LEGISLATIVE COUNCIL

Tuesday 23 July 2013

The PRESIDENT (Hon. J.M. Gazzola) took the chair at 10:17 and read prayers.

The PRESIDENT: We acknowledge this land that we meet on today is the traditional lands for Kaurna people and that we respect their spiritual relationship with their country. We also acknowledge the Kaurna people as the custodians of the Adelaide region and that their cultural and heritage beliefs are still as important to the living Kaurna people today.

SITTINGS AND BUSINESS

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (10:18): I move:

That standing orders be so far suspended as to enable petitions, the tabling of papers and question time to be taken into consideration at 2.15pm.

Motion carried.

STATUTES AMENDMENT (FINES ENFORCEMENT AND RECOVERY) BILL

Adjourned debate on second reading.

(Continued from 5 June 2013.)

The Hon. S.G. WADE (10:19): On behalf of the Liberal team, I rise to speak to the Statutes Amendment (Fines Enforcement and Recovery) Bill 2013: it is distressing, frustrating and disappointing to do so. It is distressing because the government has undermined the justice system. Over the last decade Labor's mismanagement of fines enforcement has created an environment where people snub their noses at the law. As the penalties prescribed by law are not enforced, the law itself is disrespected. Those breaking the law have learnt that if they put it off for long enough then they can get away without paying their dues at all.

While this bill claims to address issues relating to the recovery of fines, it is really about something much greater: it is about years of neglect by Labor of a key element of our penalty regime, neglect that undermines a key element of our justice system. It is also distressing because the money that could have been collected could have gone a long way to deliver much-needed services that South Australians have gone without.

Let us remember that every dollar of unpaid fines is revenue that could have been available to fund other key government services whether it is schools, police, hospitals or community services. That is another dollar that is not going towards positive programs to support South Australians or to reduce the cost of doing business or the cost of living pressures that South Australians face.

This debate is frustrating because the blowout in fines has clearly been an issue for so long, yet the government has been so slow to respond. The government has been in power for more than a decade. Outstanding fines have tripled in that period, yet only now, with less than eight months before the 2014 election, the government is responding to the blowout in fines with this bill.

When consultation on strengthening the legislation commenced in September 2011, just 18 months into the Attorney-General's ministerial career, unpaid fines had already increased by more than $40 million under his watch—about a 25 per cent increase in unpaid fines in just over a year. It took until October 2012 for him to release a draft bill, by which point unpaid fines had increased by $70 million from the middle of 2010—more than a 45 per cent increase over two years. Now, when the legislation is being considered by this parliament, unpaid fines have hit $287 million.

The bill is disappointing because the response is so feeble. The bill does involve significant change, but it is hardly dramatic. The FTE of the new body is only one FTE higher than the old body and, under the government's own reasoning, the bill is far from being the solution to the problem. On the information provided by government, it will not even arrest the increase in unpaid fines, let alone turn the situation around.

The bill will lead, on the government's analysis, to unpaid fines being around 3 per cent lower in four years' time than could otherwise have been expected. In my view, the government's strategy is shifting to creating a smokescreen for inaction. Faced with a chronic problem of unpaid fines, this government has given up and is simply trying to buy time.

First, let us remind ourselves what we are dealing with here. The bill relates to managing the recovery of debts associated with monetary penalties—a range of penalties, such as court fees and fines, whether they are imposed by magistrates, justices or judges. They include victims of crime levies, expiation fees, third-party suitor amounts, such as local government overdue rates and parking fines.

I understand that there are approximately 150 issuing authorities in South Australia. Over the last 11 years of Labor government, the problem of unpaid fines has grown dramatically. Before they were elected to government in 2002, Labor told the South Australian people that it was totally unacceptable that unpaid fines were at $86 million. They told the South Australian people that they would do whatever was necessary to fix it.

Now, 10 years later, unpaid fines have more than tripled on their watch. The government has simply failed to manage the system. The level of unpaid fines steadily increased under attorney-general Atkinson. By 2005, the amount of unpaid fines was $101 million. The level of unpaid fines in 2006 was $112 million; in 2007, it rose to $123 million; it was $142 million in 2008; and $158 million in 2009. So, over the five years to 2009, under attorney-general Atkinson, the amount of outstanding unpaid fines grew by $57 million.

In 2010, the member for Enfield, the Hon. John Rau, became Attorney-General. The situation with unpaid fines has become significantly worse since his appointment. The level of unpaid fines grew to $155 million, then $192 million, then $225 million. When this bill was introduced on 1 May in the House of Assembly, the amount of unpaid fines stood at $275 million. Last week, the Attorney-General admitted that, as at 28 June 2013, unpaid fines stood at $287 million, an increase of $12 million in just two months. In other words, in the time that it has taken to put this bill through the parliament under the watch of Attorney-General Rau, the government has racked up more unpaid fines than it plans to recover through improved revenue collection under this bill over the next four years.

A comparison of the relative performance of the member for Croydon, the Hon. Michael Atkinson, the former attorney-general, and the current Attorney-General puts the current Attorney in a poor light. Between 2005 and the start of 2010 under former attorney-general Atkinson, the level of unpaid fines increased by an average of $11.4 million a year and a total of $57 million. The average amount written off each year was $28 million, and unpaid fines peaked at $155 million. Then in 2010, the member for Enfield, the Hon. John Rau, became Attorney-General and unpaid fines spiked to $192 million in the first year and have since climbed to $287 million. Over the 2009-10 and 2010-11 financial years, $122 million was written off. The average amount written off per year while the Attorney has presided over the portfolio is $57 million—double the rate under attorney-general Atkinson.

The average amount of unpaid fines written off each year, $57 million, is coincidentally the same as the increase in fines under the last five years of the previous attorney-general. The amount written off on average by the former attorney-general, that is $11.4 million, is less than the increase we see from the current Attorney-General in two months, that is $12 million. In the last six years, unpaid fines increased from $142 million to $287 million; 91 per cent of that increase, that is $132 million, occurred under Attorney-General Rau's management. The amount owing increased by nearly 28 per cent, which is $62 million, in the last financial year alone.

The rate at which the debt has been growing since this bill was introduced has been $6 million a month, or $203,000 a day. If fines continue to grow at the rate of the last three years, South Australia will have accrued $416 million of unpaid fines in four years time—that is at the end of the forward estimates period. This is a conservative estimate, based on this government's previous record and overly optimistic forward projections. Might I also add that this is presumably that the government will continue with its current practice of writing off significant amounts of debt each year.

Extrapolating the averages over the next four years, the combined amount of written-off and unpaid fines could be expected to reach more than $925 million in four years' time. That is $509 million in written-off fines and $416 million in unpaid fines: $925 million in total—that is almost $1 billion. These projections are based on Attorney-General Rau's average recorded increase in

unpaid fines, which was less than the increase recorded each year in 2011 and 2012 and almost half the $62 million recorded in 2013.

What is the profile of this unpaid debt? In the October ministerial statement, we were advised that two-thirds of the debt outstanding is more than three years old and that the largest defaulter owes $171,000. Last week, the government indicated that, of the $287 million in outstanding fines, $140 million is not yet payable or is subject to an agreed arrangement, $107 million is overdue after 28 days or not subject to an arrangement, and another $40 million is being pursued by Dun & Bradstreet. Having spent 11 years creating the problem, the need for action has been clear for years, but Labor has been excruciatingly slow to deal with the blowout in fines under its watch.

In October 2010, the Attorney-General told the House of Assembly that the government was getting very serious about fines. In the 2010 budget, the government said it was pumping millions of dollars into the Fines Payment Unit. The Attorney-General told the House of Assembly that this money would fund a SWAT-style team and that fine defaulters should be very fearful because the government was very serious.

In February 2011, after talk of SWAT teams, the Attorney showed again that he thinks that the best form of attack is review: the Attorney-General announced a major review of fines collection. The findings of the review were put out for consultation in 2011. Labor had no sense of urgency at addressing the problem it had created. By October 2012, the government tabled a draft bill on penalty enforcement for consultation. In December 2012, we were told the government would bring 'legislation into the parliament as soon as we return in February next year'. February came and went—still no bill.

The headlines in March proclaimed that there would be a new 'squad to hit fine dodgers'. In late March, the Attorney promised 'on a stack of bibles that by next month this will be in the Parliament'. It was not—so much for a stack of bibles. The bill was finally tabled in the House of Assembly on 1 May and progressed to this council on 5 June 2013. Two sitting weeks came and went in this place without it being brought on for debate.

Last week's priority letter came out. The bill was listed priority nine out of 10. After I highlighted the government's lack of urgency, a revised priority letter was issued putting it at No. 1. To feign action, the government makes it a priority bill for debate this week. So, why the delay? The Attorney has made no secret of the reason for the delay. Repeatedly, in the media he has admitted that the bill has been held up within government. He has failed to drive change within his own government. The government is increasingly tired, arrogant and ineffective.

On FIVEaa on 12 October 2012, Mr Byner asked the Attorney-General, 'Why did it take nearly another year?'

Rau: I am very disappointed by this whole process, I have to say.

Byner: You're the boss, you're the Minister.

Rau: Well, I'm only the Minister.

Byner: Yeah, but how come there appears to be a recalcitrance in the department that says, 'Bugger you, we'll do it when we're ready, and if you don't like it, we won't do it'?

And later:

Byner: We're not building a Meccano set... we're asking people to pay their bills, for God's sake.

Rau: I agree with you. I agree with you. Look, trust me I am very committed to this. I have been for a long time. Nobody is more embarrassed than me that I haven't had all this sorted out by now.

Five months later, on 28 March this year, with a different presenter, Mr Matthew Pantelis, the minister seemed to be using the same script:

Pantelis: John Rau... you're having another crack at this, do you think you'll be successful this time?

Rau: I have been pushing along with the same thing and, I have to say, Matthew, it's extremely frustrating to be in a position where this has taken so long and it's one of the great disappointments I have in my job.

Pantelis: ...why has it taken so long?

Rau: I guess...everyone seems to think this is too hard, everyone except me that is... there's a lot of resistance to it.

Pantelis: ...you're talking cabinet, you're talking the government, both?

