LEGISLATIVE COUNCIL

Thursday 17 May 2012

The PRESIDENT (Hon. R.K. Sneath) took the chair at 14:17 and read prayers.

SUMMARY OFFENCES (WEAPONS) AMENDMENT BILL

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (14:19): I move:

That the sitting of the Legislative Council be not suspended during the conference on the bill.

Motion carried.

CORRECTIONAL SERVICES (MISCELLANEOUS) AMENDMENT BILL

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (14:19): I move:

That the sitting of the Legislative Council be not suspended during the conference on the bill.

Motion carried.

JAYDEN'S LAW

The Hon. R.L. BROKENSHIRE: Presented a petition signed by 68 residents of South Australia, requesting the council to—

1. Support an initiative called Jayden's Law to give mothers and fathers of these much wanted and loved babies the right to obtain a birth certificate for a child who is delivered as a live baby would be, but the delivery has occurred between 12 to 20 weeks' gestation;

2. Ensure that no financial benefit shall arise from the use of that right, nor should the right arise in terminations; and

3. Give parents who love and treasure their babies from conception this right as a means to recognise the child's birth, respect parents' beliefs and bring closure and healing to the family.

PAST ADOPTION PRACTICES

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (14:21): I table a copy of a ministerial statement made in the other place by the Minister for Education and Child Development on the subject of past adoption policies and practices.

PAPERS

The following paper was laid on the table:

By the Minister for Communities and Social Inclusion (Hon. I.K. Hunter)—

Maralinga Lands Unnamed Conservation Board—Report, 2010-11

QUESTION TIME

ADELAIDE CONVENTION BUREAU

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:24): I seek leave to make a brief explanation before asking the Minister for Tourism a question regarding the Adelaide Convention Bureau.

Leave granted.

The Hon. D.W. RIDGWAY: The Adelaide Convention Bureau is the official organisation responsible for promoting Adelaide and South Australia as a national and international business meeting and conference destination. The bureau is a partnership between the state government and private enterprise. Just yesterday, less than 500 metres from here, 3,000 delegates from 35 countries were attending Australia's foremost oil and gas conference.

Many hotels are fully booked, and restaurant reservations have spiked. But, from next financial year, the bureau's funding will be cut by $100,000 and this cut comes on top of an earlier $100,000 cut, which started in 2011. Meanwhile, taxpayers are spending in excess of $350 million to upgrade the Convention Centre. My questions are:

1. Does the minister believe that the bureau can operate as effectively with a $200,000 funding cut?

2. If so, is the minister then accusing the bureau of having wasted $200,000 in the previous year?

3. Is the minister aware that the international tourist numbers have been dropping in SA, while the International Congress and Convention Association's country and city ranking report, released this week, ranked Melbourne number one in Australia for international conventions, ahead of any other Australian city? Melbourne was number 31 in the world and Adelaide, sadly, under this minister's stewardship, is ranked a long way down the list at 172.

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (14:25): I thank the honourable member for his very important questions. This government has made no apologies in regard to ensuring that we maintain a strong and viable economic state. In very dire economic times, we have seen the impact on those states, those areas, those countries, those cities that have failed to rein their spending into line. So, we have seen what has happened. There are many examples internationally where countries have failed to rein in their spending. We have seen them crash and burn.

We are very fortunate here in Australia with a very strong and responsible federal government which has taken significant challenging decisions to bring the budget into line, and so too has this government. Over successive budgets, in response to difficult economic times, we have also had to rein in our spending. We make no apologies for reining in our spending, and that has resulted in broad cuts across all of our agencies over a number of financial years. All of our agencies have had to make savings to some degree, so we make no apologies about that.

In terms of the Adelaide Convention Centre, it plays a very important role in terms of bidding for and attracting conventions and the like here to Adelaide. The moneys derived from that generate significant economic benefit to this state in a wide number of ways—through retail, through our hospitality, through accommodation. Of course, once visitors are here in our state, we encourage them to head off, visit other regions and enjoy other activities here in this state. We have been very successful in doing that, and I will come back to that in just a minute.

What we have said to the Adelaide Convention Bureau is that they will put forward on a case-by-case basis proposals for bids. So, if they come across an activity that they believe will have a significant economic impact and stacks up in terms of a good business case, I am prepared to take that to cabinet on a case-by-case basis. So, there is a provision there for activities to be considered by cabinet. I think that is a good way of moving forward.

In terms of tourism, South Australia has done extremely well. It is another success story—a huge success story—where we have increased our visitor expenditure significantly. If I remember correctly, South Australia's visitor expenditure stacked up very well with the national average. That is a real success story. Spending is up and numbers are down, but that is not surprising considering what our dollar has been sitting at and the very difficult economic times internationally. In spite of that, our strategy to target the higher yielding customers is paying out.

Although our numbers are down, our tourism spend has increased. It has increased to a degree that stacks up very well against the national average. As I said, it is another success story and a testimony to the hard work of the South Australian Tourism Commission, which does a terrific job and also, of course, our tourism operators. There are many hundreds of those throughout the state and they do a tremendous job, as well.

ADELAIDE CONVENTION BUREAU

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:31): I have a supplementary question. Given the $200,000 cut to the Convention Bureau and the minister's commentary about cutting the state's cloth at a tough time, how can she justify $200,000 to fund former premier Rann in his retirement?

The PRESIDENT: What's that got to do with the original answer? Nothing whatsoever.

The Hon. D.W. RIDGWAY: Mr President, it's a—

Members interjecting:

The PRESIDENT: No, nothing to do with it. I didn't hear her mention anything about that.

The Hon. D.W. RIDGWAY: Point of order, Mr President. The minister spoke—

The PRESIDENT: What is the point of order?

The Hon. D.W. RIDGWAY: —about the economic management of this state and being sensible and responsible, and I am asking the question: how does providing $200,000 to former premier Rann in his retirement stack up as sensible and responsible economic management?

The PRESIDENT: The minister does not have to answer that.

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (14:32): Thank you, Mr President. Given that I was asked a further question about our economic management, I would like to address the issue of economic management around our tourism activities, which is relevant to the question.

I would like to remind people that South Australia attracted 4.95 million domestic overnight visitors, which was an increase of 8 per cent from the year ended December 2010. I am advised that this is the highest year-on-year growth in visitor numbers for 11 years, the second highest growth of all states and territories and twice the national average growth of 4 per cent. How are those for figures, Mr President?

The PRESIDENT: Excellent.

The Hon. G.E. GAGO: As I said, this is a real success story and a real achievement. In terms of our market share, I will go on. I haven't finished yet.

Members interjecting:

The PRESIDENT: Order! The minister has more good news.

The Hon. G.E. GAGO: I have got more good news, Mr President, indeed, in terms of the fabulous economic success around our tourism. Our market share for the year—that is, the proportion of Australian domestic visits that occur in South Australia—rose from 6.8 per cent to 7.1 per cent, driven by strong growth from both intra and interstate visitation. SA recorded growth in all 'purposes of visit', and 'business' was up by 14.8 per cent.

Members interjecting:

The PRESIDENT: Order!

The Hon. G.E. GAGO: I haven't finished, Mr President.

Members interjecting:

The PRESIDENT: Order!

The Hon. G.E. GAGO: I have more good news.

Members interjecting:

The PRESIDENT: Order! The two whips should come to order. The honourable minister has further good news.

The Hon. G.E. GAGO: I do have further good news. Not only were our business visitors up 14.8 per cent, 'visiting friends and relatives' was up 8.7 per cent, and 'holiday' was up 3.3 per cent—higher than the national results. SA's growth in domestic visitor nights topped the nation, with a growth of 9.9 per cent. Nationally, growth was 1.4 per cent—9.9 per cent.

The Hon. D.W. Ridgway: Our tourism operators are screaming, so go out and talk to the operators.

The Hon. G.E. GAGO: They are screaming with delight. Our operators are screaming with delight with these incredible figures. This equated to 18.67 million domestic visitor nights spent in SA for the year. In the 12 months ended December 2011, SA's share of domestic visitor nights in Australia was 7.1 per cent, up from 6.5 per cent the previous year. There is more good news for

day trips. There were 10.9 million day trips in South Australia in 2011, an increase of 7.4 per cent. Nationally, day trips increased by 3.4 per cent, again, way above national averages—right up there.

Finally, the last little bit of good news: when we include international expenditure, South Australia's total tourism expenditure for the year ending 2011 was $4.731 billion, an increase of 6.8 per cent from 2010, and nationally there was only a 3.1 per cent increase for tourism expenditure—again, right up there. I could go on, but I will leave it there for the time being.

LOCAL GOVERNMENT PLANNING DAYS

The Hon. J.M.A. LENSINK (14:36): I seek leave to make a brief explanation before directing a question to the Minister for State/Local Government Relations on the subject of a South-East local government planning day.

Leave granted.

The Hon. J.M.A. LENSINK: Early last month the South-East local government planning day, due to be held on 19 April in the Coonawarra, was scrapped because too many government agencies deemed the date unsuitable. This was despite councils' repeated calls for proper consultation promised under the new and improved Weatherill government. My questions for the minister are:

1. Has a new date been set for the planning day and, if not, why not?

2. Will the planning day, when it happens, provide actual policy and direction for the regions, unlike the one he attended in the Mid North?

3. Is the minister simply avoiding fronting up to these councils ahead of the state budget because the government has run out of money?

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (14:37): First of all, I am not responsible for arranging these planning days; I imagine it would be the Minister for Planning or the Local Government Association, but I am not sure. I will make sure that my department looks up who is responsible and try to get that information.

In regard to being frightened of going out there to speak to local government regional associations at planning days, I have actually attended two in the last five or six weeks. I announced only the other day that my department will sponsor the next six strategic planning days, because we find it so important that the various local governments get together with our agencies and formulate a direction for the future. What comes out of these meetings very often is a vision; something which the opposition failed to give them for 10 years in government.

I work very well with local councils. This morning I attended with the Premier to the executive meeting of the LGA. That was attended by very senior leaders from the local governments of South Australia. We signed a memorandum of understanding about future cooperation. There is a great relationship between the South Australian government and the local councils, and that does annoy the opposition.

What I have noticed, as I am going around these councils for these regional meetings, is that there is almost no-one from the opposition. They have basically abandoned their regional councils, and it has been left up to myself as local government minister, which is a task that I relish, because I have a good understanding of how local government works.

It is interesting to see that this chamber used to be the bastion; it used to be where the regions used to have their representation within the opposition. Now when you look at the bench, they all live in the eastern suburbs or the foothills of Adelaide. None of them live in the regions and it is left to our state and myself as minister—

The Hon. R.L. Brokenshire interjecting:

The Hon. R.P. WORTLEY: Help them out; they actually need a bit of help. They must rue the day they denied you preselection for Mawson, because what a valuable contribution you have made in this chamber. This government works well with local government. We are going to be funding the next six strategic planning days because we value the contribution of councils, and the councils value the contribution that the state is making with local government.

The PRESIDENT: The Hon. Ms Lensink has a supplementary.

LOCAL GOVERNMENT PLANNING DAYS

The Hon. J.M.A. LENSINK (14:40): Arising from the answer, given that the minister said that his department will be sponsoring upcoming meetings in the regions, can he name which ones they will be?

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (14:41): This is a very serious topic. There are six regions. There will be six strategic plans, and I am not going to cheapen our contribution by answering such silly questions as this.

HOUSING SA

The Hon. S.G. WADE (14:41): I seek leave to make a brief explanation before asking the Minister for Communities and Social Inclusion a question relating to public housing.

Leave granted.

The Hon. S.G. WADE: In 2011, the City of Playford partnered with the state government's Northern Connections to commission a pre-feasibility study into urban renewal opportunities within Playford's older suburbs: Elizabeth, Elizabeth Park, Elizabeth East, Elizabeth South, Elizabeth Vale, Elizabeth Downs, and of course Elizabeth Grove, the home of DrugBeat.

Housing SA was part of the steering committee. SGS Economics was appointed to carry out the study and reported in September 2011. The report noted that only 42 per cent of residents in the study area aged over 15 are in the workforce, and 23 per cent of dwellings across the study area consisted of social housing. The report noted that Housing SA's asset portfolio is almost fully depreciated.

Housing SA undertakes maintenance on a 'fix on fail' basis and no investment in upgrading dwellings is programmed for the future. Structurally unsound housing stock is demolished prior to sale to prevent future inhabitation through private rental arrangements. At its 27 March meeting, Playford council called for the transfer of all SA public housing assets in the study area to the Urban Renewal Authority and the suspension of the sale of Housing SA stock.

I ask the minister: will the government commit to urban renewal in the Playford suburbs urban renewal area and, to that end, accede to the Playford council's request to transfer Housing SA stock in the area to the Urban Renewal Authority and suspend the sale of public housing properties in the Playford suburbs project area until an urban renewal strategy for the area is settled?

The Hon. I.K. HUNTER (Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers) (14:43): I thank the honourable member for his most important question. The report he referred to has been referred to the Urban Renewal Authority and, as such, I will refer his question to the Minister for Housing and Urban Development in the other place and bring back a response.

The PRESIDENT: The Hon. Mr Dawkins has a supplementary.

HOUSING SA

The Hon. J.S.L. DAWKINS (14:43): Given that the report the minister refers to was undertaken by Northern Connections, which the minister is responsible for, will he provide more information to the house about the way in which that agency conducted the report? That's yours; you can't hand that off.

The Hon. I.K. HUNTER (Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers) (14:43): I don't intend to. As the honourable member has said, I am responsible for the Office of the North as, indeed, I am responsible for the Office of the South. The report, I understand, was commissioned and undertaken by the Office of the North. I am not aware of what details are in that report as it pertains to Housing SA's involvement in future development of those sites.

My understanding is that that report recommends that Housing SA, or its successor, the URA, should be involved in a substantial urban renewal program built around the significant transport corridors that are up there, particularly in terms of the rail connections but also the major roads infrastructure. As I said, that report has now been referred to the URA for a response and I will refer the supplementary, if the honourable member likes, also to that minister for a response.

The PRESIDENT: The Hon. Mr Wade has a supplementary.

HOUSING SA

The Hon. S.G. WADE (14:45): Do I take it from the minister's original answer that responsibility for urban renewal within Housing SA estates which have not been transferred to the Urban Renewal Authority will be, shall we say, directed by the minister for housing and urban renewal rather than the minister for Housing SA?

The Hon. I.K. HUNTER (Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers) (14:45): I thank the honourable member for his supplementary question. No, that is not what he should take from my answer.

RIVERLAND SUSTAINABLE FUTURES FUND

The Hon. G.A. KANDELAARS (14:45): I seek leave to make a brief explanation before asking the Minister for Regional Development a question about a recent investment by the state in regional South Australia.

Leave granted.

The Hon. G.A. KANDELAARS: Since the late 1960s the avocado industry in South Australia has continued to expand. Avocados are a perennial fruit, an Australian premium produce available all year round. Recent years have seen bumper crops in South Australia due to the combination of hot and humid weather. Can the minister provide members with an update of the funding provided to the local horticultural sector in the Riverland?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (14:46): I thank the honourable member for his most important question. I am delighted to inform the chamber of another successful grant from the Riverland Futures Fund to a local applicant, C.F. Fechner and Co. This grant reflects this government's commitment to the regions and embodies one of the seven strategic priorities promoting South Australia as a clean, green food bowl.

The Riverland is Australia's major horticultural producing region, offering a cost-effective manufacturing potential, a strategic location, a stable workforce and an enviable lifestyle, too. It is a very beautiful area. Ninety-eight per cent of South Australia's avocados are grown in the Riverland region—

The Hon. R.L. Brokenshire: They're good for you, too.

The Hon. G.E. GAGO: —with approximately 67 per cent going to interstate markets, and domestic consumption of avocados continues to rise. The Hon. Robert Brokenshire interjects by saying that they are healthy for you, and they are, indeed. Not only are they very delicious but they are very good for you as well.

Colin Fechner commenced operations as a sole trader in 1990 and has, over time, come to pack avocados for 18 other Riverland growers. The operation has substantial experience and support from the broad avocado industry. Mr Fechner is active in the avocado industry, previously sitting on the board of a peak industry body, Avocados Australia, for 10 years.

CF Fechner and Co., which is based in Ramco, was successful in its application for over $110,000 from the Riverland Sustainable Futures Fund towards the modernisation of its packing plant, the expansion of the shedding and loading areas and the extension of the existing cool room.

The project is expected to have a wider impact also by helping to expand on the existing competitive advantage that the avocado industry holds, increasing market responsiveness and providing business with succession opportunities.

In addition to the creation of a job for a full-time employee, three new casual workers in the first year and two casuals each year after the project are hoped to increase throughput of packed avocados from 95,000 trays in 2011-12 to 130,000 trays by 2015.

These targets align with the five strategic criteria considered in the assessment process, including: contributing to the SASP targets of economic growth, total exports, business investment and employment; contributing to the RDA roadmap through food innovation and beverage production and diversification; the regional prospectus value adding to food and beverage

manufacturing outputs and internal expansion of Riverland business; and also local government strategic plans. The RDA and Riverland have offered their support to the project, along with the Loxton Waikerie council which has noted the growth of seasonal and permanent employment opportunities.

The $222,000 project, which is expected to be completed later this year, will use local contractors and will also allow the company to store significantly higher quantities of fruit for existing avocado growers and improve quality control measures while also changing the management structure of the business so that the business can be run without relying on a single person. I am advised that this business has been known for its ability to provide consistently high quality fruit throughout the year. I understand the expansion will help build on the competitive edge gained by providing fruit into high value markets.

RIVERLAND SUSTAINABLE FUTURES FUND

The Hon. R.L. BROKENSHIRE (14:51): I have a supplementary question, and congratulations to the minister. Can the minister advise how much money is still available in the fund please?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (14:51): I thank the honourable member for his very important supplementary question and I thank him for thanking me for doing such a wonderful job in the management of this highly successful fund that has been put in place to assist the Riverland to regain its footing in terms of a sustainable economy. We are about halfway through the timing for the fund. We are about two years into a four-year fund and we are about halfway spent—

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

The Hon. G.E. GAGO: —so there is about $10 million to be spent. This is being extremely well managed, so we are on time, we are on target in terms of spending. The Hon. John Dawkins has interjected that the RDA has taken it over. That is incorrect. It is completely incorrect information. The RDA has not taken over the management of this fund. The RDA assists in providing advice in relation to the success of applicants and they assist in providing regional road maps that help prospective—

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

The Hon. G.E. GAGO: It is not the role of the agency to develop road maps. The role of regions—we need local knowledge, local input, and that is the role of the RDA, which is made up of locals. It is exactly how it should be and it works very well. The RDA in the Riverland does an extremely good job and they work very well in partnership with PIRSA to ensure that these funds are spent in the best way possible and have as great an impact in terms of improving the economic drive for the region as possible.

The PRESIDENT: Free avocadoes for the taxpayer for the next 10 years.

DRUG AND ALCOHOL SERVICES

The Hon. A. BRESSINGTON (14:54): I seek leave to make a brief explanation before asking the minister representing the Minister for Mental Health and Substance Abuse questions about the tender process for funding in the health intervention services under the Drug and Alcohol Services program.

Leave granted.

The Hon. A. BRESSINGTON: As members present in the Legislative Council yesterday afternoon will recall, I recounted that, at the debriefing provided by Drug and Alcohol Services following being informed that the DrugBeat program would not be re-funded, I was told the client outcomes were not a priority in the tender process for the submission to proceed. This, of course, led to questions about the tender process for funding for health intervention services under the Drug and Alcohol Services program and about who was on the selection panel and exactly what qualifications for assessing tender applications they have. Citing confidentiality these questions went unanswered in the debriefing session. Given my concerns that particular individuals within Drug and Alcohol Services with a particular ideological bent may have an influence in the decision for funding, this does not suffice—that is, not getting the questions answered.

