. It is AFL compliant in terms of the treatment of both the media and the players and it has wonderful public transport in and out. It was built almost from the ground up. They flattened the old Carrara Stadium and simply kept the lights and rebuilt again. That had 25,000 seats, so it was a little smaller, but it was $144 million—in fact, less than the original AAMI refit was projected to cost.

[Sitting extended beyond 18:30 on motion of Hon. G.E. Gago]

The Hon. T.A. FRANKS: I will try to wrap it up reasonably quickly but I do have a few more comments to make. We were discussing the new Metricon Stadium in Carrara and I note that that also hosts Rugby League games on a regular basis, as well as being the centre for the Carrara Markets and many other things. There are also facilities for conferences and executive and corporate entertaining.

Geelong or Skilled Stadium (the old Kardinia Park) increased its seats in recent years by 3,500 and that redevelopment cost $75 million. The state government was asked for a contribution of $25 million for that redevelopment, which was largely funded by the local council, as well as the club itself—it is certainly a successful club at the moment—and $14 million of federal money was secured under treasurer Costello. I am not sure if he is a Cats fan.

Sydney is also branching out in AFL and Greater Western Sydney is set to enter the competition next year. The New South Wales government has announced a multimillion dollar upgrade to the Sydney Showground facility at Homebush. That, of course, was an Olympic Park project. It has received a $200 million investment to build the game in New South Wales, with the AFL contributing $10 million to the upgrade.

In relation to that contribution they say, 'We have always invested in facilities where we play AFL games and have previously invested millions of dollars in the SCG, the ANZ Stadium, Blacktown, Olympic Park and now, of course, the Showground.' This is, of course, the CEO, Andrew Demetriou, again. Blacktown, in fact, will be serving as the training facility for the new side. I think that it is interesting that that move has gone forward with a $10 million investment at least, from the AFL there because, of course, in our $535 million project, we are getting, I understand, $5 million from the AFL. Certainly, they have held out for a very long time on that.

Perhaps it was a strategy in securing the funding because, back in 2009 when the AFL mooted the idea of a Greater Western Sydney team stadium, the then New South Wales Premier, Nathan Rees, all but ruled out, to quote the newspaper article here, ' pouring $45 million dollars of taxpayer money' into the stadium for the new site there.

He said that the AFL had been asking the state government for months to contribute that funding to improve the Sydney Showground Olympic Park, but no money was going to be committed to any upgrade. The Premier indicated it was unlikely to be forthcoming any time soon. That was back in November 2009. To quote him: 'I would rather put the money into schools and hospitals, quite frankly. That is what I said publicly and that is what I have said to the AFL.'

Now, I would suggest that perhaps that is what our treasurer Foley should have been saying to the AFL as well. Somehow, we have got a massive cost blowout where we are still yet to see real plans: we have just to sign the contract to Cox Architects. I do not begrudge them not being based in Adelaide—I certainly think that they do have expertise in stadiums—but I certainly do begrudge the government not ensuring that a tender process was undertaken for the design of this new stadium.

I also begrudge this government not holding out but putting its cards on the table saying, 'Yes, yes. We want this stadium and we are going to pay you $390, no: make that $450, no: make that $535 million, to make it happen.' Now, that is no way to negotiate. Anyone who has ever bought a used car and used that sort of strategy would certainly be getting ripped off, and quite rightly so. I would suggest that maybe the Minister for Consumer Affairs should have been having a few words with the treasurer about a better bargaining strategy and not buying a lemon.

I would also note that, of course, the AFL has just secured a media deal of $1.2 billion, I believe. As I mentioned before, we may, in fact, find that our oval here in Adelaide is not compliant with that media deal, but they are certainly not hard up. They are not scrambling in their pockets to rub two pennies together. The AFL is certainly not a poor organisation and, for what it is getting out of this state, it is probably down to its good management and negotiation skills.

I will tell you who is struggling for a few pennies and that is Sport SA. Now, while we are throwing these millions and multimillions of dollars around for an oval, Sport SA went to the government, cap in hand almost, before this last budget and pretty much begged that we have a look at some sort of a sports lottery in this state to fund local sports.