Rau: Not really cabinet...within the bureaucracy it's something that's just for whatever reason not welcome, but anyway we're pushing ahead with it.

Pantelis: ...the bureaucracy's there to do what you tell it to do, is it not?

Rau: That's the theory and we do our best...

Pantelis: ...but who's running the place, you or Sir Humphrey?

Later in the conversation:

Rau: I am extremely embarrassed it's taken this long...

Pantelis: ...it's taken the whole life of the government because Kevin Foley made comments to this effect when you came into office.

Rau: That may well be so... all I can tell you is that I've been pushing this thing for the best part of 2½ years and it's something that frustrates me enormously. I discuss this frequently with my staff and the senior officers in the department who are also frustrated about this... I've even started talking to my cat about this because it's just so all-encompassing. I get to talk about this every week and always from the point of view of having to apologise, which doesn't make me happy, so I'm really looking forward to next week when I can stop having these phone calls.

As one of the honourable members indicated, at least it is helping the minister with his relationship with his cat. The whole saga has recurring echoes of Sir Humphrey Appleby. The Attorney's lack of management skills and lack of leadership are laid bare for all to see. If the government will not stand up and drive reform within the government, why would fine defaulters be scared? Why would they be scared of a government that will not even stand up and drive reform itself?

What of the bill itself? Is the government's response to the blowout in fines worth the wait? The bottom line, in my view, is that the bill is very disappointing. Labor has yet again been caught out over-spruiking. It is revealed that the new fines enforcement agency would hardly even dent the unpaid fines explosion.

Parliamentary consideration also shows that the Attorney-General does not have his head around the details of the proposal. On 27 June, under questioning in estimates, Attorney-General Rau could not even answer basic questions on his proposal. The Attorney-General could not say how much his new fines body would cost each year, how many staff would be allocated to it or even how many unpaid fines it was anticipated to collect.

These are hardly tricky questions: they are basic ones. Would you not expect that a minister could tell you how much a body would cost and how many staff will be employed by it? The fact that the Attorney-General does not have a handle on the plans for the FERO underscores opposition concerns that the change is more about an appearance of action than a real solution.

I wrote to the Attorney-General in the context of the bill to reiterate the opposition request for answers to the eight questions that he could not answer at estimates. For the sake of the record, I put on the record the answers that I have received. The first question was:

What is the estimated annual budget of the Fines Enforcement and Recovery Office?

a. How much of that budget is:

i. new money?

ii. transferred from the Fines Payment Unit; and

iii. transferred from the debt recovery function from the Crown Solicitor's Office?

The answer is:

The annual expenditure budget of the Fines Enforcement and Recovery Unit, once implemented, is estimated to be $10.4 million pa from 2015-16. Of this amount:

- around $1.4 million pa is new funding;
- an estimated $8.6 million pa will be transferred from the existing Fines Function within the Courts Administration Authority, and
- $0.4 million pa will be transferred from the debt recovery function within the Crown Solicitor's Office.

Question 2:

What is the current staffing level of the Fines Enforcement and Recovery Office?

The answer is:

The proposed staffing level of the Fines Enforcement and Recovery Unit will be approximately 85 FTEs (once established).

Question 3:

How much of those staff members are:

a. New staff,

b. Transferred from the Fines Payment Unit, or

c. Transferred from the debt recovery function from the Crown Solicitor's Office?

The answer is:

Of the estimated 85 FTEs:

- 1 FTE will be for new staff;
- around 79 FTEs will be transferred from the Courts Administration Authority; and
- 5 FTEs will be transferred from the Crown Solicitor's Office.

Question 4:

Of the $6.2 million expenditure on the Fines Enforcement and Recovery Office in the next four financial years, how much is offset by reduction of expenditure of the Courts Administration Authority or the Crown Solicitor's Office under the current arrangements?

The answer is:

The $6.2 million expenditure figure, across the forward estimates, published on page 19 of Budget Paper 6 only relates to the new funding provided in the 2013-14 budget. There is no offset to either the Courts Administration Authority or Crown Solicitor's Office budgets for this amount.

Question 5:

Of the inflow of revenue to the Fines Enforcement and Recovery Office in the next four financial years, how much is offset by reduction of expenditure of the Courts Administration Authority or the Crown Solicitor's Office under the current arrangements?

The answer is:

The inflow of revenue expected has not been offset by a reduction in expenditure for the Courts Administration Authority and the Crown Solicitor's Office.

Question 6:

What proportion of the budgeted additional revenue will be generated through improved collection, and what proportion through changes to existing fees and charges?

The answer is:

Across the forward estimates, it is estimated that:

- 43% of budgeted additional revenue will be generated through improved collection;
- 57% of budgeted additional revenue will be generated through changes to the existing fees and charges structure (including increases for fines associated with driving uninsured and for driving unregistered).

Question 7:

Can you clarify that the $1.69 million in additional recurrent funding to the Fines Enforcement and Recovery Office (found within Budget Paper 6, page 19) is the same $1.69 million listed in Program 9, fines enforcement and recovery (Budget Paper 4, Volume 1, page 52)?

The answer is:

Note it is assumed that the question relates to the $1.96 million additional funding to the Fines Enforcement and Recovery Unit on page 19 of Budget Paper 6. This is the same as the $1.96 million listed in Program 9: Finance Enforcement and Recovery, on page 52 of Budget Paper 4, Volume 1.

Question 8:

Is $52,000 in 'operating revenue' to the Fines Enforcement and Recovery Office (Budget Paper 6, page 19) included in Program 9: Fines Enforcement and Recovery (Budget Paper 4, Volume 1, page 52)?

The answer is:

The $52,000 in operating revenue in Budget Paper 6, page 19 is included under AGD Controlled Items - Program 9: Fines Enforcement and Recovery, (Budget Paper 4, Volume 1, page 52) and AGD Administered Items - Fines and Penalties (Budget Paper 4, Volume 4, page 59).

That is the end of the answers. Let me highlight a couple of interesting elements in the response.

First, members might be surprised that that allegedly strong response from the government will be delivered with only one additional FTE. The FTE of the unit will be only one FTE higher than the legacy units; 84 FTE will become 85 FTE. Second, across the forward estimates it is estimated that only half the 43 per cent of budgeted additional revenue will be generated through improved collection; 57 per cent of the budgeted additional revenue will be generated through changes to the existing fees and charges structure.

The bill amends the Motor Vehicles Act 1959 to increase the penalties for two offences: the penalty for driving an unregistered vehicle increases from $2,500 to $7,500, and that for driving an uninsured vehicle increases from $5,000 to $10,000. As a corollary, the bill also amends the maximum amount of an expiation fee under this act, from $1,250 to $2,500. This will permit proposed increases in the expiation fees for these two offences. Those expiation fees are set by regulation, and we are informed that the government intends to increase that fee, from $315 and $582 respectively to $1,000 and $1,500 respectively.

So, even after all this hype, most of the budgeted revenue increase comes from increased fines rather than increased collections. On radio last week, the Attorney-General estimated that the new fines enforcement and recovery office will reap an additional $26 million in revenue over the next four years. The government plans to spend $16 million to achieve this. So, the net increase in revenue is a mere $10 million from the measures we are debating today over four years.

The amount yielded from this bill's increased enforcement measures is expected to be $11.18 million over four years, or approximately $2.8 million per year. Let me say that again: $2.8 million per year. It is worth repeating again because, on the basis of those projections, even if Attorney-General Rau's fines blowout miraculously stopped three weeks ago on 22 June when the last stocktake was taken, the government's own costings would indicate that it would take more than 44 years to recover the unpaid debt. Again, for it to take 44 years, the increase in fines would have had to have stopped on 28 June, for we know that unpaid fines are increasing at a rate of $6 million per year. That means that, in a mere fortnight, the increased amount of unpaid fines would have increased more than the amount that these measures expect to recoup by improved enforcement measures in a whole year.

I turn now to the implementation of the bill. On 28 March 2013 on radio station FIVEaa the Attorney-General was in conversation with Mr Matthew Pantelis. Mr Pantelis asked, 'When do you expect we will see something in place, something working?' The Attorney-General responded, 'We get into parliament and we get the support across the parliament. I'd be hopeful that this thing would be up and running well before the beginning of the next financial year.'

Given that the Attorney-General was asserting that it would take less than three months to have the agency up and running from 28 March, the opposition looks forward to the agency being up and running well before late October this year—that is, three months from now—and getting regular updates on progress following that date. This is especially the case given that the bill is likely to go through the parliament this week, and the Attorney-General's three months in his March comment included the parliamentary passage of the bill. Yet I fear that by the time this bill is passed through the parliament, by the time the government sets up the agency, by the time the government gets around to implementing strategies, by the time the government allows itself to be held accountable, the election will be with us. This bill has all the hallmarks of Labor game-playing to avoid accountability for its mismanagement.

I turn now to some elements of the bill. The bill involves a range of new enforcement tools to recover debt. Examples include clamping and impounding vehicles—previously a vehicle could be confiscated but could not have these interim measures imposed on it; the sale of the debtor's primary place of residence if the debt is more than $10,000, and there is provision for placing charges on land; the publishing of debtors' names on a website as a means of serving notices where the debtor is unlocatable; and open-ended licence disqualification provisions.

The FERO may also place a charge on land, or even sell the land, if the debt exceeds $10,000. The bill will provide more flexibility in debt enforcement. The FERO, unlike the Fines Payment Unit, will no longer be required to follow a predetermined process to escalate the debt-collection measures. All measures will be available as soon as the debt is overdue.

Obviously the process will require the sensitive use of discretions by the officers involved. The FERO can exercise full discretion to waive payment of the whole or any part of an amount payable by a debtor. This could be a licence for mass write-offs at the debtor level rather than at the macro level, and the parliament needs to be alert to monitor how this power is being used.

The minister can appoint authorised officers to enforce pecuniary sums under the act and the FEROs themselves must be persons employed in the Public Service. The bill gives the minister the power to declare an amnesty from costs, fees and other charges and they may apply to a debtor or a class of debtors.