1. Who was on the tender selection panel for the health intervention services, under the Drug and Alcohol Services program funding?

2. What are their respective qualifications for making the decisions on allocation of funding?

3. Are any of them Drug and Alcohol Services SA employees?

4. Are they permanently engaged in tender assessment and, if not, what are their job titles when they are not working on tender submissions?

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (14:55): I will take those questions on notice and refer them to the Minister for Mental Health in the lower house and get an answer back as soon as possible.

INDUSTRIAL RELATIONS ADVISORY COMMITTEE

The Hon. CARMEL ZOLLO (14:56): My question is for the Minister for Industrial Relations. Can the minister please advise the chamber about the recent appointments to the SafeWork SA Advisory Committee?

The PRESIDENT: The Minister for Industrial Relations.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.P. WORTLEY: Cool down, cool down.

The Hon. R.I. LUCAS: Point of order, Mr President. The Hon. Ms Zollo has asked a Dorothy Dixer, and the minister is wasting the time of question time because he doesn't even have an answer for a Dorothy Dixer. Isn't this a bit embarrassing? Can we move on to the next question?

Members interjecting:

The PRESIDENT: Order! The Hon. Ms Zollo asked a question. Nobody said that it was a Dorothy Dixer.

The Hon. R.I. Lucas: I did!

The PRESIDENT: Yes, you did, but you got it wrong. It wasn't a Dorothy Dixer.

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (14:56): Mr President, I recently appointed members to the Industrial Relations Advisory Committee. I think the honourable member may have the wrong committee. The SafeWork SA question—

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: Point of order, Mr President. The question asked by the member related to the SafeWork Advisory Committee. The minister is not answering the question that was asked. Either we get a different question or a different answer—relevance.

The PRESIDENT: As the Hon. Mr Lucas knows from past experience in the way he used to answer questions, the minister can answer them in any way he likes. The minister.

The Hon. R.P. WORTLEY: I am pleased to announce that on 10 May 2012, His Excellency the Governor—

Members interjecting:

The PRESIDENT: Order! The minister might like to let the opposition get over their excitement.

The Hon. R.P. WORTLEY: That's right. I think I will.

Members interjecting:

The PRESIDENT: Order! The opposition are talking. Have you finished, the Hon. Mr Ridgway?

The Hon. T.J. Stephens interjecting:

The PRESIDENT: No; the Hon. Mr Stephens wants to have a go.

Members interjecting:

The PRESIDENT: Order! The government benches should be quiet. The Hon. Mr Stephens is talking.

The Hon. S.G. Wade interjecting:

The PRESIDENT: The Hon. Mr Wade wants to have a go? No?

Members interjecting:

The PRESIDENT: Well, they're going all right.

An honourable member interjecting:

The PRESIDENT: Yes, when you're finished.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.P. WORTLEY: Thank you, Mr President. I am pleased to announce that on 10 May 2012, His Excellency the Governor, in Executive Council, appointed members to the Industrial Relations Advisory Committee for a two-year term, commencing on 13 May 2012. The Industrial Relations Advisory Committee (IRAC, as it is commonly known) is a statutory committee established by section 46 of the state Fair Work Act 1994.

The main functions of IRAC are to assist the Minister for Industrial Relations in formulating and advising the minister on implementing policies affecting industrial relations in South Australia; advising the minister on legislative proposals of industrial significance; and consider matters referred to the committee by the minister or members of the committee.

I am pleased to advise that the following appointments to IRAC have been made: Mr Angus Story, SA Unions; Ms Jan McMahon, Public Service Association; Ms Fay Donaghy, Australian Services Union; Mr Justin Hanson, Australian Workers Union; Mr Dave Gray, United Voice; Mr Donald Blairs, Shop Distributive and Allied Employees Association; Mr Trevor Evans, Australian Hotels Association; Mr Rick Cairney, Business SA; Ms Wendy Campana, Local Government Association; Mr Clive Starr, Australian Industry Group; Ms Anna Moeller, Motor Trade Association; and Ms Sarah Hills, South Australian Wine Industry Association.

In considering nominations to IRAC, I took into account the desirability to have the state's peak union body, SA Unions, and the peak employer association, Business SA, along with representations from organisations that represent employees or employers in the public and local government sectors.

Since South Australia's referral of certain industrial relations powers for the private sector to the national system of industrial relations from 1 January 2010, the public and local government sectors are the two industry sectors that are covered by the state industrial relations system. The Local Government Association is therefore now represented on IRAC as a key stakeholder for industrial relations.

Other organisations were selected within the context of providing gender balance and regional representation, while achieving a broad industry sector representation. I am confident that those appointed can not only assist me as a minister in dealing with issues arising in the state system but also assist in filtering local issues relating to the national system through the appropriate national committees, such as the High Level Officials Group and the Council of Australian Government Select Council on Workplace Relations.

Several key projects that the committee will be involved in during the remainder of 2012 include recommending amendments to the Holidays Act 1910, arising from recently completed community consultation and providing advice regarding South Australia's input into the development of a national employment standard for long service leave. I would like to take the opportunity to thank outgoing member Mr Tom Earls from the Master Builders Association. The Master Builders Association has contributed to IRAC over several years and no doubt will continue to participate in engagement and consultation strategies on industrial relations.

I would also like personally to make special mention of Mr Paul Eblen from the Motor Trade Association. Mr Eblen is to be commended for providing more than 10 years service to IRAC and

for being a passionate and vocal contributor to industrial relations in this state. IRAC is vitally important in providing a forum for advocacy and debate about state and national industrial relations issues, and I look forward to working with the newly appointed committee throughout 2012.

INDUSTRIAL RELATIONS ADVISORY COMMITTEE

The Hon. R.L. BROKENSHIRE (15:03): By way of supplementary question, will the minister advise the house: how much is the remuneration for each member of the committee?

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (15:03): It is around $232, but I could be wrong by a couple of dollars, because I never look at the money side of things when making a decision. We look at the valuable contribution that they will make to IRAC.

INDUSTRIAL RELATIONS ADVISORY COMMITTEE

The Hon. T.J. STEPHENS (15:03): By way of supplementary question, $232 what—an hour, a week, a sitting? Can you just be a bit specific?

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (15:03): Getting to the big issues, mate—a sitting.

The PRESIDENT: The Hon. Mr Parnell.

Members interjecting:

The PRESIDENT: It has been very enlightening today, I must say. They really are behaving like the House of Assembly, but we will forgive them tomorrow.

BICYCLE HELMETS

The Hon. M. PARNELL (15:04): I seek leave to make a brief explanation before asking a question of the Minister for Communities and Social Inclusion, representing the Minister for Transport and Infrastructure, on the subject of bicycle helmets.

Leave granted.

The Hon. M. PARNELL: The issue of compulsory helmet wearing for cyclists is the subject of much debate in the cycling and broader community. Advocates for compulsory helmets argue that it increases rider safety by reducing the severity of head injuries in the event of an accident. I, for one, have worn a helmet long before it become compulsory. On the other hand, opponents say that it is a major impediment to more people getting involved in cycling.

For example, there is anecdotal evidence that the phenomenon of helmet hair is a disincentive for many people riding bikes, particularly women riding bikes. It is also recognised that compulsory helmet use is a major obstacle to widespread use of point to point bike lending schemes, such as those in France.

Australia is the only country in the world, aside from New Zealand, to have an all-ages requirement to wear helmets. Israel repealed its compulsory helmet laws last year, after a four-year trial. Having cycled in dozens of countries around the world, I know from experience that cycling in the humid conditions of the Mekong Delta is far more comfortable in a conical hat than in a plastic and foam bicycle helmet; however, I digress.

Recently, the Lord Mayor of Adelaide, Stephen Yarwood, weighed into the debate, suggesting that cyclists should be given the option of wearing a helmet in the Adelaide CBD once city streets were made safe for cyclists. I also note that the government's own bicycling strategy for South Australia is entitled Safety in Numbers, in recognition of the fact that the more cyclists on our roads the safer our roads will be for cyclists.

Finally, I remind members that for every year of the last 11 years there have been more bicycles sold in Australia than cars and that there are more Australians who own bicycles than who own cars. My questions are:

1. What research has been done by the South Australian government into the merits of compulsory bike helmets being worn on South Australian roads?

2. Would the minister support a trial of non-mandatory helmet wearing for adult cyclists in the Adelaide CBD?

Members interjecting:

The PRESIDENT: Order!

The Hon. I.K. HUNTER (Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers) (15:06): I thank the honourable member for his most important questions on bicycle helmets and helmet hair. I would imagine that part of the answer—

The Hon. G.E. Gago: Which you never suffer from, Ian.

The Hon. I.K. HUNTER: —no, well, less and less so as time goes by—would belie the statement he made in regard to more bicycles being sold than cars. It seems, therefore, that compulsory helmet use doesn't seem to be much of an impediment to people buying bicycles, but I will undertake to take that question to the Minister for Transport and Infrastructure in another place and seek a response on his behalf.

The PRESIDENT: The Hon. Mr Ridgway would be concerned about that hair. The Hon. Mr Lucas.

PUBLIC SECTOR SALARY PACKAGING

The Hon. R.I. LUCAS (15:06): I seek leave to make an explanation prior to directing a question to the Minister for Industrial Relations on the subject of salary packaging.

Leave granted.

The Hon. R.I. LUCAS: A while ago, questions were asked of the minister in this chamber in relation to the government's decision to make a monopoly provider of salary packaging for public servants in South Australia. There has been very strong opposition from unsuccessful tenderers in relation to the government's decision.

I have received in recent days a copy of a strongly worded protest from one company—Smartsalary Pty Ltd—addressed to both the Premier and the Chief Executive of the Department of the Premier and Cabinet. It says, in part:

> Our concern relates to the lack of transparency that moving to a single provider will provide sustainable benefits to SA Government public sector workers over the term of the new agreement, which is an extended period of six years.

I note the government has a predilection to monopoly providers, for example, the claims manager in relation to WorkCover and a range of other contracts and tenders which have proven to be singularly unsuccessful. The letter continues:

> In particular, we have not been provided with evidence as to:

In part, I quote two sections:

> How costs for employees will be improved, as it seems apparent that the SAGSSA did not consider the total cost of salary packaging to employees. Specifically, with novated leases, brokerage and other lease expenses comprise a much higher cost to the employee than the associated salary packaging fee. This critical information was not sought from Smartsalary during the tender process.

I repeat that: they say that critical information was not sought from Smartsalary during the tender process. The letter goes on:

> How the service offering will be improved for employees. The SAGSSA required us to send our SA Government salary packaging employees an inaccurate communication about 'new' initiatives allegedly initiated by the new sole provider and thus representing their offer as superior. The reality is that a number of these new initiatives were either mandated by the Department in the tender documents or were already offered by Smartsalary over the previous four years.

The strongly worded protest letter does list other details, but I won't put all those on the public record at the moment. The government obviously has a copy of the letter. My questions are:

1. Is it correct that critical information, such as brokerage and other lease expenses, such as vehicle pricing and interest rates, were not sought from some or all of the tenderers for the salary packaging service tender?

2. If this is the case, does the minister accept that the South Australian government, in assessing tenders, was unable to consider the total cost of salary packaging to employees because, for example, novated leases, brokerage and other lease expenses (which comprise a much higher cost to employees than the associated salary packaging fee) were not sought from tenderers?

3. Can the minister, given the decision to provide the contract to a monopoly supplier, guarantee that the total cost of salary packaging to all employees under the government's monopoly supplier will be lower than might have been provided by any of the other tenderers?

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (15:10): This is quite a complex issue. I think it would be irresponsible of me to get up and just give an answer to those questions. I will take them on notice and get back to the member as soon as possible.

INTERNATIONAL DAY AGAINST HOMOPHOBIA

The Hon. J.M. GAZZOLA (15:10): My question is to the Minister for Communities and Social Inclusion: will the minister advise us about the importance of International Day Against Homophobia?

The Hon. I.K. HUNTER (Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers) (15:11): Mr President, I might have to wing this one. I thank the honourable member for his very important question. Today is International Day Against Homophobia, which is internationally observed on 17 May. The idea for the day was launched in 2004 and the date was selected in light of the fact that this was the date that the World Health Organisation decided to remove homosexuality from its list of mental disorders in 1990. IDAHO has been officially recognised by several countries around the world including the Netherlands, Mexico, France, Spain and the UK. I understand that the European parliament has also formally recognised IDAHO.

IDAHO is an opportunity to celebrate and declare publicly that diversity should be welcomed and that hate and bigotry will not be tolerated in our society. I understand that the City of Salisbury council will again today fly the rainbow flag on IDAHO day, as will the City of Holdfast Bay, the City of Marion and the City of Charles Sturt council. I also understand that the City of Port Adelaide Enfield has plans to fly the rainbow flag all the way down Commercial Road, Port Adelaide, as a demonstration of its support for the principles of social inclusion and equality. This is a tremendous gesture of support by local government, and I thank them all for it.

I would also like to add that just last week I attended the 40th anniversary commemoration of the death of Dr George Duncan, at a memorial service on the banks of the River Torrens. The memorial was organised by the Adelaide University community, where I am pleased to say I saw first-hand the next generation of progressive leaders educating themselves about that tragic moment in South Australia's history. The passing of 40 years provided an opportunity for the memorial service to reflect on how far, as a community, we have progressed.

We reflected upon the decriminalisation of homosexuality by the Dunstan Labor government in 1975 and the Labor government of John Bannon in 1985 passing anti-discrimination legislation based on sexuality. We also reflected upon the federal Labor government's removal of over 100 pieces of discriminatory legislation in 2008 and how this has paved the way for the ALP's adoption of marriage equality as official party policy.

The fact is that we have come a long way from the regular brutality that members of the gay community faced in the 1970s and earlier. Whilst justice was never served for the murder of Dr George Duncan, I would like to think that he would be satisfied with the social change that his death helped to spark in South Australia and across the country.

Today I met two young members of the Charles Sturt Youth Advisory Committee who were responsible for a motion to the Charles Sturt council to fly the rainbow flag. Their youthful enthusiasm was very infectious, and it is great to see young members of our community stepping up. They will become the leaders of our community in the years to come. I look forward to seeing many rainbow flags out and about in the community over the coming days. If honourable members missed out on their rainbow ribbon, I have two left up here to be collected.

INTERNATIONAL DAY AGAINST HOMOPHOBIA

The Hon. T.A. FRANKS (15:14): I have a supplementary question. Does the minister think it is good enough that the only same-sex attracted youth service at The Second Story, for same-sex attracted young people under the age of 25, no longer has ongoing peer education or group work beyond six weeks? Does the minister think that six weeks is enough time for a young person who is dealing with coming out to deal with all of their issues?

The Hon. I.K. HUNTER (Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers) (15:14): I thank the honourable member for her particularly curly question. I have spoken in this place before about my views about Second Story. It was in another life, I suppose, but I understand that the model that has been in place at Second Story has been changed to a case management model with a different emphasis. Young people who are same-sex attracted or questioning will get the appropriate range of services or be referred off to peer support services provided by other organisations.

The PRESIDENT: The Hon. Ms Franks has a further supplementary question.

INTERNATIONAL DAY AGAINST HOMOPHOBIA

The Hon. T.A. FRANKS (15:15): Why then did the government assure this house, in November of last year, that ongoing group work of a long-term nature and ongoing peer education would be a facet of future work at Second Story?

The Hon. I.K. HUNTER (Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Disabilities, Minister for Youth, Minister for Volunteers) (15:15): My understanding is that ongoing peer group work will still occur at Second Story; it just won't be a never-ending process of peer education: it will be for a period of time.

DRUG AND ALCOHOL SERVICES

The Hon. D.G.E. HOOD (15:15): I seek leave to make a brief explanation before asking a question of the minister representing the Minister for Mental Health and Substance Abuse concerning the policies of Drug and Alcohol Services South Australia.

Leave granted.

The Hon. D.G.E. HOOD: I have been made aware of a significant number of independent reports from reliable sources and individuals about advice given and decisions made by various employees of Drug and Alcohol Services of South Australia. Actions by DASSA reported to me include a decision to include a prescription to return an addict's methadone dose to a previously high level, where the dosage had been successfully reduced without any adverse effect to the patient, and advice given to the effect that DASSA did not have an objective that the addicts under their care should become drug free in any sense at all and that it would be best for the addict to continue taking addictive drugs in the long term, according to some staff members.

The thrust of these reports was fortified by a recent freedom of information request by myself, which indicated that there were no documents held by DASSA to indicate how many people on methadone programs were successful in becoming drug free. They simply do not bother to keep records whether the program works or not. My questions are:

1. Can the minister give an assurance to this house, and indeed to the other place, that the objective of DASSA is for treatment to result in the person becoming drug free where that is possible?

2. What documentary material exists by which the policy objectives of drug treatment programs are communicated to employees of DASSA and, indeed, the public?

3. Is the minister aware of instances where employees of DASSA have given advice or made decisions contrary to a policy objective of becoming drug free, or indeed contrary to government policy?

4. Why does DASSA not even record the number of people who are able to finish a methadone treatment program and become drug free, and will the minister insist that they begin to do so immediately?

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (15:17): I thank the member for his important questions and I will refer them to the Hon. Mr John Hill, the Minister for Mental Health and Substance Abuse, and he will hopefully get an answer back as soon as possible.

OLYMPIC DAM EXPANSION

The Hon. T.J. STEPHENS (15:17): I seek leave to make a brief explanation before asking the Minister for Regional Development questions about the Olympic Dam expansion proposal.

Leave granted.

The Hon. T.J. STEPHENS: It was announced yesterday that BHP Billiton would be cutting back $80 billion of major projects over the next five years, putting the future Olympic Dam expansion in jeopardy. BHP CEO Marius Kloppers indicated this was due to the current financial and economic climate globally, while also acknowledging that Australia was one of the higher cost countries.

While we will never be able to compete with developing countries and their wage costs, the Olympic Dam project is competing for funds with the potash project in Canada, iron ore mining in Western Australia and coal projects in Queensland. The Premier said he is confident that BHP would approve the expansion. My questions are:

1. What information does the government have indicating that the Olympic Dam project will be approved by the end of the year?

2. Does this announcement put the long-term viability of regional centres in South Australia in danger?

3. Given that we are the highest taxed state in the commonwealth and BHP has indicated that cost efficiencies are a major factor in making the decision, will the government commit to cutting taxes to ensure that the project goes ahead?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (15:19): I thank the honourable member for his questions. I have seen comments by the Premier that indicate that he is confident that the project will go ahead. Obviously, we are in a very difficult financial climate at present, but the government is confident that it will go ahead. The task force involved in discussions and deliberations around Olympic Dam comes under the Treasurer's jurisdiction, but I am happy to refer those specific questions to that minister and bring back a response.

WOMEN'S INFORMATION SERVICE

The Hon. G.A. KANDELAARS (15:20): I seek leave to make a brief explanation before asking a question of the Minister for the Status of Women a question about the Women's Information Service.

Leave granted.