At the moment, it does benefit from some proceeds from SA Lotteries, in terms of funding our local grassroots sports, but, certainly, it is not in the luxurious position that I believe the SANFL and SACA are now in. Yet, Sport SA, of course, represents 150 sport and recreational organisations and, in fact, nearly every household in the state—805,000 adults and 123,000 children. I dare say that a little bit of the money that is being splashed around here could have much more rightly gone to organisations such as Sport SA.

With that, this matter has been the talking point of people in the street and people at barbecues. Certainly, as I say, I do not begrudge having a world-class oval in the city but if every other place that I have mentioned previously in this debate—if Carrara, Geelong, Patterson (I did not get into that, because I spared the members that particular discussion) and Sydney—can all get a much better deal than South Australia has, perhaps we should be going back to the drawing board on this.

Of course, this bill will deal with the arrangements around the Parklands, and I understand that the Liberals have quite a few amendments to come—some 15 pages, I believe. We look forward to deliberating and then debating those amendments, as well as the bill in its entirety, and welcome the second reading stage.

The Hon. D.G.E. HOOD (18:40): Obviously, it is past the normal hour we would finish in this place so I will keep my comments relatively brief. I did have a fairly extensive contribution but, having said that, I think I can tease out most of the main issues during the committee stage. I think it will be an interesting committee stage.

I want to place on the record, first and foremost, that I believe a covered stadium would be the best option for South Australia. I have always felt that way. I think that is the cutting edge for sporting stadiums now. We see them slowly popping up around the world. Australia only has one, at least as far as I am aware, in Melbourne, currently called Etihad Stadium (I think it was called Telstra Dome at some stage). I have been to that venue and it is an excellent venue. At a personal level, I would have liked to have seen something similar to that in South Australia, somewhere in the CBD.

Of course, that was the Liberal Party policy during the last election campaign and, obviously, as they did not win the election, we do not have that policy option before us. I say for the record that, if we had had that policy option before us and if it had required legislation in one form

or another, that legislation certainly would have enjoyed my support, because I think that is the next wave of stadium technology, if that be the right term, or level of stadium infrastructure that we are seeing around the world.

I think people know that I have been a supporter of the Adelaide Oval stadium concept because we do not have any other option before us. If I had a choice, certainly my own choice would be to favour a covered stadium, for all the obvious reasons. Simply, it is more comfortable for spectators by and large. However, as I say, we do not have that option before us and, as we do not have that option before us, there is not much point talking about it because it is not going to happen.

One of the significant downsides I see of the project that we do have before us at the moment is that, of course, investing a very substantial amount of money into the Adelaide Oval stadium project—which in itself is a very good project—essentially rules out a covered stadium for a very substantial period in the future, I would guess. Indeed, in speaking to the leaders and very senior people in cricket, football and other sports governing bodies in South Australia, I can say to the house (and I am sure it is something that is no great secret at all) that, secretly, certainly people in football would be very keen on a covered stadium, as they see it as cutting edge for stadium developments as they currently stand.

However, again, it is not an option before them, either, obviously, so they are prepared to take what might be considered to be next best; and that is how I see it. I think there are many positives with respect to this particular development. There are, of course, downsides of the development, and I will go into those a little bit in a moment; but I think as a state occasionally we have a chance to grasp something which will really showcase what we do well here in South Australia. As I said, I think a covered stadium would have been the best option. We do not have that option currently. Therefore, to me, this is the next best option. Certainly, my personal view is that the positives in this development outweigh the negatives.

The one clear thing I think that we can say with confidence about this stadium development is that, although it is costing an absolutely huge amount of money, the real positive is the potential for a level of excitement and vibe and buzz (whatever the right word is) of activity in the CBD area. We are very fortunate in Adelaide in that we have a stadium in the Adelaide Oval which is just a few hundred metres from the main part of the city. No other city can claim that.

I understand it will be the closest stadium to the main part of a city of any in Australia. Certainly, it is closer to the centre of the city than the MCG and Etihad Stadium, and certainly a lot closer than the SCG. Certainly Subiaco is a long way away compared with how close the Adelaide Oval is to the centre of the city. So we are very fortunate in that regard.