The bill has generated significant concern amongst stakeholders. The Law Society has expressed concern about the lack of transparency of the administrative arrangements under the bill, the lack of accountability and the expanded enforcement options. The society is concerned that the hierarchy of penalties has been removed without, in its view, adequate safeguards being put in place to provide restraint or oversight. It is also concerned about provisions that allow the deduction of payments from a person's bank account without their consent and for the FERO to seek any documents relevant to the debtor's financial affairs. The society concludes:

> The powers, discretions and processes of the bill are wrong in principle. The removal of review and appeal rights is especially draconian...We suggest that the processes of the bill are also unlikely to be very productive in practice...the Society strongly suggests the increased enforcement powers provisions of the bill be withdrawn and reviewed, with a view to open process, administrative review and appeal, and provision for hardship cases.

The South Australian Legal Assistance Forum has expressed a concern that imposing late penalties on those who cannot afford to pay (the homeless, the mentally ill and so on) will reinforce the poverty trap, exacerbate their difficulties and make payments less feasible. The forum asserts that the bill will result in those less able to pay owing more than a person who can pay, despite the initial penalty being the same. The forum has also raised concerns that procedural fairness and the consideration of hardship have effectively been removed by giving the FERO absolute discretion to waive a payment of a pecuniary sum. The forum would like to see notification provisions, a fairness test and the requirement to give reasons to be inserted in the provisions.

In addition to the concerns raised by the forum, the Aboriginal Legal Rights Movement provided an example of a perceived injustice under the provisions of the bill. They cited a case where a person with a severe psychiatric disability had accrued $3,000 worth of fines. The person had been in custody for over a year and was found unfit to plead to a serious offence. Under existing 70I, the ALRM could make representation to the court for the psychiatric reports to be considered. This ability to make representations in such circumstances is proposed to be removed. The movement also provides examples of a number of other similar cases.

The opposition's view is that the comments of the stakeholders highlight significant issues which need to be addressed. The FERO will need to develop a set of policies and procedures to operationalise the legislation. A number of the concerns raised could and should be addressed through appropriate policies and procedures. If elected to government in March 2014, the Liberal Party will consider the operation of the legislation after an appropriate period of operation and the nature of any issues that are evident at the time would influence the type of the review.

The Local Government Association also expressed concerns, but of a significantly different nature to those of the legal stakeholders. The LGA is concerned about the government's plans to impose a lodgement fee on councils if they want the new fines enforcement and recovery officer to recover fines on their behalf. The LGA said that this change would lead to ratepayers paying for recovery action against recalcitrant offenders. They suggest that any fee paid by the council should be recoverable from the offender, in addition to the outstanding debt. However, the government was apparently reluctant to do this, so the LGA proposed that an increase in the reminder notice, which is currently $48, be allowed to offset the cost of the lodgement fee. The government made a commitment to do this in the Attorney-General's second reading speech summary in the House of Assembly on 4 June 2013. In his comments he said:

> The government will commit to increasing the reminder notice fee for expiation debts as a means of reducing the impact of introducing a new $18 lodgement fee that will be imposed on issuing authorities, including local government councils, for lodging debts with the Fines Enforcement and Recovery Office.
>
> The government will commit to modelling the impact of this new lodgement fee in conjunction with the Local Government Association and the Department of Treasury and Finance prior to this bill becoming law. Any increase in the reminder notice fee will come into effect on the day that the new Fines Enforcement and Recovery Unit opens its doors.

The Attorney-General has been known to describe his bills as masterpieces and accuses the council of despoiling them. He repeatedly asserts that bills he puts forward should be passed without amendment. Again, with this bill the Attorney-General has demanded that it be passed without amendment. What arrogance! It is a particularly bizarre position to hold when the

government itself has moved three sets of amendments in the other place and is putting forward a fourth set of amendments to the bill in the Legislative Council.

Government amendments in the House of Assembly were tabled while the debate was underway. If the Attorney's bills are perfect and they should be passed without amendment, where did these government amendments come from? In my view, no bill is perfect, and even less so the ministers and members who draft them. I propose, at this second reading stage, to put some questions, and I would be indebted if the minister could provide answers at the second reading summing up stage.

I have already quoted from the statement of the Attorney-General in the House of Assembly in relation to the local government reminder notice fee. In relation to that quote, I ask: has the modelling envisaged been undertaken; who has or will undertake it; if the modelling has been undertaken, what was found by the modelling and, if not, when will it be undertaken?

In a press release of 9 September 2011, the Attorney-General said:

> In addition to the review, Mr Rau said he had asked the Federal Government to consider giving State collection agencies greater access to Commonwealth data to assist in finding fine defaulters.

The same release also states:

> He has also asked the Federal Government to permit fine defaulters to be listed with credit reference agencies.

My questions are: what action has the Attorney-General taken in relation to those commitments and what was the response of the federal government? When will the agency be operational, particularly in the context of the Attorney-General's commitment that the local government modelling will be done before the bill becomes law? How many individual fines have been written off in the 2012-13 financial year and, in dollar terms, how much was written off in the 2012-13 financial year?

In conclusion, I am glad that this so long-promised refresh of fines enforcement law and administration will finally be implemented. As I indicated earlier, relying on the government's own figures, I am highly sceptical that this bill will halt the blowout in unpaid fines, let alone reduce the level of unpaid fines.

This is yet another illustration that if you want real change you cannot just change the law, you need to change the government. On 15 March 2014 the people of South Australia will have another opportunity to deliver a change in government.

The Hon. T.A. FRANKS (10:57): I rise to address the bill before us, the Statutes Amendment (Fines Enforcement and Recovery) Bill which, as the honourable member before me (Hon. Stephen Wade) has touched upon, has shot to No. 1 with a bullet to the top of our priorities for this week, having previously languished at No. 9—and in fact over two years in the making and, prior to this week, it has apparently not been a priority for the Attorney-General.

However, of course, I am alerted to the effect of FIVEaa's radio announcer Mr Leon Byner on such people as the Attorney-General and the fact that last Tuesday, when Mr Byner interviewed the Attorney-General and raised this matter, it did indeed cause the parliamentary agenda to be amended. I must say that it was of interest to my staff and myself to receive the priority letter from government on Monday 15 July which had eight items—very important items—all placed before this particular bill. Certainly, this bill was only intended to be progressed but not even finalised, according to that particular *Notice Paper*.

However, following the Tuesday morning radio interview on FIVEaa, the very next day we received an amended priority letter from the government in which, as I say, this bill before us was put to No. 1 with a bullet. The interview is telling, in that the Attorney-General seems to blame everyone but himself for his inability to progress this legislation. He certainly started with an attack on the Leader of the Opposition, Mr Marshall, and seemed to have been irked somewhat by the words of Mr Marshall in a previous interview, I assume on FIVEaa. In fact, he said to Mr Byner that Mr Marshall had—and I quote:

> ...made some comments about this which I thought sounded a bit curious and I've sought information from my Department and I can give you the very most up to date position, as at the 28th June this year. Here are the numbers: total outstanding fines, $287 million, total; of that, $140 million is either not yet due, in other words they're within that 28 day payment period, or people have entered into an arrangement to pay the fine with which they are compliant. So, if you [want] to use an analogy with business, they're either debts which are not yet due or debts [which are] being paid in instalments.

I must say that that does draw my attention to another bill that is on the *Notice Paper* in the lower house and indeed it comes from the honourable Leader of the Opposition, I do believe.

That bill, of course, is to ensure that government pays not its debts but in fact its invoices within the billing time and yet I am sure that that one is going to languish at the bottom of the *Notice Paper* for some time. It certainly has not rushed its way into the upper house and it is certainly sitting on the second page of the *Notice Paper* there in the lower house.

I look forward to debating that particular bill and to the Attorney-General ensuring that his colleagues progress that with great haste. I think all of us here in this chamber would probably welcome being able to debate that bill by the end of this week and having it signed, sealed and delivered so that small businesses that are currently not being paid on time by government actually start to get their bills paid on time and the massive impact that this government has had on those small businesses is alleviated.

However, I will not hold my breath. I will not bother my cat with my concerns about that particular bill. My cat has better things to do than hear the maladies of parliament and certainly I spare my cat. As many members know, I care about animal welfare and I am certainly not going to be bothering my cat with it. I am also not going to be blaming the Legislative Council for eating my homework, as the Attorney-General seems to be doing with this particular bill.

I go on to note with great interest, in that FIVEaa interview, that the Attorney-General then went on to note that, of the amounts that we are talking about with regard to this particular bill, $107 million is overdue and is not being paid within the 28 days and that $40 million has been put out to Dun & Bradstreet some 12 months ago, to which Leon Byner asked, 'How much did they get?'

This was a year ago, when $40 million of debt was given out to Dun & Bradstreet and the Attorney-General replied, 'As I said, I haven't got the number on that but I can find out.' I ask the government: what is that number? What have we recovered from that $40 million that was assigned to Dun & Bradstreet for collection over a year ago? Of the $107 million that is the concern here, I ask the government in which financial years those amounts have been accrued, so that we can see the extent of the time that these fines have been accumulating.

In particular, I ask the government: how much of that money that is outstanding is owed by people who live on APY lands or Aboriginal lands? I also ask the government: how much of that money is owed by people who are on Centrelink benefits of any sort? I also draw the government's attention to some information I gleaned from a freedom of information application in which I asked for the expiation notices that have been issued with regard to the offence of drive unregistered (offence code M774).

I asked for those figures for the following periods of 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13. The information I acquired from this FOI was, I think, quite illuminating. We have had a change in procedures and, in fact, in terms of the 2008-09 year, there were only 1,036 expiation notices issued for that year, but I do acknowledge that that is due to changes in process, where people were summonsed in that context.

However, when we are comparing apples with apples, we will start with the 2009-10 year, when 19,700 expiation notices were issued for that drive unregistered offence. The following year, 2010-11, the number jumps to 25,785. In 2011-12, the number is somewhat stable at 25,852, but in this year gone by, 2012-13, the number has skyrocketed again. It is not quite the No. 1 with a bullet, but it is certainly a large increase to 31,575.

That is an extraordinary jump in those figures and, as we know, it has been somewhat controversial that the government has changed the registration arrangements in this state and that people no longer have the registration sticker to remind them and make it obvious if they are driving an unregistered vehicle.