The Hon. G.A. KANDELAARS: The Women's Information Service is a free and confidential service for all women in South Australia. The Women's Information Service is committed to providing accurate information and aims to empower women to make informed decisions. The Women's Information Service is developing a digital engagement strategy to increase women's capacity to access and create online content that utilises Web 2.0 technology. Can the minister give the chamber an example of digital engagement?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (15:20): I thank the honourable member for his most important question. As members know, the Women's Information Service (WIS) operates using a gateway service delivery model to connect women with services and information that they might need. The WIS has identified the need to engage in partnerships in the community to enable it to leverage its resources to maximise opportunities to empower women, and particularly to empower women to make informed choices.

Pap Awareness Week (PAW) is held in the first week of May. This year, it ran from Sunday 6 to Saturday 12 May. The SA Cervix Screening Program provides Community Small Grants of $500 for health and community organisations in metropolitan Adelaide to promote the importance of two-yearly Pap smears in women aged 18 to 70 years.

The WIS and the SA Cervix Screening Program identified this opportunity to partner on a project with two of these grants. The University of Adelaide University Women's Group and the Friday Fun Group were also to become partners in this project. The project involved working closely with these groups to create short films that promote the importance of regular Pap smears for young women. The films were screened in front of the young women and their friends during Pap smear awareness week following two workshops.

The first workshop was run by a filmmaker who worked with the women involved to develop the short films and included an information presentation from Dr Tonia Mezzini (provided by the SA Cervix Screening Program) who explained to the young women about the Pap smear

procedure and highlighted the importance of making sure that they get a Pap smear every two years. The WIS and the SA Cervix Screening Program also had an opportunity to promote and explain their services to the young women present.

As members would know, as a former nurse, I am well aware of the importance of regular Pap smears. Women between the ages of 18 and 70 years who have ever been sexually active should have a Pap smear every two years. A Pap smear can indicate early warning signs long before cancer of the cervix—which is the neck of the womb—develops. I think it is worth mentioning that if women do have regular Pap smears, 90 per cent of cervical cancers can be prevented and, obviously, the earlier a potential cervical cancer can be detected, the greater the chances of having it treated.

The second workshop was facilitated by filmmaker Christine Kavanagh, and this workshop focused on producing and completing the group's digital stories. Christine also gave a short presentation on online video promotion and social media. The workshops were held in the women's local communities to promote the services available to them locally.

The film screening was hosted by WIS and held at 4pm on Friday 11 May. It was open to the friends and families of participants and it invited representatives from relevant organisations. The short films are being promoted via social media websites by the young women involved, WIS and the SA Cervix Screening Program. The Pap project is also being promoted on Twitter.

This project therefore serves the dual purpose of promoting the importance of regular Pap smears in these young women and their wider social circles while also providing them with an opportunity to improve their media and online communication skills. The nature of online communication means that this will also promote WIS and the SA Cervix Screening Program.

The project has a number of aims: informing young women of the importance of two yearly checks; giving women the opportunity to develop their online and digital communication skills; promoting both WIS and the SA Cervix Screening Program; increasing the online profile of both those programs; and informing and empowering young women to make good decisions about their health.

Members may be aware that a recent Australian Institute of Health and Welfare report showed women in their early 20s were least likely to be tested. I am hopeful that this project will encourage young women to make sure that they receive Pap smears every two years.

ANSWERS TO QUESTIONS

CORONER'S ANNUAL REPORT

In reply to the **Hon. D.G.E. HOOD** (25 November 2010) (First Session).

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women): The Attorney-General has been advised:

1. & 2. A number of factors impinge on timeliness and resolution of Coroners matters pending. Resourcing is one of these factors.

Investigation by the Coroner's Court often involves receiving expert opinion on complex technical and medical issues.

The circumstances of some deaths require that the Coroner does not finalise his case until other reports, investigations or prosecutions have been completed. This is the case with workplace deaths, homicides and major crash prosecutions.

It is about finding the right balance to ensure that the circumstances surrounding each death can be determined and where necessary, recommendations made to prevent re-occurrence.

FLOOD MANAGEMENT

In reply to the **Hon. J.S. LEE** (9 February 2011) (First Session).

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women): The Minister for Transport and Infrastructure has been advised:

1. In 2010-11, the Department of Planning, Transport and Infrastructure (DPTI) invested $1.5 million on flood damage in the northern and western region of the state.

These funds are in addition to $8.945 million allocation for maintenance of roads in the outback areas in South Australia and to a further $5 million allocated for flood damage in other areas of South Australia.

2. With regard to how the State Government will secure funding to rebuild regional roads affected by the northern floods, in 2011-12, DPTI has an allocation of $3.09 million to invest on flood damage repair.

SERVICE SA

In reply to the **Hon. J.A. DARLEY** (18 May 2011) (First Session).

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women): The Minister for the Public Sector has been advised:

1. The Office of the Chief Information Officer identified that there are 14 agencies using centrally provided technologies that operate call centres independent from Service SA, noting that some of these 14 agencies have multiple call centres.

A number of agencies run call centres independently to the centrally provided technology and these are run and managed by the respective business unit and agency.

2. Service SA currently provides an across government call centre facility providing customers with a single number to call for government information (132324). The Government continues to simplify access to information and services through the Government single entry point program www.sa.gov.au, and it is the intention this work will include further consolidation in the future, including the telephone channel.

WORKCOVER CORPORATION

In reply to the **Hon. R.I. LUCAS** (14 February 2012).

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women): The Treasurer has advised:

1. & 2. WorkCover advises that it has appealed the decision of His Honour Auxiliary Justice Olsson to the Full Bench of the Workers Compensation Tribunal. The dispute has therefore not been finalised and any entitlements Mr Mericka may claim are unenforceable until the appeal processes have been completed.

SUPPLY BILL 2012

Adjourned debate on second reading.

(Continued from 15 May 2012.)

The Hon. D.W. RIDGWAY (Leader of the Opposition) (15:26): I rise to be the first of a number of speakers, I suspect, from the opposition to speak on the Supply Bill 2012. As members would know, the Supply Bill allows the government to pay its bills, including the wages of public servants, until the passage of the budget. The passage of this bill does not mean that the opposition or the people of South Australia support the Labor Party racking up ever-increasing bills while raking in ever-more taxes.

I suspect that other speakers on this side will speak about their shadow ministerial portfolios and issues affecting their constituents, and, of course, I do not have to remind everybody in this chamber that our constituents include every man, woman and child in South Australia—in excess of 1.6 million of them. We are concerned about them.

As members would be aware, I am the shadow minister for economic development, the shadow minister for planning and the shadow minister for tourism. I want to look firstly at the area of economic development, in particular Labor's record over the last decade.

While the Supply Bill is, as I said, the bill that ensures wages for public servants, they obviously work under the guidance of ministers, such as the Hon. Russell Wortley, the Hon. Ian Hunter and the Hon. Gail Gago, and the half a dozen or so who have come before them in the last decade: the Hon. Paul Holloway, the Hon. Terry Roberts, the Hon. Carmel Zollo and the Hon. Bernard Finnigan for a brief period of time. I do not think I have missed any. There are

probably not all that many in this chamber over the decade. The Public Service has worked under their direction.

In those 10 years we had the nation's highest taxes. In the last 12 months we have had the nation's worst economic growth. We have the nation's highest capital city water charges; the nation's worst business confidence; the nation's worst retail figures for the last 12 months; the nation's worst export performance for the last six months; and the nation's worst performing workers compensation system, which is something that the Hon. Russell Wortley is responsible for—no, he's not responsible, they did not trust him with it. I can see some workplace dispute going on within the chamber about who was responsible for the Dorothy Dixer.

I think it is a disgrace that the minister would blame either the Hon. Carmel Zollo or his hard-working staff for what was obviously his mistake and his cock-up this afternoon. I was distracted; I did not realise that a dispute was going on at the other end of the chamber.

We also have, as I said, the nation's worst performing workers compensation system. We also have the nation's slowest growth in wages, but sadly the fastest growth in consumer prices. On one hand, under this government, for a decade people have been worse off in their pay packets, but the prices are escalating beyond their reach.

We also have the nation's highest electricity prices, and recently we saw that we are the third highest in the world. Of course, we have some of the highest penetration of wind energy in the world. We certainly lead this nation in wind energy. I am looking forward to the very important select committee, one of a number of important select committees that we have established in this chamber, and I know that the Hon. Carmel Zollo is quivering with excitement about the wind farm select committee. One of the aspects I would like to explore, and I hope other members will also be interested, is the link between the level of wind power generation in our market and the highest electricity prices in the nation.

We also have the worst jobs growth in 20 years. Bill Evans, a respected Westpac economist, has been in that job for about the same length of time. At a breakfast recently, when discussing economic growth, he indicated that our jobs growth was now back to 1992 levels. We have the lowest quarterly dwelling commencements in 10 years and the worst property sales figures in 27 years. In fact, when you speak to people in the property industry, the people who build homes, the new home builders, they say now that it is the worst it has been for 40 years and dwelling approvals or commencements are back to 1992 levels. You can see that it is not the public servants who are to blame; it is under the guidance of this inept and incompetent bunch of ministers for a decade that we have seen this state back to pre-State Bank conditions when it comes to the economic indicators that I have just listed.

The Hon. R.P. Wortley: Just look at the number of cranes out there.

The Hon. D.W. RIDGWAY: The Hon. Russell Wortley talks about the number of cranes. Yes, there are several cranes. Just add another $4 billion to the state's debt. When you talk to the construction sector, they are quite excited right at the moment about the construction activity but they are very worried about what happens in about 18 months' time. Sure, there is the hospital project, the hospital that—

The PRESIDENT: They think they might get in.

The Hon. D.W. RIDGWAY: I didn't realise that the President was going to be interjecting from the chair. Maybe you would like to excuse yourself and come down and join the debate.

The Hon. J.M. Gazzola: Maybe you should just wind up.

The Hon. D.W. RIDGWAY: I really haven't started. When I get wound up properly, then it will be going on a bit longer. There is a real concern that this economy is going to drop off the edge of the cliff. We saw today the Minister for Regional Development unable, unwilling and too frightened to give an answer about what the impact on the economy would be of postponing the start of the Olympic Dam expansion project.

We have seen the discussion and commentary last year when we sat down as an opposition, the taskforce members, and I think it was probably one of the best examples of a bipartisan approach to legislation with that indenture. The former minister and former member for Port Adelaide the Hon. Kevin Foley facilitated that, and I think that was one of those operations conducted at a high level of trust where we were able to get access to the indenture document from

an opposition perspective and access to all of the departmental officials for briefings because we, as an opposition, wanted to see that project start as soon as possible.

The commentary and the language was that we had to have it through by the end of the calendar year because BHP would be making a decision in the second quarter of 2012. While at best we had better not delay it, of course, we would not want any impediment to BHP making that decision. That was the decision the opposition took, that we would be happy to facilitate the passage of that legislation. As soon as it was passed, the language changed a little bit more. It was then that they would probably make a decision in the second half of 2012—so not the second quarter, second half; we are talking third and fourth quarter. Then in the last couple of days, it has been published that it will be later in the year which clearly means it is likely to be in the last quarter, if at all, this year.

As shadow minister for economic development—more and more people are coming into the gallery. I am delighted that they have come to listen. After a decade of Labor, we have a disastrous set of figures before us. I do hope that, at the next election, the government is treated the way it should be treated at the ballot box.

However, I would like to move on now to the area of planning. As shadow minister for planning, I have had lengthy contact with planning officials in Planning SA, who have given me countless briefings over these last five or six years. They are good, hardworking people. However, we have a strange sort of planning system. We have seen the development of the 30-year plan. The Hon. Mark Parnell has been very interested in the 30-year plan, and the work that was done in the development of the 30-year plan.

We had a growth areas investigation report for the development of the 30-year plan. Of course, that was all outsourced from the department, we are told, because there was not sufficient expertise in the department or Planning SA. Of course, we saw this very convenient matching up of areas of land owned by prominent developers who were also prominent supporters of the ALP. It just happened to line up: the growth areas just happened to be, coincidentally, the same parcels of land owned by prominent supporters of the Labor Party, and that really has fuelled a belief in the community that this current government has been subjected to some influence through the political donations system.

If we look at where things have not worked, the first one that comes to mind is the Mount Barker rezoning—a ministerial DPA, where the government stepped in over the top of the local community. The local community had been undertaking some expansion for a significant amount of time. I am sure the local council had put in a lot of work—another level of public servants, certainly not paid by the state budget but certainly a group of people doing a lot of work—coping with the growth in the area. But at the time the minister and the department said, 'No, we've got a better plan for you,' and they plonked that in on top of them.

It was the same for Seaford Heights. It had been rezoned for housing development for some 30 years, even through the state bank period, when the state finances, sadly, after another long period of Labor government, were in a parlous state. The Liberal government at the time chose not to put that land on the market. We knew the value of it; we knew that it should be preserved but, no, this government decided to put it on the market. Interestingly, the member for Mawson, Leon Bignell, was quite happy to support that. It was only after the election that he stood up and started to complain.

That leads me to the year-long effort the Department of Planning and Local Government and, more importantly, Planning SA, has put into the Barossa and the McLaren Vale protection bills. I know we are not meant to ask questions about bills, but I am sure I would not be out of order if I make some brief comments about those bills.

The Hon. J.M. Gazzola: Nobody is listening.

The Hon. D.W. RIDGWAY: Well, then maybe you should just keep your mouth closed, the Hon. Mr Gazzola, and listen, rather than talking.

The Hon. J.M. Gazzola: It's not even worth taking a point of order on.

The PRESIDENT: Order!

The Hon. D.W. RIDGWAY: These were announced early in 2011. So, well over a year ago. A significant amount of work has been done by the public servants in the department to come up with a package that the minister thought the community would accept. I am not sure of the level

of consultation. I went to a couple of the public meetings. Certainly, from the feeling in those public meetings, I am sure that the staff from the department would have gauged that there was quite a level of concern about the unintended consequences of these two bills and the impact they may have on the community.

Really, at the end of the day, both the Barossa Council and the Onkaparinga council had been pretty much managing things with the community's concerns at heart. We have seen this has been going on for a year, and now the bills are being debated in the House of Assembly. I think it is fair to say that the minister is a little disturbed that the Barossa Council has now come out with a public statement to say that it is opposed to the bill and would like the bills to be defeated.

The Supply Bill pays people's wages. We have a team of public servants working in the department, and now a year on, the major stakeholder, local government, the sector that will be absolutely impacted and affected by this change in legislation, has said, 'No, we don't like it'. So you have had a waste of 12 months' work. It is fair to say that the minister is quite frustrated that it is 12 months of his work and the department's work, and now he does not quite know why the local community is opposed to it. That is an example of how this government really has lost touch with the community.

We have seen other areas, such as Newport Quays—again government decisions were made and supported and through the Land Management Corporation a master plan was done for the area, but at the end of the day it fell foul and it has cost the taxpayers of South Australia $5 million to break that particular development deal. I know that there is further court action, and I suspect it will continue and may well cost the state. I am sure there are legal costs; even if the legal action is not successful, it will cost the state dearly just in legal costs.

Of course we had some issues with the St Clair land swap and the oval, and even now I think there is an issue with Brocas Avenue. It could simply be reopened. It is closed past where there are tennis courts on the other side of a school. It could be reopened, but, no, a whole new road will have to be built through that green parkland area. I wonder whether that is a sensible use of the state's taxes or whether it is a sensible use of ratepayers' money in the City of Charles Sturt, as it may well be local government funded.

Another issue where we see waste and frustration within the public sector is in relation to developments that are happening in the city and the government's recent announcement of reactivating, enlightening and re-energising the city. Prior to that, certainly under the leadership or stewardship of the Hon. Paul Holloway as minister for planning, we saw the preparation of the metropolitan inner rim structure plans and the north-western corridor right out along Port Road.

I know that a tremendous amount of work was done, a lot of effort put in by the Public Service and a lot of effort put in by the local government partners in that process, and now the plans are sitting on the shelf, ready to go. The current Minister for Planning is no longer responsible for urban development—he had that ripped often him and it has gone to the Hon. Patrick Conlon and he is just the Minister for Planning. I am not sure whether the responsibility lies with the Hon. John Rau or the Hon. Patrick Conlon, but at the end of the day we have seen a tremendous amount of taxpayers' money spent on the structure plans for the inner rim and the north-western corridor, yet they are sitting on the shelf gathering dust.

We still do not have a transport plan. We have seen the Hon. Chloe Fox given responsibility for the public transport system, and we saw a lovely photograph in *The Advertiser* today of her live on the computer. I was intrigued to note that minister Conlon's Chief of Staff was behind her in the photograph with his iPad. I do hope he was not providing the questions for her to answer. It was interesting to see that lovely photograph of the two of them in large colour today in *The Advertiser*.

We can see that after a decade of Labor there are serious concerns. I am concerned about waste in the public sector, where people are set to do a task and then, for whatever reason, the government or minister of the day decide not to take up that work, or they have no clear instructions to start with.

As the shadow minister for tourism, just give me again some little facts after 10 years of Labor. Really the tragedy now, when you talk to the community and the operators, is that they really do feel that they have a minister who does not understand and does not really appreciate the industry. We heard today the minister giving us the prepared answer in relation to a tourism question. I guess at least she had a prepared answer whereas, sadly, the Minister for Industrial Relations had a prepared answer but to the wrong question. I guess, in fairness, we should—

The Hon. R.P. Wortley interjecting:

The Hon. D.W. RIDGWAY: He says he had the right answer; he got the wrong question, and that was obviously what the dispute at the end of the chamber was about. You may have been out of the chamber, Mr Acting President, but there was a little dispute between the minister, his chief of staff or his adviser, and the Hon. Carmel Zollo, as to who was at fault and who had provided whom with the wrong information.

The ACTING PRESIDENT (Hon. J.S.L. Dawkins): I think the member will return to the Supply Bill.

The Hon. D.W. RIDGWAY: I think it is a disgrace that he did not supply the right information to the Hon. Carmel Zollo. We certainly see the tourism sector really struggling. Obviously, a high Australian dollar is out of the minister's and government's control, but there are all the state taxes and charges and the fact that, for small business, it is more and more difficult to do business in this state.

Pretty much every tourism operator is a small business. There is a handful of larger operators but, pretty much, they are family-owned, husband and wife, family-type operations. A lot of the small ones across regional South Australia are certainly suffering and, really, I do not think they get any comfort from the minister at all.

We have seen some of the issues that we have had to deal with, such as the visitor information centre move. The minister was a member of cabinet. She was not the minister for tourism when it moved, but she certainly was the minister for tourism when it all fell apart. To move that particular facility to an underground, side street location from a main street, ground floor location on King William Street—it just beggars belief that you could even have that move and think that was a positive step for the industry.

For all of us who assist international and interstate tourists when we bump into them in front of Parliament House, it was so simple to say, 'Look, see where the big yellow I is? It's just across the road. You can get all the information you need.' Now, you have got to say, 'It is down there. It is the second turn on the left, then you have got to turn left again and it is downstairs. If you are disabled, there is a chairlift to get you up to a lift, then take you back down.' It is just a joke, and how a minister can sit there and say that this was a sensible move is beyond me.

We then saw the situation in relation to the chief executive of the Tourism Commission. The minister said in here, day after day, that he has done an excellent job and has done great work, then his contract was terminated, I think, under the guise of a cost saving. She certainly has not been able to offer any explanation as to why.

Just let me remind you about the cost saving. The chief executive was paid roughly $300,000 a year. His termination payment was $250,000, but then, of course, we have a part-time chief executive on $150,000. So, to save $300,000, we are spending $400,000, and that is the sort of logic that this mob opposite thinks is good, sound economic management.