I think what is going to come of this, which will probably be the strongest positive of all, is that it will create a real buzz in the city. There will be all the business spin-offs, of course; the cafes will be full, the restaurants will be full, and I think that everyone wins in that regard. It is good for the economy and it is good for the government, if you like, because the tax receipts will be up as well for whatever side happens to govern at that time. So, there are many positives for such development. It is, of course, a huge amount of money, as I have said, and that is perhaps the one very substantial downside of this project.

Family First has been a consistent supporter of a world-class stadium in our CBD; however, there are a number of concerns that have been raised regarding the way the project should proceed, and I think members have all outlined those in great detail so I will not do that, but I will touch on some of the high points. Most notably, the Adelaide City Council has raised a number of concerns with all of us, including me, and we remain very much open to the arguments of the council and, in fact, are keen to hear the full detail before reaching an absolute conclusion on the detail of those issues.

We are also empathetic to the points were placed on the record during the second reading speeches made by the Hon. Ann Bressington and the Hon. Kelly Vincent. I think the reality is that it is a lot of money that is being spent here. There is no question that I think we will see a limited scope for resources to be channelled into what you might call 'more significant' areas of need, because of this very large expenditure. I think the Hon. Ann Bressington in particular and the Hon. Kelly Vincent have argued that quite rightly.

They have argued that funds committed to this project should not detract from funding to organisations such as Families SA or to disability services, and we would wholeheartedly agree. Those concerns are valid and properly made and are shared by Family First, and I urge the

government, as we proceed with this project, to take them into account fully and properly. We therefore do not commit, at this stage, to complete support for the government's proposals, as outlined in this bill, and we will be carefully considering the debate as it unfolds during the committee stage.

I think it has been outlined that the Liberal opposition has quite an extensive number of amendments. We are favourable to some of those amendments at this stage and not to others, but we look forward to the debate on those. The government maintains that it has four broad objectives in this bill, and they are:

1. To vest care, control and management of the Adelaide Oval core area to the minister;

2. The minister will be authorised to grant a lease of the Adelaide Oval core area to the Adelaide Oval SMA Ltd for any term up to 80 years. The lease will provide unrestricted and exclusive use of Adelaide Oval for cricket and football purposes during designated periods of the year;

3. At the request of the minister, the Adelaide City Council must grant a licence over all of the Adelaide Oval licensed area, and the licence will be for any term up to 80 years; and

4. Any development up to 2015 within the Adelaide Oval core area, as it is deemed, and the Adelaide Oval licensed area, will be authorised.

I note from reading the bill some further provisions of importance that are worth noting and briefly putting on the record. The Adelaide Oval scoreboard, as other members have mentioned, must be retained; that is a good thing. The oval will continue to be called the Adelaide Oval to prevent, I presume, the confusion relating to Melbourne's Docklands and other stadiums; in those cases, they have been called 'Colonial Stadium', 'Telstra Dome', and it is currently known as Etihad Stadium. My wife recently asked me, 'What is Etihad?' It is an airline, as I understand it, but that just shows the confusion that can result from these names.

Spectators are guaranteed at least 1,200 square metres of open space between the score board and the western stands; I think that is a very good thing too. Further, Victor Richardson Road will be closed. I have mixed feelings about that, Mr President, but I understand we will be looking at that more closely as the debate ensues.

I formally put on the record my thanks to then acting lord mayor, Mr David Plumridge, along with the Chief Executive Officer of the Adelaide City Council, whom I have spoken with at length regarding this proposal, and they have certainly provided me with valuable advice. I also thank the SMA for their briefings. They had very good briefings and it was a very polished performance, I must say, with a lot of passion exuding from them. I believe that they certainly really want this to go ahead. Of course, I have met with the senior people of both football and cricket. They have been most helpful as well, and I thank them—Leigh Whicker and others.

I did want to put on record Family First's support, in principle, for the concept of a redeveloped city stadium. I have been in the media on numerous occasions saying as such. I have been to Melbourne recently, and I believe that the city stadium there has done very good things for that city.

The whole of the Melbourne CBD comes alive during the big events, and I think that a city stadium, in whatever form, would be good for South Australia and Adelaide in particular—although also country people, I think, will find it more easy to get to the city. Certainly, accommodation facilities will be available to them which they may not currently enjoy at AAMI Stadium.