It certainly appears to be reaping rewards for government coffers, and so I would like to see how much of the money that we are looking at recouping applies to that trap that the government has set for young players and for new players who are not informed that their registration has expired and then accordingly are issued a fine. Indeed, those fines have gone up, and I would like the government to outline the levels at which those fines have been applied over those particular years.

The government brings this bill before us today in a rushed debate, and the Greens will not be holding up the debate, but we do have a lot of questions, and we look forward to the answers.

Normally, we would receive a briefing from the government and, on the 17th, the day after we got our amended *Notice Paper*, we did contact the Attorney-General's office and ask for a briefing, only to be told that the adviser was on leave. We were unable to get a briefing in these past few days on this bill that suddenly jumped to No. 1 with a bullet on our *Notice Paper*, and so I will have to ask the questions here in the committee stage.

I will acknowledge that we did send emails and that we did get emails in response, but simply allowing the Attorney-General to go on FIVEaa to change the parliamentary schedule, to push this bill up the pecking order without any thought to whether or not the staff would be available and whether or not the crossbenchers would be ready to debate does not bode well for my confidence in the ability of this particular minister to ensure that the Fines Payment Unit is done in an appropriate manner and established in an appropriate way that we hope it would be. However, I will suspend my disbelief that he will be able to accomplish this task, and I will simply focus on the concerns that have been raised and on the facts of this bill.

The bill, we are told, seeks to improve the system for collection and enforcement of unpaid pecuniary sums and expiation fees. We are told that as of 22 March 2013 our state had $275 million under management with the Fines Payment Unit. The bill grants the government the ability to declare amnesties from the whole or part of the costs, fees or other charges from time to time to increase the likelihood of recovery. I ask the government: do you have any intention, for example, to declare an amnesty for those who live on APY lands?

I point to that as a particular example of when many people are fined for driving unregistered or unlicensed, yet on the lands it is very difficult to actually register or pay for your licence or to access those basic services that we expect in metropolitan and rural areas. In such a remote community, it is a vicious cycle, where quite often there is no access to banks or a range of services, and certainly there is no post office as such. People have been caught in the position of, having passed their driver's licence, being unable to pay the fees associated with that, and perhaps not having access to the appropriate abilities to make a payment in the way that you expect most citizens of this state would. The government is well aware of those problems, so I ask: will the APY lands, and other Aboriginal lands facing similar challenges, be considered for such an amnesty in the near future?

We are also told that this bill will expand enforcement options and they include clamping and impounding vehicles, the sale of a debtor's primary place of residence if the debt is over $10,000, publishing a debtor's name on public websites (I am not sure if you would publish them on private websites, I must say) and also indefinite suspension of a debtor's driver's licence. At the moment a limited suspension may be applied. I ask the government: in what cases would indefinite suspension of a driver's licence apply and why would it not be an assigned period of a year, two years or three years? Indefinite to me is an interesting approach.

Would the person who suffers that indefinite suspension have any indication if the suspension would ever be lifted? Would the person involved in this operation—and I am sure the Attorney-General would be right across the operations of this particular unit, given that they want to get the head of the unit onto FIVEaa as quickly as possible, according to that Tuesday interview—have those details so we will be able to know this level of fine detail about whether a debtor would be given some sort of an end point for that suspension and, should they have employment that is reliant on their licence, whether they would face such a harsh penalty that would, in fact, affect their ability to pay as opposed to their ability to drive licensed?

We welcome the option of instalment payments being available without needing to provide hardship, and we are certainly supportive of that provision. However, given the FOI information that I have just provided members with, we note that penalties derived for driving an unregistered vehicle will increase from $2,500 to $7,500 and driving an uninsured vehicle will increase from $5,000 to $10,000, while expiation fees for the two offences are to increase from $315 and $582 respectively to $1,000 and $1,500. With that increase between the 2011-12 year of 25,852 people receiving an expiation notice for driving unregistered and that leap of over 5,000 to this financial year where we saw 31,575 people fall foul of that provision, I imagine the government is looking forward to recouping quite a lot of money out of the pockets of South Australian drivers from this bill. If the government has any forward estimates on that, that would be greatly appreciated.

I draw the government's attention to the fact that, while the Attorney-General—I will not put all government members in the same category here—has been claiming that it is the Legislative Council somehow holding up this bill, the Law Society has had some concerns. While the Attorney-

General has dismissed those concerns, I say that the Greens are cognisant of what the Law Society has raised. It argues that the bill has the potential to work serious oppression on people who are at the margins of society and the justice system. I would have thought any Attorney-General might be a bit concerned about such strong words from a body such as the Law Society. However, the Greens certainly take them more seriously, I believe, than the Attorney-General.

The Law Society also has concerns that the state will have the discretion to confiscate assets and impose additional penalties, bypassing the ordinary safeguards with which a civil creditor must comply. I ask the government to respond to that particular charge. Will they have to abide by the ordinary safeguards with which a civil creditor would comply or could they please outline for this council where they will have additional powers?

The Law Society is also concerned that the clamping, impounding and sale of vehicles belonging to someone other than the debtor could occur and, in fact, the term used is that the debtor 'owns or is accustomed to drive'. I have raised my concerns through my staff with the Attorney-General's staff as to whether that would apply should the person who incurs the debt be driving their parent's car, another family member's or a friend's car. I ask the government to put on record whether or not the clamping, impounding and sale of vehicles will, indeed, apply to persons other than those who have incurred the debt. I believe the answer will be yes, but I would like the government to put it on the record.

The current policy, it is argued by the Law Society, should be maintained, that is, that a debtor's house, their primary place of residence, cannot be sold regardless of how much is owed because the forced sale of a primary place of residence will cause undue hardship not only to the debtor but also to the families and the community in general. I ask the government what they intend to do where they require the sale of someone's place of residence. What impact will they take into account if family members, or those close to that person, live in that house? What consideration will be given to that? The policy is also unclear where properties are jointly owned. I would like the government to give some clarity about what the approach will be if the house is owned in conjunction with another person who has nothing to do with the debt in question.

We certainly are very sympathetic, and I note that the Hon. Stephen Wade raised concerns that enforcement in some cases may cause undue hardship, particularly to the vulnerable and mentally impaired. I know that has been of great interest to the select committee that is looking at access to justice for people with disabilities at the moment, and we are soon to report and, certainly, that is of grave concern not only to the Law Society but, I imagine, to most members of that committee.

The bill also proposes to name and shame debtors by publishing their names on a website, as I mentioned previously. Certainly, the Law Society has concerns about this. Again, getting back to that FIVEaa interview, which I would not normally reference quite so often in a second reading speech, the Attorney-General used it not only to outline his campaign for this bill but, indeed, to change the work of the Legislative Council, so they had to send out an amended update so that a staff member who was on leave was unable to provide crossbench members with a briefing on this bill.

I will draw on that interview from FIVEaa again, when Leon Byner put it to the Attorney-General that it is already possible to publish these names on a website. I am not sure whether it is or is not. I would like the government to clarify whether it is already within the ability of this government to ensure that that happens at present. It says in the FIVEaa interview, and the response here was, that they had chosen not to do it. I am not sure whether it was the feeling of the Courts Administration Authority that it was distasteful or inappropriate, but I would certainly like some clarification on whether or not the government already has the power to publish these names on a website, what reasons they have or have not chosen to do so in the past, and whether or not we need this provision in the bill at all.

By way of conclusion, I will put on record, and I ask the government to respond on record, the questions I raised by email, which are these. What is the government's response to the Law Society's view that the bill has potential to work serious oppression on people who are at the margins of society in the justice system? How do they respond to the findings of a recent study which was quoted by the Law Society in their submission and which states that one in five Australians would struggle to come up with $1,000 to deal with an emergency or unexpected liability? How does the government then justify the rise in penalties contained within this legislation, for example, $5,000, and up to $10,000, for driving an uninsured vehicle? That is far more than the $1,000 that one in five Australians would struggle to find.

We also want to get on record, as I said, the situation with regard to vehicles. Could the government clarify the 'accustomed to drive' language used and outline who may be liable to have their vehicle clamped, impounded or sold if they have no debt whatsoever to government? Will any exemptions be made there?

With that, I look forward to the committee stage of this bill. I find it an interesting approach from the government to raise this particular matter to the top of its agenda when it has seemed so reticent to so do in previous years, and I look forward to that government bill that will ensure that the government pays small businesses and other invoices on time. I commend the Leader of the Opposition for putting that firmly and squarely on the government's agenda.

VISITORS

The ACTING PRESIDENT (Hon. J.S.L. Dawkins): Before calling the Hon. Mr Darley, I note the presence in the gallery of students from Tanunda Lutheran School who are being hosted by the member for Flinders on behalf of the member for Schubert. Also there was a group here earlier hosted by the member for Finniss on behalf of the member for Schubert. Welcome.

STATUTES AMENDMENT (FINES ENFORCEMENT AND RECOVERY) BILL

Second reading debate resumed.

The Hon. J.A. DARLEY (11:21): I rise to oppose this bill. At the outset I agree with many of the sentiments expressed by the opposition in the Hon. Stephen Wade's contribution. Whilst I agree that action must be taken to recover unpaid fines, this is not the solution. The penalties suggested by the government are far too harsh and will penalise those who can least afford it, through a system that lacks transparency. If I could have moved amendments to address some of the concerns I would have done so. However, in this case, I think it would be best to go back to the drawing board.

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (11:22): I understand there are no further second reading contributions to this bill, and I wish to thank those members who have made contributions thus far, and also those who have indicated their support and contributed other comments as well. This bill is an important one; it sets out to change the present system for the collection and enforcement of unpaid pecuniary sums and expiation fees, as well as debts owed to the Crown under the Victims of Crime Act 2001. I have been able to gain some answers to some of the questions asked, so I will put those that I have to hand on the record now and those outstanding I am happy to deal with during committee.

In relation to the first question asked by the Hon. Stephen Wade, modelling will be done with the passage of the bill. The project team will involve senior Treasury officials and the LGA. In relation to his second question, I am advised that I am not aware of any discussions other than with Centrelink or the Department of Human Services, which did not progress. In relation to his third question, I am advised that six months from passage of the bill to allow for key operational activities to be undertaken, including the recruitment of the head of the unit. In relation to the Hon. Stephen Wade's fourth question, this information needs to be provided by the Courts Administration Authority and we can attempt to do that.