Of course, we have also seen them paying former premier, Mike Rann, $200,000—not to him, but providing him with services to the value of $200,000. Never, ever before in the history of this state have former premiers had that benefit. He is probably on a taxpayer funded pension of in excess of $200,000 a year and he gets an extra couple of hundred grand worth of services for the first six months.

We also saw the commission decide to take the visitor guides back in-house. They were all published in the regions, all the advertising revenue gained was spent in the regions but, probably under the guise of some cost saving measure—although, when you spend $400,000 to save $300,000, I am not sure there is anybody, especially in the minister's office, who has any idea of how to add up and how to balance the budget. We saw that disaster where, only now, some five months after the beginning of the year, are we starting to see those visitor information guides out.

So, right through our 'Mad March', with the Tour Down Under, the festival, the Fringe, the Clipsal—everything that was happening—we have had all of these information guides with last year's events. So, we were publishing stuff that had already happened 12 months before. You could not pick one up and look at what you might do later in the year and what might be happening later on. It was almost like a historical summary of what had happened, rather than a guide to what you could do in the future.

I am still of the view that the situation of having the chief executive of Tourism SA and the chairman of the board being one and the same person is a recipe for disaster. I do not wish to comment on the individual person, but I think but to have that potential conflict of interest is a recipe for disaster.

The minister said that it is a 12-month temporary situation. I am sure that in the budget that we will see in a fortnight's time tourism will suffer another massive cut, and I wonder how serious the government really is about fixing that. I think the minister said today that it is $4.7 billion—and she may have even claimed that it is up 6 per cent since last year—yet she thinks it is sensible and responsible to provide that organisation with a part-time chief executive. What other industry that generates close to $5 billion for our state would have a part-time chief executive? I think that just outlines the parlous state of this state's economy.

I know that the Supply Bill is there to ensure that public servants and the Public Service sector are paid while we pass the budget. I think the budget will be a digest of disappointment and government waste yet again, but with those few comments I support the passage of the Supply Bill.

Debate adjourned on motion of Hon. Carmel Zollo.

LOCAL GOVERNMENT (SUPERANNUATION SCHEME) (MERGER) AMENDMENT BILL

In committee.

(Continued from 15 May 2012.)

Clause 1.

The ACTING CHAIR (Hon. J.S.L. Dawkins): When the committee last met it had made some progress in clause 1. The Hon. Mr Lucas is seeking the call; however, the minister has also indicated that he has some information to put on the record. I am happy to go with the Hon. Mr Lucas first as he is on his feet.

The Hon. R.I. LUCAS: As members would be aware, I asked a series of questions of the minister when we last debated this, I think on Tuesday, and the minister indicated that all of this information, in his view, was available publicly and that he was not going to provide any answers. In the interim I have separately contacted people from Local Super, and we have been contacted by representatives of StatewideSuper as well. I want to, for the benefit of members who might be interested in the issues that I was raising, put on the record information that has been both provided to me and gathered from other sources, as well.

In response to some of the issues that I raised, I am advised that, based on the assets and membership as at 31 March 2012, the combined fund will have a total of $4.044 billion in assets under management, and approximately 160,000 members.

It is clear from both superannuation fund websites that StatewideSuper is the bigger fund, significantly, in terms of numbers of members and of funds under management. I think there is approximately $1.6 or $1.7 billion in funds for Local Super and, clearly, StatewideSuper has approximately $2.4 billion in assets. We see, in terms of this merger, that the bigger partner in terms of not only members, by a long way, but also funds under management is StatewideSuper.

I asked a series of questions about the relative rates of return in terms of the performance of both funds and I have been provided with some information, and I want to provide some further information as well. In relation to the period to 31 March 2012, the one-year return for Local Super we are told was 2.99 per cent, and for StatewideSuper it was 0.89 per cent. For over three years, it was 10.57 per cent for Local Super, and for StatewideSuper it was 4.04 per cent. For the five-year time frame, which I had asked about, for Local Super it was 2.06 per cent and for StatewideSuper it was actually negative 2.52 per cent.

When one looks at that critical five-year horizon in terms of investment performance, as you come into this merger, the members of Local Super have been looking at investment returns on average of 2.06 per cent and StatewideSuper has been going negative at 2.52 per cent over that period. If you go over a longer horizon of seven years, again, Local Super's performance has been far superior. Local Super was 5.74 per cent and StatewideSuper was 2.12 per cent. For 10 years, Local Super has been 5.97 per cent and StatewideSuper 3.47 per cent. Whether it be one, three, five, seven or 10 years, the investment performance of Local Super has been significantly greater than for StatewideSuper during that particular period.

The information provided to me off that table says that is the performance for the default investment option, which contains a significant proportion of each fund's assets for the period to 31 March 2012. I want to come back to that issue of the default investment option in a little while, because it is intriguing that the default option for Local Super—and I will check this; I have the document here—is actually what is called the 'growth option', and I think the default option for StatewideSuper is actually called the 'balanced option'.

As I said, I will check that in a moment; I have the actual documents off their websites. Although, when one looks at the asset profiles of the two, it would seem that they are much closer than might otherwise have been the case. The notes that I have had sent to me from Mr Smelt from Local Super in relation to that table that I have just referred to indicate:

> Longer-term historical performance of Statewide's balanced option has been impacted by the investment structure that had been implemented. A review of the fund's investments approximately 3 years ago resulted in a change in the adviser and the approach to management of the assets to be consistent with the approach followed by Local Super. Both funds utilised the services of JANA Investment Advisers for asset consulting advice.
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> StatewideSuper's single asset investment choice option returns indicate top quartile performance for Australian Equities (over 5 years) and Fixed Interest (over 1 year) as well as second quartile (i.e. above average performance) for Cash and International Equities (over 1 year).

Whilst noting the comments from Local Super that there have been some changes three years ago, I still note that, in terms of the last one-year performance, Local Super's performance at 2.99 per cent compared to StatewideSuper's 0.89 per cent is still significantly greater, and the three-year performance of Local Super at 10.57 per cent compared to 4.04 per cent for StatewideSuper is significantly greater, even for the one year and the three-year profiles.

In the end, as a member of parliament, I am not seeking to impose any view that I might express in this chamber in relation to the adequacy of the decision to merge the two superannuation funds. I hasten to say—and it is the reason why I ask the questions of the minister, because then the information could be provided by the government's advisers and the merger proponents as well—that clearly as an observer we are not privy to all the information in relation to the merged entity.

I am assuming that the proponents of the merger are of the view that, even though Local Super is the smaller partner in the merged entity—that is, by way of members and also funds under management—in some way both the benefits of the merger (which I will turn to in a minute) but also in terms of investment performance will be much closer and will be either dictated to or significantly influenced by the past performance of Local Super, as opposed to the long-term history of StatewideSuper. As I said, that is just an observer's supposition. I readily accept that those who have laboured over this for probably a number of years have much more information and more cogent reasons as to why this would be for the benefit of members, in particular, people from Local Super.

I place on the record again that StatewideSuper is controlled by SA Unions and Business SA—your peak employer and peak union bodies. When one looks at the membership of the board (this is taken from their website, so I assume it is accurate) one sees people like Janet Giles, Ian Steel and Lindsay Oxlad representing the unions, and people like Nick Begakis, Greg Boulton, Mike Terlet and others—that is not the full list—being nominated by Business SA. In relation to Local Super, there are the collective interests of the LGA, the local government bodies and a number of the unions. I think the AWU and the ASU are actively engaged in relation to that.

If I am a member of Local Super and I look at the performance of Local Super over a period of time, and I look at the performance of StatewideSuper and it has been merged, then I am assuming that the reason why there has been no opposition to this is that everyone has accepted the detailed advice that they have been given in relation to how the merged entity will be much closer to or better than the performance of Local Super compared with StatewideSuper.

When one goes to the Frequently Answered Questions section of the respective websites, I have to say that the information that is provided there to a non-member is very broad and non-specific and makes general claims about the benefits. It may well be that the individual members—and we have members representing unions in this chamber who are associated with the unions involved in this merged entity who may well know—have been given detailed information to convince them that this is going to be of benefit to all. As I said, I do not know that. As a non-member I cannot get to the members' section of these funds, and that is understandable. That is one of the reasons why I sought information from the minister on Tuesday when we first debated the bill. As the record shows, the minister refused to provide any answers at all in relation to it. In

fact, he tried to jam the bill through before even I could go off and check some of this information for myself.

The issue I want to raise relates to the default investment option. On the surface, it is intriguing because the default option for StatewideSuper is, as I said, the balanced option, and the default option for Local Super is the growth option. However, when you try to go through the detail of the growth option for Local Super and the balanced option for StatewideSuper, they appear to be much closer than perhaps the names might indicate.

Looking at Local Super, the website claims that the market linked account performance for 30 June 2011—the target for the growth funds—was CPI plus 3.5 per cent. The conservative option was CPI plus 2 per cent. The growth option for Local Super achieved net rates of return that exceed changes in CPI by at least 3.5 per cent per annum over rolling six-year periods. However, if you look at the StatewideSuper breakdown, the balanced or default option is to achieve returns after tax and fees that exceed CPI plus 3 per cent over rolling five-year periods. So they are different periods: one is five years and one is six years. The balanced or default option for StatewideSuper is seeking 3 per cent plus CPI. The growth option for Local Super over six years is above CPI by 3.5 per cent.

In looking at the mix of investments in Local Super for what they call the growth option, 74 per cent of the mix of investments are growth investments and 26 per cent are defensive investments. When you go through the balanced or default options for StatewideSuper, the benchmark in the strategic asset allocation—again, not being an expert in this area—is certainly cash and fixed interest, being defensive options, which add to about 15½ per cent.

The other 84½ per cent can be potentially characterised as growth options or growth investments. There are Australian equities, international equities and property. The other three are private equity, infrastructure and alternative debt. I assume that they are generally characterised in strategic asset allocation terms as growth investments. If that is the case then the strategic asset allocation for the balanced fund would appear to be 84½ per cent. I assume that there must be some component of that which is seen to be defensive and not seen to be growth, although it is very hard to tell from the information publicly available.

However, this raises the interesting question as to what the default option is going to be for the merged fund, because as members will know, with superannuation, the majority of members tend to take the simplest and easiest course, which is whatever the default option is. A smaller percentage of people go through it and decide to take the high-growth option, the conservative option, the cash option or the socially responsible option, or whatever else—

The CHAIR: The balanced option.

The Hon. R.I. LUCAS: Yes, most people take the balanced option. However, in relation to Local Super, the default option is not called balanced: it is called the growth option. The next option beneath that appears to be what is called the conservative option, which in most other funds is not the balanced option.

What is not clear in relation to this—and maybe the decisions have not been taken. It may be very clear to all the 160,000 members, that is, they may all have been told that the default option is going to be the growth option from Local Super or the balanced option from StatewideSuper or maybe some new option. As I said, it may well be that that decision has already been taken. These are the sorts of issues that have been raised with me by one or two members. There are members in this chamber who represent the unions involved in all of this. It is confirmation, I guess, that everyone is happy and understands the benefits in relation to the merger that is before us.

The other question that I asked was in relation to the savings. All of the website information said that there would be savings by bringing the two together, and I think that on the surface of it that makes sense but no-one appeared to quantify it. I thank Local Super because they have given me some figures which I will place on the record:

> As part of the due diligence completed for the merger savings in the order of approximately $1.5 million per annum had been identified in future years. Over the period to the 2017 financial year the total savings, after allowance for costs associated with the merger, amount to $5.5 million.

I think from that it is clear, and I make no criticism of this, there are obviously significant costs associated with the merger, one would assume—I do not know what they are—and what this answer is saying is that towards the end of this period the savings, after you have expended the

initial savings, will start ratcheting up to $1.5 million. I suspect in the early years that you have the upfront costs, there will be lower levels of savings and then eventually it will get up to $1.5 million which is what the target has been.

I think it is useful to have that on the record because members over the coming years will be able to check with their representatives to see whether the claims of the merger have eventuated, that this level of savings has occurred, and that the benefits from that hopefully are being seen by the members.

The next question I raised was in relation to what the current fee arrangements were. The answer I have been provided with is that Local Super's current admin fee is $1 per week plus an asset fee of 0.23 per cent per annum, and they charge an investment fee for the default option of 0.68 per cent per annum. StatewideSuper charges an admin fee of $1.50 per week—so that is a higher dollar per week, but it does not have a percentage asset fee per annum in addition to that. Its investment fee for the default option, which is a different default option, is approximately the same at 0.67 per cent per annum.

It is useful to have that information in terms of the fee arrangements. What members should be asking, and hopefully they already have answers, is what the proposed fees are going to be for the new merged entity. I then asked some questions in relation to the number of defined benefit members. Local Super has advised me that:

> Local Super does have members that are provided with defined benefit entitlements and these will be retained unchanged in the merged fund. There are approximately 4,450 members that currently have defined benefit entitlements. Under the previous legislation and this current bill, all members entitlements are supported by the various councils that have employees that are contributing to the defined benefit section of Local Super and the councils are required to contribute the required amount to support then benefits to be provided to those defined benefit members.
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> The vast majority of employers are councils with a small number of employers and members who have developed from local government activities being outsourced to the private sector in the past.

The last bit of information that Local Super provided me that I place on the record is as follows:

> The last actuarial review for the fund was conducted as at 30 June 2011—

this was in relation to Local Super—

> and this showed that Local Super was in a satisfactory financial position with sufficient assets to cover vested benefits payable to members and that the current contribution rate payable by employers of 9.3% was sufficient to finance ongoing benefits. Due to volatility in investments since the date of the report we estimate that the vested benefits index at 31 March 2012 was 99.4% and this continues to be monitored on a quarterly basis.

I place that information on the public record. As I indicated on Tuesday, the Liberal Party is supporting the legislation. We do not propose to unduly delay the passage of the bill today. The government wants the bill to be passed by today, and we will certainly be assisting that. I have only one or two questions as a result of information I have just placed on the record; one is in relation to the issues I raised about defined benefit entitlements.

I ask the minister whether the defined benefits for those 4,450 members are guaranteed in all circumstances under the operation of the merged entity; that is, there is no set of circumstances where those members with defined benefits could find themselves in a position where that benefit is not paid to them. Can the minister stand up before the committee and guarantee that there is no circumstance where defined benefit members, as a result of the legislation we are supporting and the merger that is going ahead, will have their defined benefits placed at risk at all?

The Hon. R.P. WORTLEY: The new combined merged super scheme will be regulated and controlled by a board of trustees comprising employers and employee representatives. For the honourable member to sit there and ask me to give a guarantee that there would be no circumstances by which a default benefit scheme or benefits would be dispensed with, I would have to say that I am not prepared to give that guarantee for the simple reason that there may be circumstances where there is a buyout of the benefits of a defined benefit scheme, where members are given a choice to cash out their benefits.

I cannot give an ironclad guarantee of what will happen (I do not think anybody could give an ironclad guarantee), but I am sure that the trustees have an obligation to use due diligence, and one of their charters would be to protect the rights of all members. I do not think the honourable member seriously expects a minister to stand up in this place and give an ironclad guarantee for ever that the defined benefits will be there.

The Hon. R.I. LUCAS: I am certainly not asking questions in relation to where an individual member might be given the option of what the minister says is a buyout, where he or she says, 'Hey, that's a better deal for me; I'm happy with it.' I am contemplating the circumstances where a member is entitled to a level of benefits and, through a set of circumstances, does not get them. So, not to get something even better.

I am not expecting the minister, off his own bat, to give the guarantee. I ask whether he has been given that assurance by the proponents of the merger. If the minister is not going to answer that question, is he prepared to say that, as a result of the proposed merger, members with defined benefits are at no more risk of losing their benefits than already exists under their current schemes?

If the minister's argument is that the trustees can only do the best job they can and that there is always a risk, through poor performance, that even defined benefit members will not get their benefits under the existing legislation and scheme, what I am asking the minister is: has he been given an assurance, or has he sought an assurance, that the members are at no more of a risk under this merged arrangement, and under this legislation we are being asked to approve, of being placed in that position?

The Hon. R.P. WORTLEY: The way these things work is that there is an actuarial review of the assets and liabilities of super funds every so often. They will then work out a figure that will need to be contributed by the employers to ensure that the ongoing benefits are protected. As we see here, as of the vested benefits index at 31 March, it was 99.4 per cent. This continues to be monitored on a quarterly basis, which I imagine is a bit too soon, but every year at least the employers will be told that to continue to be able to pay these benefits they may need to contribute X per cent. That may fluctuate depending on the investments.

As members know, there has been a global financial crisis and the share market has taken a significant tumble over the last few years, but that will pick up eventually. When it does, the amount of contribution may decrease. I have not been given a personal guarantee by the superannuation fund, but I would have confidence to think that the interests of members are protected in this case, because they are two well-run superannuation schemes, and there is a requirement under the act to ensure due diligence and to act in the best interests of their members. I imagine it will be an ongoing process to do that.

At the end of the day, if there is a decision to do away with defined benefits—and I know that defined benefits are not a common thing now; they used to be quite common many years ago but they are going away more to accumulation funds—if they make a decision to do that, it would be a decision that the members would have to endorse, and that could be a possibility in future. I am sure it will be done through consultation and I am sure that members' benefits, if that situation occurred, would be adequately compensated.

The Hon. R.I. LUCAS: I will conclude my comments. I have raised the issues I wanted to, but the final comment I make on what the minister has just said is that the challenge for this merged fund (and we hope it is successful—parliament supports it), to go back to the figures I quoted at the outset, clearly is that you would not want investment performance continuing on the basis of the five-year performance of StatewideSuper. When you look at the comparison of StatewideSuper—and I remind members of the figures provided: over the five-year horizon StatewideSuper was losing at the rate of 2.52 per cent and Local Super was in the positive by 2.06per cent, a significant difference in terms of relative performance. I remind members that StatewideSuper is the much bigger partner in this merger.

Those who represent the AWU members, the ASU members and the other employees within local government have, one would hope, an ongoing interest that the performance of the merged entity will at least reflect the past performance of Local Super, and hopefully even better, in terms of the potential benefits to members, and not reflect the five-year performance of StatewideSuper in terms of the potential benefits to members, because if that is the case some Local Super members in four or five years will be saying, 'Hey, we were sold a pup in relation to all of this. These were the benefits we were going to see; however, here is the reality'. We will not know that for a number of years, obviously, in terms of performance.

That is all I wanted to place on the record in relation to these issues. We wish the merged fund well. Clearly the people who have worked on this will have much more information than those of us who are observing from outside and are not privy to all the confidential information they have been provided with. We hope that that is correct and accurate and we hope that members of the

merged fund will benefit in the way that clearly the proponents and government envisage, because they have asked us to support this legislation, and indeed we have.

The Hon. R.P. WORTLEY: I, too, concur with the Hon. Mr Lucas that, looking at the five-year returns, there is a stark difference. I would just like to make the point that, when you are investing the money of a fund, it is much easier to move between investment strategies and fund managers if you are a smaller fund. Very often, small funds make lots of money and big funds make it difficult because they have to transfer their money between different performance managers and the like. So, it is easier for a small fund to have good returns over a period of time.

In saying that, I understand that both schemes will be running parallel with each other for six months. What will happen then is that the trustees, based on advice from JANA Investment Advisors—they give advice to both funds and I take Mr Lucas's point that they have been doing this for three years now and there is still a significant difference between the two, but I am sure they will sort those issues out in the best interest of the members. I, too, would like to wish both of the merged funds all the best for the future.

Clause passed.

Remaining clauses (2 and 3) and title passed.

Bill reported without amendment.

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (16:26): I move:

That this bill be now read a third time.

Bill read a third time and passed.