I have just a few final points, if I may. I will only be a few more moments. I appreciate that members are ready to leave. I have just a few quick points, if I may. I think that the other thing that we need to pay attention to here is that the SACA has voted on this. The SACA members have had their say. If they wanted to vote this down they could have easily done so, yet, as I understand it, something like 82 or 83 per cent of the SACA members supported the concept that has been put before them, and I think that members in this place should pay attention to that, frankly, or at least take heed of it.

Their decision-making should not necessarily be the be all and end all, but I think that we should respect the fact that such a substantial number of people in that organisation supported the project going ahead, and, certainly, that is a significant factor to me. I would also like to say a

couple of other things about some of the issues that have been raised. I will just be very quick on this. I could really go into detail here, but I will not. I hear a couple of 'hear, hear' around the room!

It does not concern me either way how many people catch public transport to these events. I think that we have got to the stage where we try to nanny state people into thinking that they should be catching buses, trains, trams or whatever else. The reality is that people will drive to the football just like they do now, they will drive to the cricket just like they do now, and they should be able to park their car if they want to.

There is nothing wrong with driving cars. It is not some sort of moral sin, or whatever the word may be, that seems to be thrust upon us. The first big selling point to me that one particular side of the debate tried to argue with me was, 'You know, the great thing about this stadium is that we're going to have 50 per cent of people catching public transport to the football or to the cricket', to which I say, 'Who cares?'

If people want to drive they should be able to drive, and I do not think that they should be able to feel that they are doing something in any way wrong by doing so. There is so much more I could say on that but I will not. I have heard hysterical arguments, bordering on hysteria, from some people—not from many people but from some people—about the Parklands and how this will destroy the Parklands, and that Adelaide will never be the same because of it.

I reject that entirely. The truth is that we have had parking on the Parklands for a long time. I think that the council, to be honest, has had a very fair and reasonable approach to that whole issue, but there are some people who have just gone totally over the top on that. We have had parking on the Parklands for a long time. They are well managed, and the truth is that they are beautiful Parklands and they are there to use, not simply to stare at.

My last comment is that, if a covered stadium was available, if that was on the table, that would receive my support. It is not on the table. This, I believe, is the next best option. I think that some of the Liberal amendments are well and truly worthy of consideration, and I look forward to looking at those more closely and hearing the arguments from the opposition. As I say, at this stage, we are generally supportive of a stadium in the city. It is a great deal of money. I think that both sides of the argument have had a good say. It is time to get on and bring this to a vote.

The Hon. G.E. GAGO (Minister for Regional Development, Minister for Public Sector Management, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for Gambling) (18:53): I do not believe there are any further second reading contributions to this important bill, and I thank members for their contributions. While many of the contributions have been pure politics and some of them are rehashing arguments about the 2010 state election, it has certainly been very pleasing to have members acknowledge how important this investment is for the state and what it will mean for the city.

As members know, the Minister for Infrastructure has carriage of this project and he has already expressed a willingness to deal with most of the Liberal's intended amendments. There are minor disagreements over the wording and the issue of rent, but the minister has, again, assured me that he is confident that he can reach resolution of those outstanding matters.

I note that his staff are in contact with the opposition, and the government will make every attempt to provide positions to the final amendments at the earliest opportunity. This includes the Hon. Mr Lucas's comments about including the word 'grassed' into 'open space'. I can assure members on the crossbenches that they will be kept up to date with these arrangements as they have been to this point; and the government will, of course, discuss any other amendments that might be put forward in the meantime.

In relation to other questions and concerns about public transport and other matters, I will ensure members are provided with written responses in coming days so all members are in a position to move promptly on this bill on the next day of sitting, as indicated by the Hon. Rob Lucas in his comments. With those brief comments, I thank members again for their second reading contributions and look forward to this bill being dealt with expeditiously through the committee stage.

Bill read a second time.

Debate adjourned on motion of Hon. G.E. Gago.

MOTOR VEHICLES (THIRD PARTY INSURANCE) AMENDMENT BILL

The House of Assembly agreed to the amendments made by the Legislative Council without any amendment.

ELECTRICITY (MISCELLANEOUS) AMENDMENT BILL

The House of Assembly agreed to the amendments made by the Legislative Council without any amendment.

At 18:57 the council adjourned until Wednesday 6 July 2011 at 11:00.