In relation to questions asked by the Hon. Tammy Franks, in relation to her first question, I am advised that approximately $2.1 million was recovered by Dun & Bradstreet. In relation to her second question: we would need to obtain further information about that in relation to the APY and Centrelink debtors. In relation to her third question, expiation amounts: again we need to obtain further information in relation to that. In relation to the fourth question, the APY lands amnesty: I am advised that it could apply to the APY lands if amnesty is called. The legislation, I am advised, provides for an amnesty.

In relation to the briefings for the Hon. Tammy Franks, I am advised that when her office contacted the Attorney-General's office she was advised that the lead officer was not available; however, she was offered an alternate officer to provide a briefing. I am advised that her office indicated that they would opt to send in questions via email and receive answers in that format. I am advised that the questions were answered and I think they were provided by Friday. With that, I look forward to dealing with the committee stage expeditiously.

Bill read a second time.

In committee.

Clause 1.

The Hon. T.A. FRANKS: I am certainly waiting for quite a few of the questions I raised during the second reading stage to be answered and I assume that we will not be progressing past clause 1 until we get those answers. In relation to one of the answers the minister was able to provide, of the $40 million farmed out to Dun & Bradstreet, we received $2.1 million back. How much did we pay Dun & Bradstreet to get $2.1 million of the $40 million back?

The Hon. G.E. GAGO: I am advised that we are not sure of the amount. However, the contract is still ongoing, with the commission basis. I am advised it will expire on 31 August 2013. I have also been provided with answers to a further two of the Hon. Tammy Franks' questions. One is in relation to a parent's vehicle: would a parent's vehicle be taken if children incurred fines? I am advised that, yes, the legislation provides for this. There was also a question: when would we sell a primary place of residence? I am advised that this would be a last resort. Before FERO would proceed to the sale it would aim to deal with the best suited enforcement action and then, if required, the primary sale of the residence would be pursued. The legislation provides for this.

The Hon. S.G. WADE: In relation to the Hon. Tammy Franks' questions to which the minister responded that Dun & Bradstreet had recovered $2.4 million, could the minister advise over what period that recovery was achieved?

The Hon. G.E. GAGO: I am advised over a 12-month contract.

The Hon. S.G. WADE: In relation to the termination of the current contract, is there a right to extend, and, whether or not there is a right to extend, is it the government's intention to continue a similar arrangement?

The Hon. G.E. GAGO: I am advised that, no, the government does not intend to extend or pursue.

The Hon. T.A. FRANKS: So, with the remainder of the $40 million that has been assigned to Dun & Bradstreet—is it $2.1 million or $2.4 million that has been recovered?

The Hon. G.E. GAGO: I am advised it is $2.1 million.

The Hon. S.G. Wade: Sorry; my mistake.

The Hon. T.A. FRANKS: So, we have $37.9 million still outstanding. What is happening with that debt?

The Hon. G.E. GAGO: I am advised that quite a lot of that debt outstanding aimed to be recovered by D&B is over 10 years old and quite a bit of the data is now inaccurate with changes of address of people who have moved and so addresses are now inaccurate. The courts attempted to recover that with the new unit. However, the Courts Administration Authority, together with the new unit, FERO, will now pursue recovery of that outstanding debt but without D&B assisting.

The Hon. S.G. WADE: I just want to go back to the Attorney-General's statement on 28 March on FIVEaa radio that he was hopeful of getting FERO established 'well before the next financial year'. Considering the comment was made on 28 March 2013, I presume that the Attorney-General was talking about the next financial year, being the financial year that commenced on 1 July 2013. Considering that that is a three-month period, and that the Attorney was anticipating parliamentary consideration of the bill being in that period as well, why does the government now think it would take six months to get this agency up and running?

The Hon. G.E. GAGO: I am advised that there are a number of administrative matters involved such as the recruitment process, IT systems that need to be developed and implemented (including IT system changes to the SAPOL system), and also things like accommodation and other general administrative matters.

The Hon. S.G. WADE: I am interested in hearing the minister refer to the recruitment challenge for this new agency. Considering that there are 84 people coming from established agencies and there is only one new person, I am incredulous that that is a huge recruitment challenge. Considering that we are basically talking about a unit where, of the 85, 79 are already in the Fines Payment Unit, why would the government not want the officers who are currently working in the Fines Payment Unit to shift to the FERO environment in terms of the tools?

The government has not made a focus in its presentation, at this point to this parliament, that this is somehow an IT-enabled response; this is primarily, according to the government's second reading speech, a tool-focused response. Why couldn't the current FPU team, operating as a new FERO team, much more rapidly start accessing those tools?

The Hon. G.E. GAGO: I have been advised that it has been estimated that it will take somewhere between three to four months to recruit the head of the unit. They are obviously looking for the best, experienced person possible in debt recovery. Also, I have been advised that all of the Fines Payment Unit employees will in fact come across to the FERO unit and, as I have stated in my previous answer, there needs to be a number of modifications to IT systems, which have been assessed to take some time.

The Hon. S.G. WADE: Could the government advise: of the capital expenditure shown in Budget Paper 6, how much will be for IT-related capital?

The Hon. G.E. GAGO: I have been advised approximately 970,000.

The Hon. T.A. FRANKS: Getting back to the $37.9 million that Dun & Bradstreet was unable to collect that now comes back, you have answered that in fact a lot of this debt is over 10 years old. My questions are: how much of the debt is over 10 years old? How many people does this debt apply to; how many debtors are we actually talking about? And what level of interest are we talking about as part of this amount? This is an amount, we are told, of $40 million that was farmed out. It has been used as a headline figure. I think it is important to get the real facts of this particular amount on the record.

The Hon. G.E. GAGO: I have been advised that the number of debtors is approximately 50,000, and in relation to how much of the debt is over 10 years old and the interest, I would have to take those on notice and attempt to get an answer for that.

The Hon. T.A. FRANKS: Thank you, minister, for that. I am going to go for a fuller answer. When I asked if those other than the person who incurred the debt might have their car clamped, impounded or sold, you answered that parents may have their vehicle taken away for their child's debt. Would that also extend to partners, children and to employers of the person who has received the fine and has the debt, if it was the partner's, child's or employer's car?

The Hon. G.E. GAGO: Any vehicle involved in the commission of an offence that led to the debt is liable to be seized, clamped or impounded, irrespective or whether or not the vehicle is owned by the user of the vehicle.

The Hon. T.A. FRANKS: Just to get it straight, somebody receives a fine, driving their employer's car at the time, and they never pay the fine. That employer, who may not even be their employer anymore, can have their car taken away?

The Hon. G.E. GAGO: I have answered the question quite specifically and I will repeat it. Any vehicle involved in the commission of an offence that led to the debt is liable to be seized, clamped or impounded, so there is some discretion there, irrespective of whether or not the vehicle is owned by the user of that vehicle.

The Hon. T.A. FRANKS: I will add to this scenario. Somebody can steal a car, get a fine, not pay the debt and the person who had their car stolen can have their car clamped, sold or impounded?

The Hon. G.E. GAGO: I am advised that potentially the answer is yes; however, it is practically most unlikely, I am advised, because under section 70O it actually is an administrative decision. There is administrative discretion so, if it were assessed that the circumstances were such that it was unreasonable that the car be clamped, impounded or seized, other enforcement options could be applied.

The Hon. T.A. FRANKS: I promise the minister that I will drop this in a second, but it does raise some concerns. What are the processes around administrative discretion that would be followed and guaranteed?

The Hon. G.E. GAGO: Other alternatives are outlined in sections 70L and 70M. For instance, there is the provision of garnishment and also things like suspension of driver's licence, so there is a range of other enforcement options that are outlined.

The Hon. T.A. FRANKS: How would somebody who had nothing to do with incurring the fine be able to undertake those particular administrative arrangements? How would somebody who

did not incur the fine be able to ensure that the person who did incur the fine undertook those arrangements and ensure that their car was not seized, impounded or clamped?

The Hon. G.E. GAGO: I guess it is similar to other forms of judiciary discretion, and we see lots of examples of that right throughout our legislation. The enforcement officer has a range of legislative enforcement options available to them, and they are able to consider the circumstances of the debtor and arrive at the best and most appropriate enforcement option to fit that particular case. They have discretion to do that. So, it is not prescribed, as these discretionary powers are often not prescribed; it is left to the discretion of that enforcement officer.

The Hon. T.A. FRANKS: Thank you, minister, for those answers, which do get me back to one of the original questions from my second reading speech. Could the government please respond to the Law Society's concerns that this sets up a system which bypasses the ordinary safeguards with which a civil creditor must comply, and what areas will the government's enforcement unit have to continue to comply with and which will they not have to continue to comply with?

What assurances are we giving people here that there is going to be actual justice, given we have just heard that somebody who has nothing to do with incurring the fine could, in fact, fall foul and have their car impounded and, I assume, their house—where they are sharing a house with somebody—and, as you have answered before, that situation is that somebody who has the debt could lead to a partner, a friend or a family member losing their house?

The Hon. G.E. GAGO: I have been advised that the government has a lot more accountability than a civil debtor and this bill has certainly tried to balance all relevant considerations. It has tried to make things fair and reasonable for people to pay off their debts in a range of different ways, for instance, by allowing for part payment arrangements, as outlined in section 70, or for people to enter into other arrangements such as direct debit arrangements over quite long periods of time. It has attempted to be as flexible as possible to accommodate the individual needs and circumstances of the person paying the debt.

We simply cannot compare the government's status with that of civil debtors, and I remind honourable members we have included appeal and review provisions within the legislation.

The Hon. T.A. FRANKS: I find it interesting that the government referred to itself in terms of the civil debtor when, in fact, it is having to pass a bill to ensure that it pays its bills on time. As I say, I look forward to that particular debate.

Brushing over that, and realising that I am probably not going to get too much further with this, I ask the minister: will the government support an amendment, should the Greens put it up (and I am having it drafted now), to exempt the primary place of residence, the home of the person, given that they have just acknowledged that this could affect partners, children, family members and those who share a property with somebody as their primary place of residence? Will they support an amendment to this bill to ensure that somebody does not lose their home, particularly, a person who is not guilty of wrongdoing, has no debt and has no responsibility for the debt?