TAFE SA BILL

Second reading.

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (16:28): 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 establishes TAFE SA as a statutory corporation which is an important part of our *Skills for All* vocational education and training reform. This initiative deals with the major skills challenge facing the State from a rapidly changing economy and our ageing population.

In its most recent report, the South Australian Training and Skills Commission identified additional job openings in South Australia over the next five years to 2015. These amount to 163,000 due to both economic growth and the need to replace workers as they retire. Labour supply and skill levels in South Australia must increase to capitalise on these opportunities.

Our changing economy also means that the skills needed to do those jobs are also changing. The Training and Skills Commission projects a total demand for 299,000 qualifications—both for new entrants to the labour force as well as existing workers—over the same five years.

The vast bulk of these, more than 85 per cent, will be for higher qualifications of Certificate III and above.

It will be a massive task to meet this challenge—one that will require very significant reform of the vocational training and education system—which is why we are implementing *Skills for All*, the most wide ranging and significant reform of the vocational education and training system in this State to date.

The State Government has committed an additional $194 million to support this reform over six years and to help fund the 100,000 additional training places for South Australians.

The TAFE SA Bill 2012 to establish TAFE SA as a statutory corporation is a key component of *Skills for All*.

The State Government recognises and respects the importance of TAFE SA to the South Australian economy and the role it will play in meeting this enormous challenge.

This government is committed to a strong, dynamic, modern and publicly owned TAFE SA. We are committed to ensuring TAFE SA students have access to state-of-the-art training infrastructure. We are also committed to seeing TAFE SA succeed under *Skills for All* and putting in place the appropriate legislative framework to enable it to do so.

A skilled workforce is fundamental to realising South Australia's potential for a high growth economy. TAFE SA, as the State's largest training provider and the State's largest provider of publicly funded training, will play

a critical role in skilling that workforce. Since 2007-08 this Government, together with Commonwealth support, has made the biggest single investment ever in TAFE SA infrastructure. More than $200 million has been committed to upgrades and new facilities. $125 million has been committed for the Sustainable Industries Education Centre at Tonsley Park, $50 million has been spent on new infrastructure and upgrades to existing facilities, while a further $33 million in Commonwealth funds has been invested in improving facilities in a number of metropolitan and regional TAFE SA campuses. Modernising infrastructure is however only one part of the equation. We also need to modernise and improve the vocational education and training (VET) system to be able to respond quickly to the needs of industry and to deliver the breadth and depth of skills demanded by a rapidly changing economy.

The State Government's *Skills for All* initiative is a comprehensive reform program, which aims to increase the number of people in training and in jobs. *Skills for All* will introduce a demand driven system in which access to public funding will be open to both public training providers and approved private training providers. Together with this significant system reform, the State Government will give eligible South Australians a training subsidy that provides them with ability to select the training provider of their choice.

TAFE SA is here to stay and it is going to play a central role in this new training system. The establishment of TAFE SA as a statutory corporation is a key component of *Skills for All* because it modernises governance arrangements to enable TAFE SA to operate in the more commercial and competitive environment *Skills for All* will bring. An update to the legislation is well overdue with the current legislation dating back to1975.

The State Government is committed to recognising the importance of TAFE SA as the State's largest provider of publicly funded training within this context. TAFE SA will continue to play an important role in this new demand-driven VET system, by meeting industry training and community service needs and contributing to the social and economic development of regional communities.

The existing TAFE SA brand is synonymous with quality training, excellent employment outcomes and high student satisfaction. Modern, state-of-the-art facilities, together with autonomy and flexibility as an independent statutory corporation, will create the opportunity for TAFE SA to build on its existing strong reputation, attract more funding, and grow in the expanded training market that *Skills for All* will bring. To this end, this Bill establishes TAFE SA as a statutory corporation.

There are three main outcomes achieved by introducing a statutory corporation model for TAFE SA.

Firstly, by establishing TAFE SA as a statutory corporation, TAFE SA will be provided with greater commercial autonomy and accountability through a board of directors, and flexibility and independence from government processes. This will enable TAFE SA to be even more responsive to market needs.

Secondly, by establishing TAFE SA as a statutory corporation, greater separation of the roles of TAFE SA and the Department of Further Education, Employment, Science and Technology (DFEEST) will be achieved. This is important in the development of the demand-driven and market-based model introduced by *Skills for All*, to ensure that the relationship between the funder and the provider of the training is transparent for all participants of the training system.

Under *Skills for All*, the role of DFEEST will be to:

- manage the VET market to direct training resources to meet the critical and strategic skills needs of the State in consultation with industry and other stakeholders;
- be the purchaser and funder of VET in South Australia;
- provide guidance, advice and support to industry, training providers, students and other users of VET;
- ensure the quality and integrity of the VET system is maintained and enhanced through approval processes and contractual arrangements with *Skills for All* training providers.

The primary function of TAFE SA will be to provide technical and further education—defined in the Bill as education and training recognised as vocational education and training or higher education for the purposes of a law of the Commonwealth or a law of the State and other post-compulsory education and training in any academic, vocational or practical discipline. In addition, the Bill gives TAFE SA statutory functions to:

- undertake or facilitate research that relates to technical and further education;
- provide consultancy or other services, for a fee or otherwise, in any area in which staff of TAFE SA have particular expertise developed (whether wholly or partly) in the course of, or incidentally to, the provision of technical and further education;
- undertake or provide for the development or use, for commercial community or other purposes, of any intellectual property, product or process created or developed (whether wholly or partly) in the course of, or incidentally to, the provision of technical and further education;
- perform any other function assigned to it by the Minister.

Thirdly, by establishing TAFE SA as a statutory corporation, the State will meet an important requirement of the Commonwealth government's reform of the VET system. The proposed governance changes for TAFE SA satisfy the Commonwealth's National Skills Reform agenda. The direct implication is that VET FEE-HELP (income contingent loans) will be available to VET students in South Australia who study at least diploma level where study is publically subsidised through approved training providers.

TAFE SA will be established as a corporation to which the provisions of the *Public Corporations Act 1993* will apply, other than section 35 relating to the appointment of the Chief Executive, which is otherwise provided for in the Bill.

TAFE SA will be governed by a board of directors appointed by the Governor. There will be between 6 and 11 members. The board members will together have the expertise, abilities and experience required for the effective performance of TAFE SA's functions and the proper discharge of its business and management obligations. The Minister will have power to recommend to the Governor removal of a director on any ground that the Minister considers sufficient.

A chief executive of TAFE SA will be appointed by the board with the approval of the Minister. The chief executive will be responsible to the board of TAFE SA for giving effect to the board's policies and decisions, the attainment of performance objectives, and the effective management of TAFE SA and the conduct of its employees. The Minister will have the ultimate power to approve the dismissal of a chief executive by the Board.

The staff of TAFE SA will be employed by the chief executive on terms and conditions determined by the chief executive with the approval of the Commissioner for Public Sector Employment. This Bill and the *Statutes Amendment and Repeal (TAFE SA Consequential Provisions) Bill 2012* preserve, without any substantive amendment, existing employment conditions that apply under Part 3 of the *Technical and Further Education Act 1975* and the regulations. Relevant provisions will be relocated to Schedule 1 of the *TAFE SA Act 2012*. Importantly, under the transitional provisions, all existing staff will be transferred to the employment of the chief executive of TAFE SA retaining their current terms and conditions of employment.

The existing enterprise bargaining processes will continue for each category of staff and staff will continued to be employed on the same terms and conditions, whether they are currently employed under the *Technical and Further Education Act 1975*, the *Public Sector Act 2009*, or under an Enterprise award or agreement under the *Fair Work Act 1994*.

If a new staff member is required to fill a position in which the duties and roles are the same or substantially similar to an existing classification, it is intended that the employee will be employed by the chief executive of TAFE SA in the existing classification on the same terms and conditions as others in the classification. The terms and conditions will be subject to the same enterprise bargaining processes as exists currently.

If a new staff member is required to fill a new position that is not captured by existing classifications or categories of staff in TAFE SA, the chief executive may employ the new employee on terms and conditions that will meet the needs of TAFE SA, subject to the approval of the Commissioner for Public Sector Employment. The relevant unions will be consulted in the employment of staff in these new roles.

The Bill provides for the use of services of an administrative unit of the Public Service. This ensures that Department of Further Education, Employment, Science and Technology (DFEEST) can continue to provide Corporate Services to TAFE SA when the need arises.

The Bill is intended to operate alongside the *Public Corporations Act 1993*. Under that Act:

- TAFE SA will be under the control and direction of the Minister, and will be required to provide and disclose information to the Government, both on the basis of regularly reporting as well as in response to specific requests for information.
- The Government will be responsible for setting the strategic direction and framework for TAFE SA operations via a Charter and a Performance Statement. The Charter can limit the statutory functions and objects of TAFE SA.
- The Performance Statement will set specific financial and non-financial targets for TAFE SA to pursue, against which the board's performance will be assessed.
- The board will also be responsible for protecting the long-term viability of TAFE SA and the Crown's financial interests.

Within this context, the board will provide strategic leadership of TAFE SA, through appropriate strategic and business plans that are consistent with the Charter and Performance Statement. It will evaluate and monitor the performance of TAFE SA's chief executive. These duties are clearly stipulated in Part 4 of the *Public Corporations Act 1993*.

The changes proposed for TAFE SA will improve its ability to win business and earn market share, as well as enter into partnerships in its own right as a public corporation, and attract students to its pathways. TAFE SA will continue to partner with higher education providers as well as providers in the school sector and provide pathway opportunities.

The Bill includes new provisions for the protection of proprietary interests including the 'TAFE SA' name and brand and the terms 'TAFE' and 'technical and further education'. The Bill makes unlawful the use of these terms and names in circumstances in which it would be reasonably understood to indicate that a person is TAFE SA. This is considered important in a competitive training environment where the TAFE SA brand is well established and highly regarded.

The Bill provides that TAFE SA will have the power to create rules and bylaws, a power commonly given to statutory bodies such as Universities.

TAFE SA will be able to make rules for the purposes of the administration of TAFE SA including the formation of student or staff associations, residential accommodation for students and disciplinary action against students.

The by-laws deal with the grounds of TAFE SA and conduct in those grounds, with provision for fines and expiation fees to be imposed for the breach of a by-law. For example, by-laws may prohibit trespassing on TAFE SA grounds, regulate driving, riding and parking on TAFE SA grounds and prohibit disorderly or offensive behaviour on TAFE SA grounds.

The Bill does not provide any power to TAFE SA to make rules or bylaws to deal with employment conditions. Employment conditions are expressly provided for through the determination of the chief executive, with the approval of the Commissioner for Public Sector Employment, Schedule 1 (provisions relocated from the current *Technical and Further Education Act 1975* and the regulations.

The existing regulations under the *Technical and Further Education Act 1975* will continue in existence under the new Act, and will be consequentially amended as required to remove any regulations for which a regulation-making power is not provided for in the measure.

It has been made clear by the quality of the feedback during the consultation period that there is great interest in this proposal, not only among TAFE SA staff but also the general public. There is no doubt that the reforms will be an important milestone for TAFE SA and for *Skills for All* .

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

These clauses are formal.

3—Interpretation

This clause defines certain terms used in the measure.

Part 2—TAFE SA

4—Establishment of corporation

This clause establishes TAFE SA as a body corporate that has all the powers of a natural person that are capable of being exercised by a body corporate and that has the functions and powers assigned or conferred by or under the measure or any Act.

5—Application of *Public Corporations Act 1993*

This clause provides that TAFE SA is a statutory corporation to which the provisions of the *Public Corporations Act 1993* (other than section 35) apply.

6—Functions

This clause provides for the functions of TAFE SA, that are:

(a) to provide technical and further education; and

(b) to undertake or facilitate research that relates to technical and further education; and

(c) to provide consultancy or other services, for a fee or otherwise, in any area in which staff of TAFE SA have particular expertise developed in providing technical and further education; and

(d) to undertake or provide for the development or use of any intellectual property, product or process created or developed in the course of the provision of technical and further education; and

(e) to perform any other function assigned to it by the Minister.

In providing technical and further education, TAFE SA may—

(a) provide services at campuses and premises established for the purpose, at industry and commercial premises and elsewhere, whether within or outside the State; and

(b) provide Internet based services; and

(c) provide services to domestic and international students; and

(d) in order to provide students with practical training and experience—

(i) establish or carry on an enterprise or activity, for commercial, community or other purposes, in which students are to participate; and

(ii) provide for the participation of students, on such conditions as TAFE SA thinks fit, in a commercial, community or other enterprise or activity carried on by some other person or body; and

(e) provide scholarships or establish other schemes to assist students; and

(f) charge fees for goods and services.

7—Establishment of board

This clause establishes a board of directors as the governing body of TAFE SA to be appointed by the Governor.

The board's membership must include persons who together have the expertise, abilities and experience required for the effective performance of TAFE SA's functions and the proper discharge of its business and management obligations (including in the areas of education and training, business, industry and community affairs and strategic planning).

8—Conditions of office of director

This clause provides for the conditions of office of a director of the board.

A director will be appointed for a term, not exceeding 3 years, and will be eligible for reappointment at the expiration of that term. Remuneration will be fixed by the Governor.

A director may be removed from office by the Governor on the recommendation of the Minister, which may be made on any ground that the Minister thinks sufficient. The clause also lists other ways in which the office of a director becomes vacant.

9—Board proceedings

This clause provides for the conduct of board proceedings.

10—Conflict of interest under Public Corporations Act

This clause provides that a director of the board will not be taken to have a direct or indirect interest in a matter for the purposes of the *Public Corporations Act 1993* by reason only of the fact that the director has an interest that is common with those engaged in or associated with the technical and further education sector generally, or a substantial selection of those engaged in or associated with the technical and further education sector.

11—Common seal and execution of documents

This clause provides for the use of the common seal of TAFE SA and for the execution of documents on behalf of TAFE SA.

12—Chief executive

This clause provides for the appointment of a chief executive of TAFE SA and for the responsibilities of that chief executive, namely—

(a) giving effect to the board's policies and decisions; and

(b) the attainment of performance objectives set from time to time by the board; and

(c) the effective management of TAFE SA and the general conduct of its employees.

13—Delegation by chief executive

This clause provides that the chief executive may delegate a function or power of the chief executive under the measure, or any other Act, to another person.

14—Other staff

This clause provides for the employment of staff of TAFE SA by the chief executive (subject to the measure) on terms and conditions determined by the chief executive, which must be approved by the Commissioner for Public Sector Employment.

Subclauses (4) and (5) operate together to maintain the eligibility of certain employees under the *Superannuation Act 1988* who are transferred to the employment of the chief executive under the measure.

15—Use of services or staff of administrative unit

This clause provides that TAFE SA may, under an arrangement established by the Minister administering an administrative unit of the Public Service, make use of the services or staff of that administrative unit.

Part 3—Rules and by-laws

16—Power to make rules

This clause provides that TAFE SA may make rules for the purposes of the administration of TAFE SA. The measure specifically lists purposes, such as the formation of student or staff associations, residential accommodation for students and disciplinary action against students.

17—Power to make by-laws

This clause provides that TAFE SA may, with the approval of the Minister, make by-laws for certain purposes related to the grounds of TAFE SA and conduct in those grounds. For example by-laws may prohibit

trespassing on TAFE SA grounds, regulate driving, riding and parking on TAFE SA grounds and prohibit disorderly or offensive behaviour on TAFE SA grounds. There is provision for fines (not exceeding $1,250) to be imposed for the breach of a by-law and also for related expiation fees (not exceeding $160).

18—Evidentiary provision

This clause provides evidentiary presumptions relating to certain offence provisions that operate in the absence of proof to the contrary.

19—Fines and expiation fees

This clause provides that a fine recovered in respect of an offence against a by-law and an expiation fee paid in relation to an expiation notice issued for an alleged offence against a by-law must be paid to TAFE SA.

20—Availability of rules and by-laws

This clause requires TAFE SA to ensure the availability of copies of each rule and by-law by publication on the Internet or by public inspection at the principal office of TAFE SA.

Part 4—Miscellaneous

21—Protection of proprietary interests of TAFE SA

This clause provides that TAFE SA will have a proprietary interest in all official insignia, such as logos, designs and official titles and creates offences in relation to the unauthorised use of such insignia.

This clause also creates an offence in relation to the use of other terms and phrases in the course of a trade or business in circumstances in which it would be reasonably understood to indicate that the goods, services or benefits are provided by or in association with TAFE SA.

22—Regulations

This clause provides that the Governor may make regulations for the purposes of the measure.

Schedule 1—Transitional provisions

1—Transfer of staff

This clause provides for the transfer of employees employed under the *Technical and Further Education Act 1975*, and certain employees of the chief executive of the administrative unit that is under the Minister responsible for the administration of the *Technical and Further Education Act 1975*, to the employment of the chief executive of TAFE SA on the same terms and conditions.

This clause provides that a transfer of a person under the clause does not constitute a breach of the person's contract of employment or termination of the person's employment, or affect the continuity of the person's employment for any purpose.

2—Regulations

This clause provides that the *Technical and Further Education Regulations 1999* will continue in force as if they were made under this measure and will be taken for the purposes of Part 3A of the *Subordinate Legislation Act 1978* to have been made on the day of commencement of this clause.

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

STATUTES AMENDMENT AND REPEAL (TAFE SA CONSEQUENTIAL PROVISIONS) BILL

Second reading.

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (16:28): 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 is a companion Bill to the *TAFE SA Bill 2012* that establishes TAFE SA as a statutory corporation. It is designed to come into operation immediately after that Bill comes into operation.

There are 3 main functions of this Bill.

The first function is to preserve the provisions of the *Technical and Further Education Act 1975* that relate to the employment of officers under that Act by relocating them to the *TAFE SA Act 2012*. The provisions will be relocated in an amended form that ensures that those provisions, without substantive amendment, fit into the structure and mechanisms used in the *TAFE SA Act 2012*. The functions of the Minister with respect to technical and further education will be undertaken by the statutory corporation under that Act and so it is necessary to transfer the staff performing those functions to the statutory corporation and the provisions to that Act. The necessary amendments to those provisions are achieved in Schedule 1 to this Bill and include by way of example:

- references to 'an officer' being replaced with references to 'prescribed employee';

- reference to the 'employing authority' being replaced with references to the 'chief executive of TAFE SA' since the chief executive will be the employer of TAFE SA staff;
- references to 'this Act' being replaced with references to 'this Schedule';
- references to the 'Department' being replaced with references to 'TAFE SA'.

The second function of this Bill is to repeal the *Technical and Further Education Act 1975* which will occur after the provisions have been relocated to the *TAFE SA Act 2012*.

The third function of this Bill is to make amendments required to other legislation as a consequence of TAFE SA becoming a statutory corporation. These are essentially minor changes that will replace obsolete terms and references to Acts. The Acts that will be amended include:

- *Aboriginal Lands Trust Act 1966;*
- *Education Act 1972;*
- *Public Sector Act 2009;*
- *SACE Board of South Australia Act 1983;*
- *Training and Skills Development Act 2008.*

Schedule 2 of this Bill is for information purposes only and has been included to show what the new *TAFE SA Act 2012* will look like after the relevant provisions of the *Technical and Further Education Act 1975* (relating to employment terms and conditions) have been amended, relocated and redesignated. It shows Schedule 1 of the new *TAFE SA Act 2012*, which will list all the terms and conditions that will apply to prescribed employees (as defined in the Schedule) being the same terms and conditions that currently apply to officers employed under section 15 of the *Technical and Further Education Act 1975*. The Schedule will therefore not apply to the employment of other staff of TAFE SA who are not 'prescribed employees', including those currently employed:

- under section 39AAB of the *Technical and Further Education Act 1975*, e.g. hourly paid instructors
- under the *Public Sector Act 2009* working in TAFE SA (excluding Corporate Services staff)
- as weekly paid staff in TAFE SA Institutes.