The Hon. G.E. GAGO: I will look at that amendment and consider it when it has been drafted and give a response.

The Hon. T.A. FRANKS: How does that comply with the Attorney-General's assertion that this bill would not be amended last week on FIVEaa? Surely it was a perfect bill?

The Hon. G.E. GAGO: We are happy to look at the amendment and give a response when we have seen the detail of it. I can say no more.

The Hon. T.A. FRANKS: I will overlook the assurances given by the Attorney-General that this was a perfect bill that would not need amendment, and I would certainly welcome the government looking at an amendment to ensure that people do not lose their home.

Clause passed.

Clauses 2 to 10 passed.

Clause 11.

The Hon. D.G.E. HOOD: I move:

Page 11, after line 20—After inserted section 65 insert:

65A—Annual report.

(1) The Chief Executive of the administrative unit of the Public Service that is, under the Minister, responsible for the administration of this Act must, not later than 31 October in each year, submit to the Minister a report on the work of the Fines Enforcement and Recovery Officer for the financial year ending on the preceding 30 June.

(2) The report must include information prescribed by the regulations or required by the Minister.

(3) The Minister must, as soon as practicable after receipt of a report submitted under this section, cause a copy of the report to be laid before each House of Parliament.

There is only one amendment, a pretty straightforward amendment, which speaks for itself. Basically, it asks that the chief executive of the relevant unit must produce an annual report no later than 31 October in each year. The specific items to be reported on will be set down by regulation, as is common practice, I understand, with these sorts of matters. I will place on the record the sorts of things that I as the mover of the amendment will be looking for in particular.

They are things like the total debts outstanding at the beginning of the financial year with any appropriate details of the breakdown; the fines and levies imposed by the courts in that period; the amount paid without enforcement action; the amount collected through enforcement action; the amount ceased to be collectible due to alternative action, such as community service and other sorts of remedies; the amount that ceases to be collected due to being written off; and the balance outstanding at the end of that financial year.

Obviously, the annual report would cover other matters, which are obviously significant as well. As the mover of the amendment, they are the particular things I am interested in. They are not included in the amendment, obviously, as this will be done via regulation, but I just want to put on the record that that is what I am looking to do. It is a fairly straightforward amendment.

The Hon. G.E. GAGO: The government supports this amendment. It will allow for the annual report to be completed on activities of the fines enforcement recovery officer and present it to parliament. The government agrees that the appropriate information to be included in such a report be included in the regulations.

The Hon. S.G. WADE: I ask the minister whether each of the items the Hon. Dennis Hood indicated he would expect to see in such a report is in the exclusive control of the FERO, and, secondly, is the government committing to include each of the items of information that the Hon. Dennis Hood said would be included in the regulations as prescribed information for the annual report?

The Hon. G.E. GAGO: I am advised that anything within the fines enforcement and recovery officer's domain and control in relation to that information will be made available in the annual report. However, I am advised that there may be information from issuing authorities relating to outstanding amounts. That information would come from the issuing authority itself, and that information may not be available to put into the annual report. However, all of the information that is available, and can be made available, I am advised, will be included in the annual report.

The Hon. S.G. WADE: I could plead ignorance because this amendment was only tabled yesterday and I have not had a chance to properly consider it. In light of the minister's answer and in light of the Hon. Dennis Hood's comments about the range of information that he would expect to see, considering that the Hon. Tammy Franks is going to be requesting the recommittal of this clause in any event in relation to an amendment that she has foreshadowed, would the government or the honourable member consider amending particularly clause 1?

The current amendment states, 'the chief executive', and then later, 'submit to the minister a report on the work of the Fines Enforcement and Recovery Officer'. Would the member or the government consider the words, 'and related agencies' and the like to try to cover the scope of information that the Hon. Dennis Hood referred to? Again, I do not recall each of the items specifically that the honourable member raised, but I imagine that there would be a range of agencies that might well be needing to submit: police, local government, the Courts Administration Authority. It would certainly be of assistance to the public and to the cause of accountability for that information to be in one report, rather than six. So with all due respect, I would suggest to the member or to the minister that there might be an opportunity to see whether we need to enhance that clause.

The Hon. D.G.E. HOOD: My response to that is that I have no objection to what the Hon. Mr Wade is suggesting, but it is also a matter of whether or not the government is prepared to accept that. I think this is clearly a step in the right direction. I would not want to see the

amendment defeated by the government's opposition, if it then chose to object to any change to the amendment. So, whilst I have no philosophical or detailed objection to what the Hon. Mr Wade is saying, I certainly want this amendment to succeed and not to be rejected because it was changed.

The Hon. T.A. FRANKS: In discussions with parliamentary counsel, I understand that this would be the clause at which an amendment to ensure that the primary place of residence could not be sold would be inserted. There may, indeed, be other clauses. So, I just raise that and ask for an assurance from the minister that we will be able to recommit this and other relevant clauses once the Greens' amendment is circulated and the government gets back to us on whether it will support it.

The Hon. G.E. GAGO: Yes; we have indicated that we would be happy to have a look at the amendment once it is drafted and to consider that and respond.

The Hon. T.A. FRANKS: Thank you. That was an assurance to recommit.

Amendment carried; clause as amended passed.

Clauses 12 to 25 passed.

Clause 26.

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

Page 40—

Line 15 [clause 26, inserted section 14(1)]—Delete

'apply to the Court for a review of the determination' and substitute 'appeal to the Court'

Line 18 [clause 26, inserted section 14(2)]—Delete 'application' and substitute 'appeal'

Lines 20 and 21 [clause 26, inserted section 14(3)]—Delete

'application can only be made under this section on the ground that the alleged offender did not commit the offence' and substitute:

appeal can only be made on the ground that the expiation notice to which the determination relates should not have been given to the alleged offender in the first instance because the alleged offender did not commit an offence

Lines 23 to 30 [clause 26, inserted section 14(4) and (5)]—Delete subclauses (4) and (5) and substitute:

(4) The issuing authority is a party to an appeal under this section.

(5) On an appeal under this section, the Court may—

(a) confirm the enforcement determination relating to the expiation notice; or

(b) vary or revoke the enforcement determination relating to the expiation notice,

and the Court may make any consequential or ancillary order that the Court considers necessary or expedient.

Lines 37 and 38 [clause 26, inserted section 14(7)]—Delete

'a review of an enforcement determination is not subject to' and substitute:

an appeal under this section is not subject to further

This aims to eliminate any confusion between this clause and clause 13, which is a review of the fines enforcement and recovery officer. The appeal would be a de novo hearing that would allow the court to hear evidence from both the issuing authority and the applicant.

Amendments carried; clause as amended passed.

Clauses 27 to 34 passed.

Clause 35.

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

Page 46, lines 29 and 30 [clause 35, inserted paragraph (ba)]—Delete

'applications for review of enforcement determinations' and substitute 'appeals'

I believe the amendment is consequential to government amendment No. 4.

Amendment carried; clause as amended passed.

Clause 36.

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

Page 46, line 34 [clause 36(2)]—Delete subclause (2) and substitute:

(2) Section 9A(1)(c)—delete 'a review under section 10 or 14' and substitute:

appeals under section 14

I understand the amendment is consequential to government amendment No. 1.

Amendment carried; clause as amended passed.

Remaining clauses (37 to 50) and title passed.

Bill reported with amendment.

STATUTES AMENDMENT (GAMBLING REFORM) BILL

In committee.

Clause 1.

The Hon. T.A. FRANKS: Could the government outline who comprises the Casino task force and who, from the welfare sector, was included—noting that we have been told that the government for over two years has been negotiating with the Casino operator about renewing its licence, about changes to the regulations that are part of the Casino and, indeed, about the rates of tax payable and other measures? The government set up a Casino task force so could it please indicate who was on that task force?

The Hon. G.E. GAGO: Would you just repeat that quickly?

The Hon. T.A. FRANKS: I asked whether the government could indicate who was on the Casino task force, particularly with regard to the welfare sector, but actually an entirety of the membership would be appreciated. Should there have been any changeovers, if those could be acknowledged that would also be useful.

The Hon. G.E. GAGO: I have the answers to a number of questions that were raised during the second reading contributions, including the membership of the task force, so perhaps if I put that on the record now and then we can deal with any other outstanding matters as we proceed.

At the end of the last sitting week, I gave some closing remarks addressing the government's broad approach to the many amendments. I noted that the government intends to oppose amendments that seek to unbundle the bill and those amendments that remove protections provided for in this bill for smaller community and regional venues. The government also intends to oppose amendments that seek to constrain the time frame for implementation, as well as those amendments that have the potential to prevent venues that wish to voluntarily exit the industry from exiting. I thanked the members for their contributions.

There were questions from the Hon. Robert Brokenshire in his second reading contribution. He sought additional information about the Responsible Gambling Working Party and recommendations. The Responsible Gambling Working Party's fifth progress report sets out a recommended approach to implementing precommitment in South Australia. This report is publicly available from the Treasury and Finance website. The working party's terms of reference since 2006 have always been focused on assembling the best possible evidence to understand and advise on how precommitment should be implemented in South Australia.

The members of the working party were: Ms Eve Barratt, Lifeline South East; Mr David Di Troia, United Voice; Ms Rosemary Hambledon, Relationships Australia; Mr Mark Henley, Uniting Communities; Mr Ian Horne, Australian Hotels Association; Mr Andrew Lamb, Adelaide Casino; Mr Cameron Taylor, Clubs SA; and Ms Cheryl Vardon, the Australasian Gaming Council.

The working party made three major recommendations and four secondary recommendations. At this stage of the debate, it is worthwhile to place on the record what these were and how we have responded to them. The first major recommendation of the working party was:

That technology is available on all gaming machines in venues by 2016 to allow gamblers to set voluntary limits on their gambling expenditure.

The government accepted this recommendation and the bill we are currently considering proposes a light-handed regulatory approach to achieve this outcome. The second major recommendation of the working party is:

That small venues are exempt from this timetable and that the following timetable is applied:

- very small venues with 10 or less gaming machines will be able to implement pre-commitment in line with the normal gambling machine replacement cycle; and
- venues with between 11 and 20 gaming machines will have an extra four years to implement the changes (ie. until the end of 2020).