The terms and conditions of these other categories of staff are preserved by the transitional arrangements in the *TAFE SA Bill 2012*.

As a companion Bill to the *TAFE SA Bill 2012*, this Bill ensures that the transition to the new TAFE SA statutory corporation is as comprehensive and seamless as possible.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *TAFE SA Act 2012*

4—Redesignation of Schedule 1

This clause redesignates Schedule 1 of the *TAFE SA Act 2012* as Schedule 3. Schedule 1 will deal with conditions of employment for prescribed employees, Schedule 2 will deal with interpretation of other Acts and instruments and Schedule 3 with transitional provisions.

Part 3—Relocation of certain provisions of *Technical and Further Education Act 1975*

5—Amendment, redesignation and relocation

This clause amends certain provisions of the *Technical and Further Education Act 1975* as listed in Schedule 1, relocates certain provisions of the *Technical and Further Education Act 1975* to the *TAFE SA Act 2012* and redesignates those provisions within the *TAFE SA Act 2012*. The amendments are technical and not substantive.

Part 4—Repeal of *Technical and Further Education Act 1975*

6—Repeal

This clause repeals the *Technical and Further Education Act 1975* immediately following the amendment, relocation and redesignation of provisions as referred to in Part 3.

Part 5—Amendment of *Aboriginal Lands Trust Act 1966*

7—Amendment of section 20A—Business Advisory Panel

This clause is consequential to the repeal of the *Technical and Further Education Act 1975* and substitutes a reference to that Act with a reference to the *Training and Skills Development Act 2008* for the purposes of the selection of members of the Aboriginal Lands Business Advisory Panel.

Part 6—Amendment of *Education Act 1972*

8—Amendment of section 5—Interpretation

This clause inserts a new definition of *AEU* which means the Australian Education Union, South Australian Branch and repeals the definition of *the Institute of Teachers*.

9—Amendment of section 29—Classification review panels

This clause substitutes references to the Institute of Teachers with the AEU.

10—Amendment of section 45—Teachers Appeal Board

This clause makes amendments to the composition and selection of the Teachers Appeal Board that are consequential to the amendment and repeal of the *Technical and Further Education Act 1975*. The amendments provide for the selection of members of the Teachers Appeal Board to include representatives of the prescribed employees of TAFE SA as nominated by TAFE SA and by the AEU.

11—Amendment of section 53—Appeals in respect of appointments to promotional level positions

This clause substitutes references to the Institute of Teachers with the AEU.

12—Amendment of section 75D—Approved learning programs

This clause substitutes references to the Institute of Teachers with the AEU.

Part 7—Amendment of *Public Sector Act 2009*

13—Amendment of section 25—Public Service employees

This clause replaces the reference in section 25(2)(l) of the *Public Sector Act 2009* to an officer or employee appointed by the employing authority under the *Technical and Further Education Act 1975* with reference to an employee of the chief executive of TAFE SA under the *TAFE SA Act 2012*.

Part 8—Amendment of *SACE Board of South Australia Act 1983*

14—Amendment of Schedule 1—Designated entities

This clause is consequential to the repeal of the *Technical and Further Education Act 1975* and updates the list of designated entities that may make representations in relation to the nomination of a person for appointment to the SACE Board of South Australia. The list is to include TAFE SA and the chief executive of the administrative unit of the Public Service that is, under a Minister, responsible for the administration of the *Training and Skills Development Act 2008*.

Part 9—Amendment of *Training and Skills Development Act 2008*

15—Amendment of section 15—Staff

This clause is consequential to the repeal of the *Technical and Further Education Act 1975* and deletes reference to officers or employees under that Act who will no longer be assigned to work in the office of the Training and Skills Commission under the *Training and Skills Development Act 2008*.

16—Amendment of section 23—Delegation by Training Advocate

This clause is consequential to the repeal of the *Technical and Further Education Act 1975* and deletes reference to officers or employees under that Act who will no longer be assigned to work in the office of the Training Advocate under the *Training and Skills Development Act 2008*.

17—Amendment of section 24—Staff

This clause is consequential to the repeal of the *Technical and Further Education Act 1975* and deletes reference to officers or employees under that Act who will no longer be assigned to work in the office of the Training Advocate under the *Training and Skills Development Act 2008*.

Schedule 1—Amendments of *Technical and Further Education Act 1975*

This Schedule contains the technical amendments to be made to the *Technical and Further Education Act 1975* under clause 5 of the measure.

Schedule 2—Schedules as they will appear in TAFE SA Act

This Schedule is provided for information purposes only and contains the provisions of the *Technical and Further Education Act 1975* as they will appear in the *TAFE SA Act 2012* after the commencement of clause 5 of the measure.

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

MENTAL HEALTH (INPATIENT) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 16 May 2012.)

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (16:29): I would like to thank all honourable members for their interest and valuable contribution to this important topic, with the united aim of improving perceptions and attitudes towards people who experience mental illness. The Mental Health Act 2009 is a framework for treatment, care and rehabilitation for people with serious mental illness. The bill's primary purpose is to replace the terminology, 'detention and treatment orders' with 'inpatient treatment orders' to remove the stigma associated with the word 'detention'.

As the scheme of the act concerns involuntary treatment provisions, there was no need to label every order as such—it is a given. The emphasis is on the treatment and care aspects and the treatment orders should be titled to keep that focus clear. To make reference in the title of the order to compulsion would be counter to the destigmatisation which is sought to be achieved by this bill.

The title of 'inpatient treatment order' also ensures consistency with the other type of treatment order in the act, a community treatment order, which does not refer to the compulsive element in its title. It is highly unlikely that clinicians will more readily make orders because they are no longer called a detention and treatment order. Clinicians are highly cognisant of the obligations to the people they are entrusted to care for and are aware that the nature of the orders have not changed.

This change in language also seeks to address a common public misconception that a detention and treatment order involves locking up a mentally ill person, much like a criminal is locked up in a correctional facility when, in reality, contemporary mental health care provides for an involuntary inpatient to be treated under supervision in non-secure environments. The common perception that mental illness and criminality somehow go together is damaging and incorrect.

Correcting fear and prejudice will assist those in our families and communities to feel less marginalised and free to seek out and receive the treatment and care they need. Early intervention and treatment are key to a person's chances of recovery and well-being whatever the type of illness. In addition to this language change, there are two other minor administrative changes in the bill which seek to rectify unintended ambiguity in the areas of consent to ECT and in amending administrative errors in orders. These amendments simply clarify the current operation of the act and do not change the rights or powers in any way. Importantly, the checks and balances contained within the Mental Health Act 2009 remain in place for ECT consent.

The President of the Guardianship Board, the Public Advocate and the Royal Australian and New Zealand College of Psychiatrists do not support the amendment tabled by the Hon. Ann Bressington MLC. The views of these bodies is that it is important that the Guardianship Board maintains its role as an independent arbitrator to ensure that the best interests of the patients are served. In response to a query raised about the proposal for an expanded Community Visitor Scheme—encompassing a broader ambit of mental health facilities as well as disability consumers being placed in the Attorney-General's Department—I advise that the government supports this proposal.

The timing of this bill coincides with SA Health's Let's Think Positive destigmatisation campaign launched in February 2012 which asks people to think about the impact of how they treat others who suffer from mental illness and the words that they choose. The Mental Health Act 2009 is an important part of mental health reform in this state and is due for review in July 2014. Any other amendments which may be considered valuable will be considered at that time.

Bill read a second time.

KEITH AND DISTRICT HOSPITAL

The Hon. R.P. WORTLEY (Minister for Industrial Relations, Minister for State/Local Government Relations) (16:35): I table a ministerial statement made by the Hon. John Hill MP regarding the Keith and District Hospital.

GRAFFITI CONTROL (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 3 May 2012.)

The Hon. A. BRESSINGTON (16:35): I rise to indicate my support for the second reading of the Graffiti Control (Miscellaneous) Amendment Bill 2012. The main thrust of the bill before us is the proposal to suspend the licences of those caught repeatedly marking graffiti. I have spent much time considering my position in relation to this and, like other members, I have previously expressed my concern about the lack of nexus between offences and proposed penalties. However, on this occasion I find myself willing to give it a try.

The reality is that this class of offenders is seemingly undeterred by traditional penalties and, given that this is most commonly community service, anecdotes suggest that young offenders treat it as a joke. Losing their licence, however, will be no laughing matter. Whilst there may be no nexus between the offence and the penalty, I am sure those convicted of marking graffiti will see the connection between any subsequent reoffending and the loss or delay of being able to drive and the independence this brings. Given the failure to curb the prevalence of graffiti by traditional penalties, as I said, I am willing to give this a try. In case it does not, however, I will be supporting the Liberal amendment for the review and the sunset clause attached to the proposed sections 10A and 10B.

I also note that clause 13 was amended by the Attorney-General prior to the bill's re-introduction in the other place and, somewhat disappointingly, unlike him, note that the need for this change was identified by me during the government briefing, as confirmed in a subsequent email by the Attorney-General's office. As I recall it, the previous wording created a disproportionate penalty for those on an unrestricted licence to those with a provisional learner's permit.

Like other members, I am concerned about the proposed definition of 'graffiti implement' not being included in the bill but, rather, via unseen regulation, particularly as it will apply to the requirement to secure such items in a locked cabinet and to the offence of selling them to a minor. Given the not insignificant cost of compliance, this has created a great deal of anxiety, especially within the hardware sector, anxiety only exacerbated by the Attorney-General in another place discussing the broad range of implements used to mark graffiti, namely, screwdrivers through to large tins of paint. In doing so, he left open the possibility that these could be included in the definition of a graffiti implement.

The reality is that graffiti can take many forms, from scratching on windows to scrawling on objects with black felt-tip textas, and from larger tags with aerosols to full wall-size pieces, which in some cases can cross over into what is considered to be art. The term 'graffiti' captures them all. Similarly, graffiti can, to use the wording of the bill, 'be marked with any number of items', especially when it comes to scratching windows. To suggest that we should attempt to prohibit the sale of any potential graffiti implement is ludicrous. Whilst I do not believe this is the government's intention, I can nonetheless understand retailers' anxieties.

I am aware the Hon. Stephen Wade will be moving amendments that will attempt to address this by restricting the term 'graffiti implement' to the definition currently applicable to the offence in the act of carrying a graffiti implement. Whilst I have not determined my position, I do indicate that I am attracted to the amendments and do see how they will address the concerns of the Hardware Association and others. Whether it be this amendment or an alternative, I notify the government that, if no amendments to clauses 7 and 8 are successful, then at the very least my support for the third reading of the bill will be conditional upon the draft regulations being made publicly available and being acceptable to concerned stakeholders.

On a slightly different matter, one question I have had difficulty getting answered is whether, following the passage of the Evidence (Discreditable Conduct) Amendment Bill, the police are able to prosecute offenders caught doing their tag for all known offences where the same scrawl has been left.

Whilst there are of course concerns about the use of propensity evidence, given that a tag is comparable to a signature and given that, in the graffiti scene, imitation is discouraged and in some cases physically punished, it follows (at least in my mind) that, in the unlikely event that an offender is identified, caught and then convicted for marking their particular tag, they should be held accountable for all known matching tags.

I ask the minister to clarify whether this is currently possible and, if not, whether the government, recognising that tags are the equivalent of a signature in the graffiti world, has considered enabling this. With that said, the second reading has my support and I (sort of) look forward to the committee stage.

Debate adjourned on motion of Hon. Carmel Zollo.

ROAD TRAFFIC (AVERAGE SPEED) AMENDMENT BILL

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

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (16:42): 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.

The *Road Traffic (Average Speed) Amendment Bill 2012* is a Bill to amend the *Road Traffic Act 1961* to introduce point to point speed detection.

Death or injury from road crashes is a major public health issue in South Australia. Excessive and inappropriate speed on rural highways continues to be a significant contributing factor towards road crashes and the extent of road trauma sustained by crash victims.

Monitoring compliance with speed limits is a constant challenge. South Australia uses a variety of speed detection equipment to assist in the deterrence and detection of road users who breach speed limits. Conventional speed detection requires personnel and resources to monitor traffic, often on remote rural highways. In addition, oncoming motorists often warn other motorists when a speed detection device is operating nearby.

Speeding can be targeted at high risk locations with safety camera technology. Mobile or fixed spot speed detection can generate a positive 'halo effect' in the vicinity of the instantaneous speed measurement device, but this is limited to approximately 1 kilometre.

Point to point speed detection can have a far more widespread and beneficial effect. Point to point enforcement promotes area-wide suppression of speeding, because speed enforcement is sustained over a length of road rather than just at one single spot, thus modifying the behaviour of drivers over a larger area. Reducing the speed of all vehicles on a road has significant benefits to all road users. Evaluations of point to point enforcement conducted overseas found a statistically significant 20 per cent reduction in injury crashes in the first two years after point to point enforcement was installed.

Average speed is one form of point to point detection. It involves measuring the time taken by a vehicle to travel between two camera sites. The distance between cameras is certified by an independent surveyor. An image of every vehicle is captured by the first camera, together with a record of the time when the image is taken. The second camera repeats that process. The average speed of the vehicle is calculated by dividing the distance between the cameras by the time taken for the vehicle to travel between the sites. If the average speed of the vehicle is in excess of the speed limit then the driver of the vehicle has committed an offence.

Average speed detection is used extensively interstate and overseas. It has been reported that average speed cameras are perceived by the public as a fairer way of detecting speeding because the cameras detect speed over a length of road instead of at a single point. Average speed cameras are also said to reduce congestion, fuel consumption and accidents due to the traffic moving at a uniform speed and encourage safer driving over longer distances due to the higher level of compliance.

The Government is committed to road safety and has introduced this Bill to enable the use of point to point cameras to detect speeding on stretches of roads where speeding has been identified as a road safety problem.

The first average speed detection system will operate on the Port Wakefield Road between Port Wakefield and Two Wells. It is then planned to develop a network of sites radiating out of Adelaide on the Victor Harbor Road, the South Eastern Freeway, the Dukes Highway, the Sturt Highway and the Northern Expressway. The expected distance between the cameras will be between approximately 14 and 50kms.

The Bill extends the evidentiary provisions of the *Road Traffic Act* to enable evidence of average speed to be taken as evidence of actual speed for the purposes of the Act. This means that the existing penalty structure for speeding offences in the *Road Traffic Act* and the *Road Traffic (Miscellaneous) Regulations 1999* will apply to point to point speeding offences, including excessive speed in section 45A of the Act (with its associated immediate loss of licence, 6 or 12 month disqualification and the minimum court imposed fine).

The Bill also amends the owner onus provisions in section 79B of the Act to ensure that they apply to this offence. The current situation is that when the owner of a vehicle detected speeding by a safety camera is sent an expiation notice and the owner was not the driver of the vehicle, the owner can provide the Commissioner of Police with a statutory declaration naming the driver. The expiation notice issued in respect of the owner is then withdrawn and a new one issued to the driver.

This framework will continue, but the Bill amends the section so that any reference to the 'time' of the offence is, for speeding between 2 points, the whole period of time during which the vehicle travelled between the 2 points.

Further amendments to section 79B clarify obligations and liabilities where it is alleged that there was more than one driver of the vehicle between the 2 points. The current provisions of section 79B are designed for offences that occur at a single moment in time and cannot apply where there is more than one driver.

Point to point speed detection differs from point in time offences since the offence is committed during the time the person drove between the 2 points, and there is a possibility that there could have been more than one driver of the vehicle between those points. The amendments to section 79B require the owner of a vehicle who knows there was more than one driver to nominate all of them. In this situation, the expiation notice issued to the owner could be withdrawn and new notices issued to all the nominated drivers.

The evidentiary provisions provide protection for drivers who can satisfy the court that although they were one of the drivers between the 2 points, they did not at any time speed whilst driving the vehicle between the 2 points. To use this protection they first must have identified the other driver or drivers to the Commissioner of Police by means of a Statutory Declaration.

Speeding remains a major cause of deaths and serious injuries on our roads. The Bill introduces a new approach to the detection of speeding that has been shown to be effective at reducing speeding over large distances, not just near the location of the detection device. The Bill continues existing defences for owners of vehicles and provides protection for drivers in the new situation where it is possible for 2 drivers to have shared the driving. In such a situation a driver can provide evidence that he or she did not exceed the speed limit. At the same time, it deters the exploitation of this provision by the unscrupulous by requiring the evidence to be provided to the court.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Road Traffic Act 1961*

4—Amendment of section 79B—Provisions applying where certain offences are detected by photographic detection devices

This clause amends section 79B:

- to ensure that the regulations can make provision in relation to a notice sent with an expiation notice or reminder notice or a summons relating to a speeding offence where the evidence of speeding is evidence of average speed determined in accordance with proposed section 175A;
- to make special provisions in relation to such speeding offences, to deal with the fact that the offence occurs over a period of time (ie the period during which the vehicle travelled between 2 average speed camera locations) and that there may have been more than 1 driver of the vehicle during the period.

5—Insertion of section 175A

This clause inserts a new section as follows:

175A—Average speed evidence

This provision provides for the calculation of the average speed of a vehicle between 2 average speed camera locations and for acceptance of evidence of that average speed as evidence of the actual speed of the vehicle between the locations.

Subclause (3) allows the Minister to publish a notice specifying 2 average speed camera locations and determining the fastest practicable route between the locations and the shortest distance that a vehicle could travel between the 2 locations along that route. This information is then used in calculating the average speed of vehicles between the 2 locations and vehicles are conclusively presumed to have travelled between the 2 locations by that shortest distance along that fastest practicable route (on the basis that this will produce the result most favourable to drivers). The average speed so calculated is then conclusively presumed to have been the actual speed of the vehicle while travelling between the 2 locations. Where there is more than 1 driver of the vehicle between the 2 locations, each driver is, subject to the provision, conclusively presumed to have driven the vehicle at that actual speed.

Subclause (6) allows a driver to rebut that last presumption in certain circumstances where another driver or drivers have been responsible for the speeding. The presumption will be rebutted if the driver satisfies the court that—

(a) there was more than 1 driver; and

(b) he or she has furnished the Commissioner of Police with a statutory declaration naming the other drivers or providing reasons why the identity of 1 or more of the other drivers is not known and the inquiries made to try and identify any unknown driver (so that the police have an opportunity to investigate the claims made); and

(c) if the statutory declaration does not name all other drivers—he or she does not know and could not by the exercise of reasonable diligence have ascertained the identity of any driver not named; and

(d) he or she did not speed between the 2 locations.

Subclause (8) ensures that a person cannot be convicted of or required to expiate multiple offences where in addition to evidence of average speed between 2 average speed camera locations there is also evidence of actual speed at a point between the 2 locations.

The provision also contains a regulation making power in subclause (9).

6—Amendment of section 176—Regulations and rules

This clause makes a minor drafting amendment to make it clear that the reference to 'this Act' in section 176(5b) relates to the Act, the regulations and the rules (which is consistent with the *Acts Interpretation Act 1915*).