The government has accepted this recommendation in full; in fact, venues with between 11 and 20 gaming machines will actually have an extra six years. The third major recommendation of the working party is:

That a major program of community education and venue staff training is undertaken to both explain the purpose of limit setting and to promote responsible gambling.

The government accepted this recommendation, and this bill includes the necessary changes to implement this recommendation by improving training and addressing in-venue messaging.

There is no doubt that venue staff are a critical component of offering gaming services in a responsible manner. All gaming venues will be required to have staff trained in the identification of problem gambling, use of precommitment for budget-setting by customers and use of risk-monitoring systems that assist staff to identify potential problem gambling behaviour.

Although substantially an enterprise bargaining issue to be resolved at an industrial level, in principle, the government supports the idea that the cost of this training should be met by the employer and undertaken in paid work time. The Gaming Regulation Reference Group is currently collaboratively working on the details of new basic and advanced training requirements and new public awareness material to support precommitment and responsible gaming in general. The first of the secondary recommendations was:

That the RGWP continues to work consultatively with all stakeholders to develop a clear implementation pathway to voluntary pre-commitment to meet the 2016 [time frame].

The government did not accept this recommendation. While the working party had the right composition of people and skills to develop a plan for precommitment, the government considered that the more practical hands-on approach was required for its implementation. In February 2013, the government disbanded the working party and established a new gaming regulation reference group.

Membership of the reference group includes Harry Bourlotos, the Independent Gaming Corporation; Robyn Buckler, United Voice; Mr Robert Chappell, Independent Gambling Authority; Mr Andrew Cockington, UnitingCare Wesley Country SA Port Pirie; Mr Kym Della-Torre, Department of Treasury and Finance; Ms Rosemary Hambledon, Relationships Australia; Mr Phil Harrison, Club Safe; Ms Nerissa Kilvert, Consumer and Business Services; Mr Tony Morgan, Adelaide Casino Host Responsibility; Ms Mergho Ray, Relationships Australia; Ms Leanne Singh, Office for Problem Gambling; and Mr Wally Woehlert, Gaming Care.

This reference group and its specialist subgroups demonstrate that the government remains committed to a collaborative approach to developing and implementing gaming sector reforms. The second of the secondary recommendations is:

that necessary work is commenced to amend relevant legislation and to develop regulations to enable precommitment changes to take place.

The government accepted this recommendation and commenced work on developing the bill to enable precommitment changes to take place. This is the bill that is currently being considered by the council.

The third of the secondary recommendations is that the working party will advise relevant organisations on community training and staff training frameworks. The government accepts the recommendation. The gaming regulation reference group and the replacement for the working party has already started work on this task. The fourth and final secondary recommendation is:

to note that the work of the Independent Gaming Corporation, in planning for a new central monitoring system, will impact on voluntary precommitment advanced functionality.

The government recognises the critical role that the Independent Gaming Corporation will have in successful implementation of reforms contemplated in this bill. It is for this reason that the Independent Gaming Corporation is a member of the gaming regulation reference group. In short, all of the recommendations of the working party have been implemented. The only variation is that the government took a view that the responsibility for implementing this work should shift to a group representing organisations that have a direct and practical role in implementation.

Despite all this, South Australia will not be the first jurisdiction in the nation to require gaming machines to have precommitment. I understand Victoria is committed to implementing precommitment on all gaming machines by the end of 2015. Like South Australia, precommitment is already available in some venues in Queensland and New South Wales. In addition to the working party, this bill is informed by work relating to the tax regulatory environment for the Adelaide Casino.

The Hon. Rob Lucas in his second reading contribution sought additional information about the Casino task force. The task force was established by the government in 2010 to make recommendations to the government as to what tax and regulatory arrangements should apply to the Adelaide Casino once the exclusivity period expired in 2015. The Casino task force was across government agency groups. The representatives on the group were Ms Jackie Bishop, Transport Planning and Infrastructure; Mr Robert Chappell, Independent Gambling Authority; Ms Kate Georgiou, Tourism SA; Mr Garry Goddard, Treasury and Finance; Mr Gaby Jaksa, Crown Solicitor's Office; Ms Lindy McAdam, Office for Problem Gambling; Mr Paul White, Consumer and Business Services; and Mr Ben Wilson, Premier and Cabinet.

The Casino task force undertook an analysis of the market segments within which the Adelaide Casino operated, and provided comprehensive advice to the government about taxation exclusivity, capacity and responsible gambling. The advice of the task force underpins the Casino aspects of this bill.

The Hon. Robert Brokenshire and the Hon. Kelly Vincent sought additional information about the approved licensing agreement. The key features of the approved licensing agreement were publicly announced by the government and SkyCity on 19 December 2012. The government has largely concluded the drafting of the approved licensing agreement; however, the agreement is not yet executed partly because of the uncertainty about whether this bill will progress in a form that offers consistent regulatory framework across the gaming machine market segment.

It would be reasonable to expect that, once the regulatory framework is settled, the agreement would be executed shortly thereafter. Once the approved licensing agreement is executed and approved by the Independent Gambling Authority, the minister is required under section 18 of the act to lay the agreements before both houses of parliament. The approved licensing agreement does include a variation payment of $20 million from SkyCity to the South Australian government once the agreement becomes unconditional.

An important condition that must be met before the agreement becomes unconditional is that the regulatory framework, including amendments contained in this bill, is in place and operational. An up-front payment is not an unusual feature of regulatory tax and exclusivity arrangements. Indeed, the recently announced arrangements from Crown Sydney include a $100 million up-front payment in relation to premium customers and, as announced in the SkyCity media release dated 19 December 2012, premium customers would be defined to include:

- international visitors (tourists and gaming program players);
- interstate visitors (tourists and gaming program players); and
- local SA residents playing above agreed annual expenditure thresholds and meeting harm minimisation requirements. Customers must be registered members of the approved loyalty program and meet certain expenditure, host responsibility and behavioural criteria.

Further details of these matters would be included in an amended approved licensing agreement and will be subject to the approval of the Independent Gambling Authority. At this stage these matters are being finalised under commercial-in-confidence provisions and should not be publicly released; however, I can confirm that the expenditure thresholds are significantly greater than the $1,000 amount suggested by the Hon. Robert Brokenshire.

The Hon. John Darley raised a series of questions about the Adelaide Casino development. The bill does not directly relate to the Adelaide Casino development. The regulatory

framework would apply regardless of whether or not the Adelaide Casino is redeveloped in its current location or another location. The bill should be considered on its merits; nevertheless, councillors would be aware that on 17 July 2013, the government released a proposed development plan amendment for the Adelaide Riverbank for consultation. The proposed Riverbank Health and Entertainment Areas Development Plan Amendment will apply to areas adjacent to the River Torrens between the Adelaide Festival Plaza through to the Royal Adelaide Hospital site along North Terrace. Consultation on the development plan amendment is open to the general public and ends 10 September 2013.

The Hon. Kelly Vincent and the Hon. Rob Lucas sought some information on the level of gambling activity and the impact of the proposed measures contained in the bill. In terms of the club and hotel industry structure, the licensing system administered by Consumer and Business Services does not record searchable information about the corporate structure of each individual licensee. As a result, it is not possible to easily identify which licensees are ultimately controlled by multinational corporations without a detailed review of each licensee's corporate structure.

In total, the club and hotel sector generated net gambling revenue (the amount spent by customers) of around $743 million in 2011-12. Of this amount, $452 million was retained by clubs and hotels and around $291 million was paid by venues as gaming taxes. Over the forward estimates, as noted by the budget papers, gaming machine revenue is expected to grow broadly in line with household consumption expenditure. The forward estimates had been adjusted to incorporate the impact of the measures proposed in the bill. The responsible gambling measures contained in the bill will be introduced over time. The full impact of the responsible gambling measures in the club and hotel sector will not occur until 2017-18, which is beyond the forward estimates.

The full impact on the club and hotel sector of the responsible gambling measures is estimated to be around a $28 million decrease in net gambling revenue from 2017-18 and a $12 million decrease in gaming tax from 2017-18. The actual outcomes will be dependent on the level of take-up of precommitment.

Treasury and Finance revenue modelling considered the impact of the various measures on the total demand for gambling. It did not involve an analysis at the venue level. There was some concern raised by members of both houses that the regional and venue impact of removing coin machines in 2020 was not separately assessed. The market for gaming is highly competitive and innovative; it will respond to the circumstances it faces and develop low-cost solutions.

Real-world examples of this include small electronic modules that modify the behaviour of older gaming machines so that they offer the latest responsible gambling features at a fraction of the cost of a new gaming machine. The government has no doubt that during the period between now and 2020 when coin machines are proposed to be removed from minor venues, the technology associated with precommitment, automated risk monitoring and cashless gaming will be more mature and available at a much lower cost. It is difficult to see how any person could accurately foretell these technological advances and cost reductions.

This is why the approach adopted in the bill provides three pathways that any venue can voluntarily choose to follow. They are:

1. Become a major venue. The venue can be of any size up to 60 gaming machines with advanced systems to assist venues to meet their responsible gambling obligations.

2. Become a minor venue. They must have 20 or fewer gaming machines and offer a more personal approach to meeting their responsible gambling obligations.

3. Exit the industry by selling their gaming machine entitlements through the approved trading system, receiving the market value for those entitlements, which could then be reinvested into the venue.

Similarly, there have been some amendments filed in relation to cash facilities and, specifically, automatic teller machines. Some councillors have noted during debate that the new commonwealth gaming machine laws have added another layer of complexity for compliance for the industry. The government has received information from the ATM industry about compliance with the measures that the bill proposes as part of the ATM industry's ongoing diligence to ensure that it continues to meet its legal obligations in South Australia.

The bill provides for the repeal of existing provisions that are incompatible with commonwealth ATM regulations and replaces them with the power of the Governor to make

regulations that prescribe withdrawal limits for cash facilities, including ATMs. This means the existing $200 per withdrawal limit for transactions involving ATMs at gaming venues will cease to exist. It is the government's intention to only prescribe a $200 per transaction limit for EFTPOS. This represents the current operational practice in the gaming sector.