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

[Sitting suspended from 16:43 to 17:33]

SUMMARY OFFENCES (WEAPONS) AMENDMENT BILL

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for Tourism, Minister for the Status of Women) (17:33): I have to report that the managers for the two houses conferred together and it was agreed that we should recommend to our respective houses:

As to Amendment No 1—That the Legislative Council no longer insist on its amendment

As to Amendment No 2—That the Legislative Council no longer insist on its amendment

As to Amendment No 3—That the Legislative Council no longer insist on its amendment

As to Amendment No 4—That the Legislative Council no longer insist on its amendment

As to Amendment No 5—That the Legislative Council no longer insist on its amendment

As to Amendment No 6—That the Legislative Council no longer insist on its amendment

As to Amendment No 7—That the Legislative Council no longer insist on its amendment

As to Amendment No 8—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 5, page 5, lines 13 to 26 [clause 5, inserted section 21C(3) and (4)]—Delete subsections (3) and (4) and substitute:

(3) A person who, without lawful excuse, carries an offensive weapon or dangerous article at night while in, or while apparently attempting to enter or leave—

(a) licensed premises; or

(b) a carparking area specifically or primarily provided for the use of patrons of the licensed premises,

is guilty of an offence.

Maximum penalty: $10,000 or imprisonment for 2 years.

(4) It is a defence to prosecution for an offence against subsection (3) to prove that—

(a) if the charge relates to the defendant's being in, or apparently attempting to enter or leave, licensed premises—the defendant did not know and had no reason to believe that the premises were premises of a kind where liquor was sold or supplied; or

(b) if the charge relates to the defendant's being in, or apparently attempting to enter or leave, a carparking area specifically or primarily provided for the use of patrons of the licensed premises—the defendant did not know and had no reason to believe that the area was such a carparking area.

and that the House of Assembly agrees thereto.

As to Amendment No 9—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 5, page 5, after line 35 [clause 5, inserted section 21C]—After subsection (6) insert:

(7) A person who, without lawful excuse—

(a) uses an offensive weapon; or

(b) carries an offensive weapon that is visible,

in the presence of any person in a school or public place in a manner that would be likely to cause a person of reasonable firmness present at the scene to fear for his or her personal safety, is guilty of an offence.

Maximum penalty: $10,000 or imprisonment for 2 years.

(8) For the purposes of an offence against subsection (7), no person of reasonable firmness need actually be, or be likely to be, present at the scene.

(9) If on the trial of a person for an offence against subsection (7), the court is not satisfied that the person is guilty of the offence charged, but is satisfied that the person is guilty of an offence against subsection (1)(a), the court may find the person guilty of the offence against subsection (1)(a).

and that the House of Assembly agrees thereto.

As to Amendment No 10—That the Legislative Council no longer insist on its amendment

As to Amendment No 11—That the Legislative Council no longer insist on its amendment

As to Amendment No 12—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 5, page 7, lines 1 to 11 [clause 5, inserted section 21E(2) and (3)]—Delete subsections (2) and (3)

and that the House of Assembly agrees thereto.

As to Amendment No 13—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 5, page 7, line 21 [clause 5, inserted section 21F(2)(a)]—Delete paragraph (a) and substitute:

(a) Schedule 2; or

and that the House of Assembly agrees thereto.

As to Amendment No 14—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 15—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 16—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 17—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 18—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 19—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 20—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 21—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 22—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 23—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 24—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 25—That the Legislative Council no longer insist on its amendment

As to Amendment No 26—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 5, page 8, after line 30—After section 21F insert:

21FA—Information relating to knife related injuries

(1) If a medical practitioner or a registered or enrolled nurse has reasonable cause to suspect in relation to a person who he or she has seen in his or her professional capacity that the person is suffering from a wound inflicted by a knife, the medical practitioner or nurse must, as soon as practicable after forming the suspicion, make a report to the prescribed person or body containing—

(a) details of the wound; and

(b) any information provided to the practitioner or nurse about the circumstances leading to the infliction of the wound (other than information tending to identify the person).

(2) Subsection (1) does not apply if, in the opinion of the medical practitioner or the nurse, the injuries are not serious and the medical practitioner or nurse believes on reasonable grounds that the injuries were accidental.

(3) A person incurs no civil or criminal liability in taking action in good faith in compliance, or purported compliance, with this section.

(4) In this section—

enrolled nurse means a person registered under the *Health Practitioner Regulation National Law*—

(a) to practise in the nursing and midwifery profession as a nurse (other than as a student); and

(b) in the enrolled nurses division of that profession;

medical practitioner means a person registered under the *Health Practitioner Regulation National Law* to practise in the medical profession (other than as a student);

registered nurse means a person registered under the *Health Practitioner Regulation National Law*—

(a) to practise in the nursing and midwifery profession as a nurse (other than as a student); and

(b) in the registered nurses division of that profession.

and that the House of Assembly agrees thereto.

As to Amendment No 27—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 28—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 29—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 30—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 5, page 10, lines 29 to 41 [clause 5, inserted section 21H(6) to (8)]—Delete subsections (6) to (8) inclusive and substitute:

(6) A person to whom a weapons prohibition order applies must—

(a) as soon as reasonably practicable after becoming aware of the presence of a prohibited weapon on premises at which the person resides, notify the Commissioner of that fact in the manner (if any) prescribed by the regulations; and

(b) comply with—

(i) a direction of the Commissioner, given in response to that notification, that the person must not reside at the premises; or

(ii) any other direction of the Commissioner, given in response to that notification, in relation to the weapon.

Maximum penalty: $10,000 or imprisonment for 2 years.

and that the House of Assembly agrees thereto.

As to Amendment No 31—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 32—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 33—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 34—That the Legislative Council no longer insist on its amendment

As to Amendment No 35—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 36—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 37—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 38—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 5, page 13, lines 28 to 30 [clause 5, inserted section 21M(a)]—Delete paragraph (a) and substitute:

(a) prescribe circumstances in which a person will be taken to have a lawful excuse in relation to an act or omission referred to in section 21C or 21E; and

(ab) provide that this Part or specified provisions of this Part do not apply to a specified class of persons; and

and that the House of Assembly agrees thereto.

As to Amendment No 39—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 40—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 41—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 7, page 14, after line 9 [clause 7, inserted section 72A]—After subsection (1) insert:

(1a) The following provisions apply to a search carried out in accordance with this section:

(a) the search must, in the first instance, be a metal detector search;

(b) if the metal detector search indicates the presence or likely presence of metal, a police officer may require the person to produce items detected by the metal detector (and, for the purpose of determining whether or not the person has produced such items, may conduct further metal detector searches);

(c) if the person refuses or fails to produce any such item, a police officer may, for the purpose of identifying the item, conduct a search in relation to the person or property (which need not be a metal detector search but may be conducted as if it were a search of a person who is reasonably suspected of having, on or about his or her person an object, possession of which constitutes an offence).

and that the House of Assembly agrees thereto.

As to Amendment No 42—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 43—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 44—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 45—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 46—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 7, page 14, lines 36 to 41 and page 15, lines 1 to 12 [clause 7, inserted section 72A(7) and (8)]—Section 72A(7) and (8)—delete the subsections and substitute:

(7) The following information must be included in the annual report of the Commissioner under section 75 of the *Police Act 1998* (other than in the year in which this section comes into operation) in respect of the period to which the report relates (the *relevant period*):

(a) the number of declarations made under subsection (3) during the relevant period;

(b) the number of metal detector searches carried out under this section during the relevant period;

(c) the number of occasions on which a metal detector search carried out during the relevant period indicated the presence, or likely presence, of any metal;

(d) the number of occasions on which weapons or articles of a kind referred to in Part 3A were detected in the course of such searches and the types of weapons or articles so detected;

(e) any other information requested by the Minister.

and that the House of Assembly agrees thereto.

As to Amendment No 47—That the Legislative Council no longer insist on its amendment

As to Amendment No 48—That the Legislative Council no longer insist on its amendment

As to Amendment No 49—That the Legislative Council no longer insist on its amendment

As to Amendment No 50—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 7, page 16, line 8 [clause 7, inserted section 72B(3)]—Section 72B(3)—delete 'involving serious violence' and substitute:

of serious violence involving a group or groups of people

and that the House of Assembly agrees thereto.

As to Amendment No 51—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 52—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 53—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 7, page 17, lines 4 to 23 [clause 7, inserted section 72B(10) and (11)]—Section 72B(10) and (11)—delete the subsections and substitute:

(10) The following information must be included in the annual report of the Commissioner under section 75 of the *Police Act 1998* (other than in the year in which this section comes into operation) in respect of the period to which the report relates (the *relevant period*):

(a) the number of authorisations granted under subsection (3) during the relevant period; and

(b) in relation to each authorisation granted during the relevant period (identified by location and date)—

(i) the nature of the incident in relation to which the authorisation was granted; and

(ii) the number of people searched in the exercise of powers under this section; and

(iii) whether weapons or articles of a kind referred to in Part 3A were detected in the course of the exercise of powers under this section; and

(iv) the types of weapons or articles so detected;

(c) the number of occasions on which the Commissioner gave consent under subsection (9) during the relevant period;

(d) any other information requested by the Minister.

and that the House of Assembly agrees thereto.

As to Amendment No 54—That the Legislative Council no longer insist on its amendment

As to Amendment No 55—That the Legislative Council no longer insist on its amendment

As to Amendment No 56—That the House of Assembly no longer insist on its disagreement to the amendment

As to Amendment No 57—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 7, page 17, line 35 [clause 7, inserted section 72C(3)]—After 'circumstances' insert:

(provided that a person who is not a police officer may only provide assistance at the direction of, and in the presence of, a police officer)

and that the House of Assembly agrees thereto.

As to Amendment No 58—That the Legislative Council no longer insist on its amendment

As to Amendment No 59—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

Clause 9, page 18, line 36 [clause 9(1)]—Delete subclause (1) and substitute:

(1) Section 85(2)(a) and (b)—delete paragraphs (a) and (b) and substitute:

(a) vary the provisions of Schedule 2 (other than clauses 3 to 11 inclusive) by including provisions in, or deleting provisions from, the Schedule;

and that the House of Assembly agrees thereto.

As to Amendment No 60—That the Legislative Council no longer insist on its amendment but makes the following amendment in lieu thereof:

New clause, page 19, after line 3—After clause 9 insert:

10—Insertion of Schedule 2

After Schedule 1 insert:

Schedule 2—Exempt persons—prohibited weapons

Part 1—Preliminary

1—Interpretation

In this Schedule, unless the contrary intention appears—

number, in relation to the identification of a weapon, means an identifying mark comprised of either numbers or letters or a combination of both numbers and letters;

official ceremony means a ceremony conducted—

(a) by the Crown in right of the State or the Commonwealth; or

(b) by or under the auspices of—

(i) the Government of the State or the Commonwealth; or

(ii) South Australia Police; or

(iii) the armed forces;

prescribed masonic organisation means—

(a) the Antient, Free And Accepted Masons Of South Australia and the Northern Territory Incorporated; or

(b) a Lodge or Order of Freemasons warranted and recognised by the association referred to in paragraph (a); or

(c) the Lodge of Freemasons named 'The Duke of Leinster Lodge';

prescribed services organisation means—

(a) The Returned and Services League of Australia (S.A. Branch) Incorporated or any of its sub-branches; or

(b) an association or other body (whether or not incorporated) that is a member of the Consultative Council of Ex-Service Organisations (S.A.).

2—Application of Schedule

(1) If—

(a) in Part 2, a person is expressed to be an exempt person for the purposes of 1 or more offences against section 21F(1) of this Act in relation to a particular class of prohibited weapon; and

(b) the weapon is, in accordance with the regulations, included in 1 or more of the other classes of prohibited weapon,

the person is an exempt person in relation to that weapon for the purposes of the offences even though he or she is not an exempt person in relation to a prohibited weapon of the other class or classes referred to in paragraph (b).

(2) The exemptions in Part 2 (other than under clauses 3, 4, 5 and 12) do not apply to a person who has, whether before or after the commencement of this Schedule, been found guilty by a court of—

(a) an offence involving violence for which the maximum term of imprisonment is 5 years or more; or

(b) an equivalent offence involving violence under the law of another State or Territory of the Commonwealth or of another country.

(3) If a person is an exempt person in relation to a weapon under a clause in Part 2 (other than under clauses 3, 4, 5 or 12) and a court finds the person guilty of using the weapon to threaten or injure another person, he or she ceases to be an exempt person in relation to that or any other weapon under that clause and can never again become an exempt person under that clause.

(4) A person who, prior to the commencement of this Schedule, ceased, in accordance with regulation 7(4) of the *Summary Offences (Dangerous Articles and Prohibited Weapons) Regulations 2000*, to be an exempt person under a particular regulation is taken not to be exempt under any corresponding provision of Part 2.

Part 2—Exemptions

3—Police officers

A police officer is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act if the officer uses or has possession of a prohibited weapon for the purpose or in the course of his or her duties as a police officer.

4—Delivery to police

A person is an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act if the person has possession of a prohibited weapon for the purpose of delivering it as soon as reasonably practicable to a police officer.

5—Emergencies

A person is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act if the person uses or has possession of a prohibited weapon for the purpose, and in the course, of dealing with an emergency (whether as a volunteer or in the course of paid employment), provided that the person does not use the weapon to threaten or injure another person.

6—Business purposes

A person is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act if the person uses or has possession of a prohibited weapon in the course of conducting his or her business or in the course of his or her employment, provided that—

(a) the use or possession of the weapon is reasonably required for that purpose; and

(b) the use or possession of the weapon is not in the course or for the purpose of manufacturing, selling, distributing, supplying or otherwise dealing in the weapon.

7—Religious purposes

A person is an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act in relation to the possession of a knife (other than a butterfly knife, flick knife, push knife or trench knife) or dagger if—

(a) the person is a member of a religious group; and

(b) the person possesses, wears or carries the knife or dagger for the purpose of complying with the requirements of that religion.

8—Entertainment

A person is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act if the person uses or has possession of a prohibited weapon in the course of

providing a lawful and recognised form of entertainment of other persons that reasonably requires the use or possession of the weapon.

9—Sport and recreation

A person is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act if the person uses or has possession of a prohibited weapon in the course of participating in a lawful and recognised form of recreation or sport that reasonably requires the use or possession of the weapon.

10—Ceremonies

A person is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act if the person uses or has possession of a prohibited weapon in the course of an official ceremony that reasonably requires the use or possession of the weapon.

11—Museums and art galleries

A person is an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act if the person has possession of a prohibited weapon for the purposes of a museum or art gallery.

12—Executors etc

(1) A person is an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act if the person has possession of a prohibited weapon in the course of his or her duties—

(a) as the executor, administrator or other representative of—

(i) the estate of a deceased person or a bankrupt; or

(ii) a person who is legally incompetent; or

(b) as receiver or liquidator of a body corporate.

(2) A person is an exempt person for the purposes of an offence of sale or supply of a prohibited weapon under section 21F(1)(a) of this Act, if the person sells or supplies a prohibited weapon in the course of his or her duties—

(a) as the executor, administrator or other representative of—

(i) the estate of a deceased person or a bankrupt; or

(ii) a person who is legally incompetent; or

(b) as receiver or liquidator of a body corporate,

provided that the sale or supply is to a person who is entitled to possession of the weapon under section 21F of this Act.

13—Heirlooms

A person is an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act if the person has possession of a prohibited weapon that is of sentimental value to him or her as an heirloom and that was previously in the possession of 1 or more of his or her relatives provided that the person keeps the weapon in a safe and secure manner at his or her place of residence and does not remove it except for the purpose of—

(a) display by a person who is entitled under section 21F of this Act to have possession of it for that purpose; or

(b) repair or restoration by a person who carries on a business that includes the repair or restoration of articles of that kind; or

(c) valuation by a person who carries on a business that includes the valuing of articles of that kind; or

(d) secure storage by a person who carries on the business of storing valuable property on behalf of other persons; or

(e) permanently transferring possession of the weapon to another person (being a person who is entitled under section 21F of this Act to have possession of it).

14—Collectors

(1) A person is an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act if the person has possession of a prohibited weapon as part of a collection of weapons or other artefacts or memorabilia (comprised of at least 3 weapons, whether or not prohibited weapons) that has a particular theme, or that the person maintains for its historical interest or as an investment, provided that—

(a) the person keeps the following records in a legible manner in a bound book at his or her place of residence for a period that expires at the end of 5 years after he or she ceases to be in possession of the collection:

(i) a record describing and identifying the weapon;

(ii) a record of the date of each occasion on which he or she obtains or re-obtains possession of the weapon and the identity and address of the person from whom he or she obtains or re-obtains possession;

(iii) the date of each occasion on which he or she parts with possession of the weapon to another person and the identity and address of that person; and

(b) the person keeps the weapon in a safe and secure manner at his or her place of residence and does not remove it except for the purpose of—

(i) display by a person who is entitled under section 21F of this Act to have possession of it for that purpose; or

(ii) repair or restoration by a person who carries on a business that includes the repair or restoration of articles of that kind; or

(iii) valuation by a person who carries on a business that includes the valuing of articles of that kind; or

(iv) repair, restoration or valuation—

(A) by another collector who is, under this clause, an exempt person in relation to a prohibited weapon; or

(B) by a person who is, under clause 17, an exempt person in relation to a prohibited weapon; or

(v) secure storage by a person who carries on the business of storing valuable property on behalf of other persons; or

(vi) storage by another collector who is, under this clause, an exempt person in relation to a prohibited weapon; or

(vii) returning it to—

(A) another collector who is, under this clause, an exempt person in relation to a prohibited weapon; or

(B) a prescribed services organisation that is, under clause 15, an exempt person in relation to a prohibited weapon,

on whose behalf he or she has repaired, restored, valued or stored the weapon; or

(viii) taking it to a meeting but only if the majority of persons at the meeting are collectors who are, under this clause, exempt persons in relation to prohibited weapons; or

(ix) its sale or supply to another person in accordance with subclause (2); and

(c) the person permits a police officer at any reasonable time to enter his or her residential premises to inspect the collection and the records kept under paragraph (a).

(2) A person who is an exempt person under subclause (1) will also be an exempt person for the purposes of an offence of sale or supply of such a weapon under section 21F(1)(a) of this Act if the person sells or supplies the weapon in

the normal course of maintaining the collection, to a person who is entitled to possession of a prohibited weapon under section 21F of this Act.

(3) A reference in subclause (1) to the place of residence of a person will be taken, in the case of a body corporate, to be a reference to the registered office of the body corporate.

15—Prescribed services organisations (RSL etc)

(1) A prescribed services organisation is an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act if it has possession of a prohibited weapon of a kind acquired or used by one of its members (or by a person that it represents) while on active war service as a member of Australia's armed forces, provided that—

(a) the organisation keeps the following records in a legible manner in a bound book at its premises for a period that expires at the end of 5 years after it last ceased to be in possession of the weapon:

(i) a record describing and identifying the weapon;

(ii) a record of the date of each occasion on which the organisation obtains or re-obtains possession of the weapon and the identity and address of the person from whom the organisation obtains or re-obtains possession;

(iii) the date of each occasion on which the organisation parts with possession of the weapon to another person and the identity and address of that person; and

(b) the organisation keeps the weapon in a safe and secure manner at its premises and does not remove the weapon except for the purpose of—

(i) display by a person who is entitled under section 21F of this Act to have possession of it for that purpose; or

(ii) repair or restoration by a person who carries on a business that includes the repair or restoration of articles of that kind; or

(iii) valuation by a person who carries on a business that includes the valuing of articles of that kind; or

(iv) repair, restoration or valuation—

(A) by a collector who is, under clause 14, an exempt person in relation to a prohibited weapon; or

(B) by a person who is, under clause 17, an exempt person in relation to a prohibited weapon; or

(v) secure storage by a person who carries on the business of storing valuable property on behalf of other persons; or

(vi) its sale or supply to another person in accordance with subclause (2); and

(c) the organisation permits a police officer at any reasonable time to enter the premises of the organisation to inspect the weapon and the records kept under paragraph (a).

(2) A person who is an exempt person in relation to a prohibited weapon under subclause (1) will also be an exempt person for the purposes of an offence of sale or supply of such a weapon under section 21F(1)(a) of this Act if the person sells or supplies the weapon in the normal course of maintaining the collection, to a person who is entitled to possession of a prohibited weapon under section 21F of this Act.

16—Possession by collector on behalf of prescribed services organisation or another collector

A person who is, under clause 14, an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act (the *first collector*) will also be an exempt person for the purposes of such an offence in relation to a prohibited weapon that is owned by another collector or a prescribed services organisation if—

(a) possession of the weapon by the first collector is solely for the purpose of repairing, restoring, valuing or storing it on behalf of the prescribed services organisation or the other collector; and

(b) the other collector is, under clause 14, or the prescribed services organisation is, under clause 15, an exempt person in relation to the weapon; and

(c) while the weapon is in the possession of the first collector, the first collector complies with the conditions in clause 14(1)(a) to (c) in relation to the weapon as though it were part of the first collector's collection.

17—Manufacturers etc

A person is an exempt person for the purposes of an offence of manufacture, sale, distribution, supply of, or other dealing in, possession or use of a prohibited weapon under section 21F(1) of this Act if—

(a) the person—

(i) has not been found guilty by a court of an offence involving the use, or the threat of using, a weapon; and

(ii) has notified the Commissioner in writing that he or she is, or intends, manufacturing, selling, distributing, supplying or otherwise dealing in prohibited weapons and of—

(A) the person's full name; and

(B) the address of the place or places at which the person is, or intends, conducting those activities; and

(C) the person's residential address; and

(D) in the case of a body corporate—the full name and residential address of each of its directors; and

(iii) the possession and use is, or is to be, only to the extent reasonably necessary for the purpose of manufacturing, selling, distributing, supplying or otherwise dealing in the weapons (as the case requires); and

(b) the weapons are kept in a safe and secure manner; and

(c) in the case of the sale, distribution or supply of, or other dealing in, a prohibited weapon—the weapon is not sold, distributed or supplied to, or dealt in with, a person who is under the age of 18 years; and

(d) a prohibited weapon is not marketed (within the meaning of section 21D of this Act) by the person in a way that—

(i) indicates, or suggests, that the weapon is suitable for combat; or

(ii) is otherwise likely to stimulate or encourage violent behaviour involving the use of the knife as a weapon; and

(e) in the case of the manufacture of prohibited weapons, each weapon manufactured is marked with an identifying brand and number in a manner that ensures that the brand and number cannot be removed easily and will not wear off in the normal course of use of the weapon; and

(f) the person keeps the following records in a legible manner (and in a form that is reasonably accessible to a police officer inspecting the records under paragraph (i)) at his or her business premises for a period of at least 5 years:

(i) a description of each prohibited weapon that is, or has been, in his or her possession;

(ii) the identifying brand and number (if any) that is marked on each of those weapons;

(iii) the name and address of the person to whom he or she sells, distributes, supplies, or with whom he or she otherwise deals in, each of those weapons;

(iv) the date of each transaction; and

(g) the person permits a police officer at any reasonable time to enter his or her premises or a vehicle in which prohibited weapons are carried to inspect the premises or vehicle, the weapons on the premises or in the vehicle or records kept by the exempt person under paragraph (f); and

(h) the person notifies the Commissioner in writing of a change in any of the information referred to in paragraph (a)(i) and (ii) within 7 days after the change occurs.

18—Possession by manufacturer etc on behalf of prescribed services organisation or another collector

A person who is, under clause 17, an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act (the *manufacturer*) will also be an exempt person for the purposes of such an offence in relation to a prohibited weapon that is owned by a collector or a prescribed services organisation if—

(a) possession of the weapon by the manufacturer is solely for the purpose of repairing or restoring the weapon or valuing or storing it on behalf of the collector or prescribed services organisation; and

(b) the collector is, under clause 14, or the prescribed services organisation is, under clause 15, an exempt person in relation to the weapon.

19—Prescribed weapons—security agents

(1) A person is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act in relation to the use or possession of a weapon of a kind prescribed for the purposes of this clause if—

(a) the person is—

(i) authorised by a licence granted under the *Security and Investigation Agents Act 1995* to carry on the business of protecting or guarding property as a security agent; and

(ii) the holder of a firearms licence under the *Firearms Act 1977* authorising the possession and use of a handgun in the course of carrying on the business of guarding property; and

(b) the weapon is kept in a safe and secure manner at the person's business premises when not being used; and

(c) the weapon is marked with a number for identification and with the name of the person in a manner that ensures that the number and name cannot be removed easily and will not wear off in the normal course of use of the weapon; and

(d) the weapon is not issued to another person unless the other person is—

(i) an employee in the business; and

(ii) an exempt person under subclause (2); and

(e) the person keeps the following records in a legible manner (and in a form that is reasonably accessible to a police officer inspecting the records under paragraph (f)) at his or her business premises for a period of at least 5 years:

(i) the make and model of the weapon and the identifying number marked on the weapon under paragraph (c);

(ii) the date and time of every issue of the weapon to an employee, the identification number of the weapon, the identity of the employee to whom the weapon is issued and the date and time when the weapon is returned by the employee;

(iii) the date or dates (if any) on which a person to whom the weapon has been issued uses the weapon (as opposed to carrying the weapon) in the course of his or her duties and the reason for that use of the weapon; and

(f) the person permits a police officer at any reasonable time to enter his or her business premises to inspect the weapon, the manner in which the weapon is kept and the records kept under paragraph (e); and

(g) in the case of a natural person—

(i) the person has completed a course of instruction approved by the Commissioner in the proper use of such weapons and has been awarded a certificate of competency by the person conducting the course; and

(ii) the person does not carry the weapon while engaged in crowd control.

(2) A person is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act in relation to the use or possession of a weapon of a kind prescribed for the purposes of this clause if the person—

(a) is employed to protect or guard property by a person who carries on the business of protecting or guarding property; and

(b) is authorised by a licence granted under the *Security and Investigation Agents Act 1995* to protect or guard property as a security agent; and

(c) is the holder of a firearms licence under the *Firearms Act 1977* authorising the possession and use of a handgun in the course of employment by a person who carries on the business of guarding property; and

(d) reasonably requires the possession of the weapon for the purposes of carrying out the duties of his or her employment; and

(e) has completed a course of instruction approved by the Commissioner of Police in the proper use of such weapons and has been awarded a certificate of competency by the person conducting the course; and

(f) has not been found guilty by a court of an offence involving the illegal possession or use of such a weapon, a firearm or any other weapon; and

(g) does not carry the weapon while engaged in crowd control; and

(h) as soon as reasonably practicable after using the weapon in the course of his or her duties, provides his or her employer with a written report setting out the date on which, and the circumstances in which, he or she used the weapon.

20—Prescribed weapons—members of Scottish associations

A person is an exempt person for the purposes of an offence of possession of a prohibited weapon under section 21F(1)(b) of this Act in relation to the possession of a weapon of a kind prescribed for the purposes of this clause if—

(a) —

(i) the person is a member of an incorporated association that has as its sole or a principal purpose the fostering and preservation of Scottish culture or the playing or singing of Scottish music; or

(ii) the person is a member of a society, body or other group (whether or not incorporated) that is affiliated with an incorporated association and both the society, body or group and the incorporated association with which it is affiliated have as their sole or a principal purpose the fostering and preservation of Scottish culture or the playing or singing of Scottish music; and

(b) the person has possession of all of the clothes and other accoutrements traditionally worn with the weapon (or, if the weapon is traditionally worn with different clothes on different occasions, he or she has possession of the clothes and accoutrements for at least 1 of those occasions); and

(c) the person has possession of the weapon solely for the purpose of—

(i) wearing it with that clothing; and

(ii) if the weapon is of a kind prescribed for the purposes of this subparagraph—using it in traditional Scottish ceremonies; and

(d) if the weapon is of a kind prescribed for the purposes of paragraph (c)(ii)—the person only uses the weapon for the purposes of traditional Scottish ceremonies; and

(e) the person keeps the weapon in a safe and secure manner at his or her place of residence and does not remove it except—

(i) for the purpose of wearing it with that clothing; or

(ii) for the purpose of lending it to a person who is entitled under section 21F of this Act to have possession of it; or

(iii) for the purpose of permanently transferring possession of the weapon to another person (being a person who is entitled under section 21F of this Act to have possession of it).

21—Prescribed weapons—lodges of Freemasons etc

A prescribed masonic organisation is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act in relation to the use or possession of a weapon of a kind prescribed for the purposes of this clause if the weapon—

(a) is only used at the premises of the organisation for traditional ceremonial purposes; and

(b) when not in use, is kept at the premises of the organisation, in a safe and secure manner; and

(c) is not removed from the premises except for the purpose of—

(i) repair or restoration by a person who carries on a business that includes the repair or restoration of articles of that kind; or

(ii) valuation by a person who carries on a business that includes valuing articles of that kind; or

(iii) permanently transferring possession of the weapon to another person (being a person who is entitled under section 21F of this Act to have possession of it).

22—Prescribed weapons—astronomical purposes

A person is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act in relation to the use or possession of a weapon of a kind prescribed for the purposes of this clause if—

(a) the person is using or has possession of the weapon for the purpose or in the course of participating in astronomy; and

(b) the person—

(i) is a member of—

(A) the Astronomical Society of South Australia Incorporated; or

(B) the Mars Society Australia Incorporated; or

(ii) participates in astronomy under the supervision of a member of a body referred to in subparagraph (i); or

(iii) participates in astronomy at an observatory; or

(iv) participates in astronomy as part of a course of study conducted by an educational institution.

23—Prescribed weapons—food preparation

A person is an exempt person for the purposes of an offence of use or possession of a prohibited weapon under section 21F(1)(b) of this Act in relation to the use or possession of a weapon of a kind prescribed for the purposes of this clause if the use or possession is solely for the preparation of food or drink for human consumption.

and that the House of Assembly agrees thereto.

As to Amendment No 61—That the House of Assembly no longer insist on its disagreement to the amendment

Consequential amendments

That the Legislative Council makes the following consequential amendments to the Bill:

Schedule 1, page 19, line 16 [Schedule 1, clause 2]

Delete 'Section 14(5)(b)(ii)' and substitute:

Section 22(5)(b)(ii)

Schedule 1, page 19, line 29 [Schedule 1, clause 4]

Delete 'Commissioner of Police' and substitute:

Minister

and that the House of Assembly agrees thereto.

Consideration in committee of the recommendations of the conference.

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

That the recommendations of the conference be agreed to.

I understand that the parties have met and deliberated extensively. I am pleased to advise that members have come to an agreement on a set of amendments. I wish to thank all of those parties involved in the conference for their hard work and cooperation in agreeing to these amendments.

The Hon. S.G. WADE: I stand on behalf of the opposition to support the motion. In so doing, I would like to thank the participants in the conference and the officers of the ministerial department and my own office who have worked on this bill over the life of the bill but particularly for their efforts in its latter stages.

The opposition welcomes the fact that, as a result of this agreement out of the conference, the bill is improved. There have been concessions made to create more targeted and effective laws to fight street crime through the changes to the Summary Offences (Weapons) Amendment Bill 2010. The council would recall that in June 2011, 61 amendments to this bill were passed by the Legislative Council. Following negotiation, about half of the opposition amendments were accepted by the government without change. A further quarter were accepted following amendment.

I note that having opposed all the amendments and having left the bill in abeyance for almost a year, we now are in the situation where the government has accepted the need for important changes. The government likes from time to time to move to abolish this place and more regularly to attack the upper house for making amendments, but I think times like these show the vital work of the Legislative Council. Without opposition amendments supported by other groups in the Legislative Council, police and the South Australian community would not have sensible, enforceable laws in relation to weapons.

Motion carried.

STATUTES AMENDMENT (CRIMINAL INTELLIGENCE) BILL

Consideration in committee of the House of Assembly's message.

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

That the Legislative Council no longer insist on its amendments but make the following amendments in lieu thereof:

Amendments Nos 1 to 19—

New Part, page 4, after line 23—After clause 9 insert:

Part 5A—Amendment of Police Act 1998

9A—Insertion of section 74A

After section 74 insert:

74A—Special provisions relating to criminal intelligence

(1) The Commissioner must establish guidelines in relation to the assessment of information that is being considered for classification as criminal intelligence and the management of criminal intelligence.

(2) The Commissioner must ensure that records are kept in relation to the use of criminal intelligence.

(3) The Commissioner must ensure that records referred to in subsection (2) would enable the following information to be determined for each period in relation to which a review is conducted under this section:

(a) the number of matters in relation to which criminal intelligence was used during the period;

(b) the number of individual pieces of criminal intelligence used in relation to each such matter;

(c) the relevant statutory provision for each such matter.

(4) The Attorney General must, before 1 July in each year (other than the calendar year in which this section comes into operation), appoint a retired judicial officer to conduct a review on—

(a) the effectiveness of the guidelines established under subsection (1); and

(b) the use of criminal intelligence,

during the period of 12 months preceding that 1 July.

(5) The Commissioner must ensure that a person appointed to conduct a review is provided with such information as he or she may require for the purpose of conducting the review.

(6) A person conducting a review has, in so doing, the powers of a commission of inquiry under the Royal Commissions Act 1917 (and any obligations under an Act to maintain the confidentiality of information do not apply with respect to the provision of such information to the person conducting the review).

(7) A person conducting a review must maintain the confidentiality of criminal intelligence provided to the person.

(8) A report on a review must be presented to the Attorney General on or before 30 September in each year.

(9) The Attorney General must, within 12 sitting days after receipt of a report under this section, cause copies of the report to be laid before each House of Parliament.

(10) In this section—

criminal intelligence means information classified by the Commissioner, in accordance with the provisions of any other Act, as criminal intelligence;

judicial officer means a person appointed as a judge of the Supreme Court or the District Court or a person appointed as judge of another State or Territory or of the Commonwealth.

Amendment No 2—

Long title—After *'Liquor Licensing Act 1997*;' insert:

the *Police Act 1998*;

The government introduced the criminal intelligence bill with the simple aim of ensuring that all criminal intelligence provisions on our statute books conform with the criminal intelligence provision endorsed by the High Court in K-Generation.

This is considered necessary to ensure that all South Australians are treated equally and fairly before the law and to avoid expensive High Court litigation challenging the criminal intelligence provisions in the Firearms Act 1977, the Liquor Licensing Act 1997 and the Casino Act 1997 which currently do not conform.

The opposition moved amendments to the government's bill which the police believe are flawed and unworkable and which have the effect of watering down the bill to the benefit of criminals. For months, the opposition ignored the pleas of our senior police to stop trying to water down this legislation. Now, finally, the opposition has conceded its folly and has agreed to pass the government's bill with amendments which keep the government's bill completely intact and which simply enhance it in areas where the government believes it can safely compromise. The government makes no apologies for that.

The amendments provide additional safeguards in relation to the use of criminal intelligence under any act by introducing a section in the Police Act 1998 that requires the Commissioner of Police to establish guidelines in relation to the assessment and management of criminal intelligence and to keep records in relation to the use of criminal intelligence by police; and provides for an annual review by a retired judge of the effectiveness of the commissioner's guidelines and of the use of criminal intelligence by police.

The retired judge conducting the review has the powers of a royal commissioner, which includes power to compel the production of documents and the provision of information by a person. In closing, I say that that the government is delighted that, after holding this state to ransom, the opposition has seen the light. It will make South Australia a safer place.

The Hon. S.G. WADE: The message, of course, advises the Legislative Council that the House of Assembly has rejected amendments that were passed by the Legislative Council on 29 March. The fact that it took six sitting days and six calendar weeks for the government in the House of Assembly to respond to the message from the council makes a mockery of the government's claims of urgency on this bill. This delay was all about politics. The Weatherill government, like the Rann government before it, continues to play politics with public safety.

In relation to this bill, the Liberal Party has consistently supported the use of secret police evidence, provided it has the checks and balances the law requires and the community expects. In early 2011, on the motion of the Hon. Mark Parnell, the Legislative Review Committee considered the use of criminal intelligence. The committee recommended an annual independent review of the use of criminal intelligence. It is hard to imagine an effective review process without effective recording and reporting, yet the House of Assembly objected to the council amendments to the bill to that end.

The other area of contention has been safeguards. The Liberal opposition supported standardisation, following the K-Generation case, but sought greater clarity on the basic process requirements the High Court expects to be implemented to protect justice and to protect constitutional compliance. The opposition proposed safeguards based on commonwealth laws, which protect similar interests. The commonwealth laws might call them 'law enforcement interests', whereas our state law calls them 'criminal intelligence'.

The government has steadfastly refused to discuss safeguards. In fact, the government has persistently misrepresented our position. We saw that again tonight in the minister's comments. For example, the Attorney-General asserted that the Liberal amendments would threaten intelligence sharing with South Australia. If that were true, the states would have already stopped sharing intelligence with the commonwealth, in light of the fact that the provisions are very similar to those in commonwealth law.

The Attorney-General claimed that the amendments would see intelligence being handed over to criminals when the amendments specifically say that the authorities could withdraw information. The safeguards are no higher than are available to bikies under section 22G of the Serious and Organised Crime (Control) Act, which this house passed recently. The government is willing to provide stronger safeguards to criminals than to ordinary citizens—citizens who are simply trying to run an honest business, citizens who are trying to make an honest living, citizens who the government wants to treat with the same suspicion as organised criminals but without the safeguards.

On Monday, the Attorney-General wrote to me and other members offering to support an amendment which incorporates most of the Liberal Party's proposed changes to the Statutes Amendment (Criminal Intelligence) Bill 2010. Having resisted Liberal Party calls to amend the bill for 19 months, the government has accepted the need for serious oversight. The amendment addressed three key elements. First of all, quality assurance: the Commissioner of Police will be required to establish guidelines for the assessment of information being considered for classification as criminal intelligence. Secondly, there will be record keeping. Prior to the questioning by the Liberal Party on this bill, the government was not able to tell us the number of times criminal intelligence was used and in what circumstances. This bill will now require that.

Thirdly, the bill as amended will require annual reporting. The Attorney-General will now be required to appoint a retired judge to investigate the use of criminal intelligence and report on the use of criminal intelligence and ensure compliance with commissioners' guidelines. As an aside, I mention that the Liberal Party has also specifically advocated for a parliamentary oversight committee to be established to oversee the ICAC and organised crime legislation, and we see that

including criminal intelligence. Having originally opposed parliamentary oversight, the government has included a crime and corruption committee in the ICAC bill currently before the House of Assembly.

The Liberal opposition welcomes the fact that the Attorney-General has recognised the need for accountability, oversight and review and that the amendments before us provide that to the extent I have explained. I am disappointed the government had not agreed to some form of court-based safeguards, but the Liberal amendments have given South Australia a better, more accountable set of laws.

I take the opportunity to thank crossbench members of this committee who supported the amendments for their support throughout the passage of this bill. Their commitment to quality law making has ensured that South Australians have what the Attorney-General describes as 'a better bill'. I am disappointed that the government insisted on moving the amendments, rather than giving me the opportunity to do so, but the opposition will support them.

Motion carried.

At 18:08 the council adjourned until Tuesday 29 May 2012 at 14:15.