No limit will be prescribed for ATMs. This will remove the possibility of incompatibility between the commonwealth and South Australian regulatory regimes. The effect is that the ATM withdrawal limit in South Australia will be set under the commonwealth gaming regulations at $250 per card per 24-hour period at ATMs which are located in club and hotel venues. The government will prepare draft regulations for consultation with the industry well in advance of the commonwealth's commencement date of 1 February 2014, with the objective of making regulations in October for concurrent commencement on 1 February 2014.

The Hon. Robert Brokenshire, the Hon. Kelly Vincent and the Hon. Rob Lucas raised questions and sought additional information about the approved trading system. The approved trading system established under the Gaming Machines Act has two purposes: the first is to enable the transfer of gaming machine entitlements between venues; the second is to remove from sellers one in four gaming machine entitlements, with those entitlements either being cancelled or transferred to Club One. There is no doubt that the initial approved trading scheme was fundamentally flawed because of the price fixed in legislation for the trade of gaming machine entitlements. This fixed price was removed from the Gaming Machines Act in 2011.

In developing the market rules for gaming machine entitlements, the Department of Treasury and Finance employed well-known economic concepts. Four market options were publicly consulted on—bilateral trade, notice board trade, pool trade and periodic trade. These options were assessed against five criteria—low risk, fair, simple, low-cost, transparent and voluntary. The conclusion was the periodic trade model was the best overall model against those criteria. The problem facing the approved trading system is one of excess supply of gaming machine entitlements, that is, there are more sellers than buyers.

I am advised that no change in the trading model would overcome this fundamental problem. It is for this reason the bill includes measures that are expected to increase the demand for gaming machine entitlements. For the purposes of modelling, Treasury and Finance adopted a conservative assumption that 500 gaming machine entitlements would be traded over the forward estimates. These figures were based on observed levels of excess supply at the time of modelling. The outcome could significantly differ from the modelling, depending on how venues respond to the changed regulatory environment.

A key measure to address this excess supply is the requirement for the Adelaide Casino to purchase its gaming machine entitlement from the approved trading system. Given the excess supply present in the market, it would be reasonable to expect that the Adelaide Casino would be able to purchase most, if not all, of the gaming machine entitlements it requires for its expanded Casino.

The government appreciates, however, that SkyCity needs certainty about its ability to procure the entitlements that will underpin its investment in an expanded Adelaide Casino. It is for this reason the bill includes a reserve provision, which allows for up to 300 non-tradeable premium gaming machine entitlements to be purchased by the Adelaide Casino from the government, if these cannot be purchased through the approved trading system, despite the Adelaide Casino's best efforts.

The purchase of non-tradeable premium gaming machine entitlements from the government would not increase the number of gaming machines available for use by the general public. These entitlements can only be used in the Adelaide Casino's premium gaming areas. Nevertheless, the statutory target in the regulations would not change, which means that over time these additional entitlements would be removed through the approved training system forfeiture requirements.

The Hon. Rob Lucas and the Hon. Robert Brokenshire questioned the impact of problem gambling on the proposal to increase the maximum number of gaming machines from 40 to 60 for major gaming venues. The approach adopted by the government is consistent with the view offered by the Independent Gambling Authority. The authority's longstanding position is that the first priority in the management of the reduced number of gaming machines must be reduced by both the number and the proportion of licensed premises within gaming machines. This underpins the

original recommendation in 2003 that continues to be the authority's view, supported by the evidence taken then by the authority and its ongoing observations.

Let me explain the authority's position further. The reduction in the number and proportion of premises with gaming means that there will be more gaming machine-free options for problem gamblers in terms of recreation, and for some people at least the level of intrusion into their lives will be reduced. This leads to consideration of the question of venue size. It is the case that there are well-managed small venues in South Australia where customers are well known and looked after.

However, at the whole of state level those businesses do not have the critical mass to justify the sort of investment in human resources and technology required for the appropriate level of assurance that help will be offered when it is needed. Indeed, with machine numbers of 20 or less the contribution of gaming to a hotel or club business does not bring with it the commercial imperative to deploy the necessary resources. On the other hand, if the venue is host to 40 or more machines, there can be no question that the highest standards of compliance with responsible gambling practice can be called for and expected.

As to venue size, 'super venue' is not an appropriate description for the 60-machine site in the Australian context. In Victoria, hotels and clubs can be licensed to 105 machines. In New South Wales, the nominal cap on clubs is 450, but there are some remarkable sites, with thousands of machines installed before the 450 limit was put in place, while in Queensland the cap on club premises is 280.

The Hon. Kelly Vincent, in her second reading contribution, questioned the government's proposed $5 maximum bet and not a $1 maximum bet. It is the government's view that the maximum bet for non-premium gaming machines at the Adelaide Casino, as well as clubs and hotels, should be reduced. The current maximum is $10 on South Australian gaming machines and is only shared by New South Wales and the ACT. All other jurisdictions have a maximum bet of $5 on gaming machines in club and hotel venues. South Australia does not have a significant market share of gaming machines in Australia. South Australia is not in a position to influence the national market for gaming machines.

A pragmatic to the maximum bet needs to be applied. This bill proposals to do that by reducing the maximum bet from $10 to $5, a point that most other Australian jurisdictions have already implemented. Any consideration below $5 can only really be done in concert with other major jurisdictions.

The Hon. Tammy Franks in her second reading contribution sought assurances that money placed into various funds under the Gaming Machines Act 1992 were being allocated and used according to the policy intention of the council. The Gamblers Rehabilitation Fund receives $3.845 million per annum in gaming machine tax revenue which is used to provide financial assistance towards programs for, or related to, minimising problem gambling or the rehabilitation of problem gamblers. The fund also receives an additional $2 million contribution from clubs and hotels through the Independent Gaming Corporation, and $110,000 from the Adelaide Casino, taking its total contribution to $5.955 million.

Funding recipients include regional, indigenous and culturally diverse gambling help services such as the Southern Adelaide Regional Gambling Help Services, provided by Relationships Australia; the Far North Regional Gambling Help Services, provided by Uniting Care Wesley Port Pirie; the Murray and Mallee, provided by Aboriginal Family Support Services; and the Anglicare Cambodian Service.

The Community Development Fund receives $20 million per annum, which is allocated towards the provision of government health, welfare or education services and to provide financial assistance for non-government welfare agencies and community development. Programs assisted by contributions from the Community Development Fund in 2011-12 included:

- the Contemporary Music Program;
- the Positive Parenting Strategy through Parenting SA;
- the Aboriginal Power Cup;
- Health and Community Care Funded Disability Services; and
- Learning Technologies (incorporating the eduCONNECT service to schools).

The Charitable and Social Welfare Fund receives $4 million per annum, which is used to support the work for not-for-profit charities and community-based social welfare organisations. Organisations receiving funding include:

- the Bethany Tabor Lutheran Parish Incorporated to purchase play equipment to support an outreach centre;
- the Wynbring Jida Multifunctional Aboriginal Children's Services Incorporated to facilitate the purchase of administration equipment;
- the Lions Club of Strathalbyn and District Incorporated to install kitchen equipment to a catering van to provide mobile disaster relief; and
- the Bowden Brompton Community Group Incorporated to upgrade facilities.

The Sport and Recreation Fund receives $3.5 million per annum, providing financial assistance to sporting and recreational organisations that do not have gaming machine licences to facilitate, for example, the purchase of sporting equipment and facility upgrades. Organisations receiving funding in 2011-12 included:

- the Booleroo Centre Tennis Club to assist with the surface upgrade;
- the Cumberland United Women's Football Club to assist with lighting;
- the Forestville Eagles Basketball Club to assist with equipment;
- the Glencoe Social Trail Riding Club to assist with maintenance equipment; and
- the Kaltjiti community to assist with the purchase of sporting equipment.

The allocation of moneys from these funds is, in some instances, published on websites and, in the case of the Sport and Recreation Fund, is subject to the annual scrutiny of the Economic and Finance Committee. Again, I thank members for their contribution.

The Hon. R.I. LUCAS: At the outset, given the proximity of the luncheon break, I wonder whether it would be possible for the government to provide a written copy of the minister's reply to those members who might be interested—I certainly would be and I suspect other members would be; I see nods from other members in the chamber—through the parliamentary staff or the government staff so that we might be able to have a closer look at it.

The Hon. G.E. GAGO: I can provide copies.

The Hon. T.A. FRANKS: Certainly the Greens would appreciate being able to read and digest the responses that the minister has just read out. In addition, I want to raise a further question arising from the minister's answer regarding the variation payment of $20 million from the Casino contained within this bill, which comes with some guarantees of the regulatory framework being settled. My question is: does that regulatory framework also extend to the liquor licence of the Casino, and does it extend to a provision to protect the Casino from any changes, such as the 3am lock-in, that will affect all other licensed premises in the vicinity but not the Casino?

The Hon. G.E. GAGO: I am advised it addresses only those matters relating to gambling and not liquor licensing.

The Hon. J.A. DARLEY: Can the minister advise: the land required for the Casino development, is that to be sold, leased or given to the Casino, and if so, if it is to be leased or sold, would that be at market values? If none of those, can the minister advise what are the arrangements?

The Hon. G.E. GAGO: These questions are completely irrelevant to the bill that is before us today. I have responded about the Casino development in clause 1, so I encourage the honourable member to refer to that section.

The Hon. R.L. BROKENSHIRE: I ask the minister: the Casino tax rate, so I am told, is 10.91 per cent (in the budget papers) for premium gaming machines. Can the minister confirm if it is true that the Casino has announced to the New Zealand stock exchange that it will shift most, if not all, of its machines into the VIP lounge as premium gaming machines to avail itself of the 10.91 per cent tax rate?

The Hon. G.E. GAGO: I have been advised that it is likely that some of the gaming machines will be moved into the VIP room, but certainly not the majority of them.

The Hon. R.L. BROKENSHIRE: I ask the minister, over the lunch break, to find out just what percentage of machines will be shifted. Also, another point that ties in with this, can the minister advise the council what the definition of a high roller will be for the VIP room; that is, is that someone who spends $1,000 a year in the Casino? What are the terms and conditions of people being eligible for that area?

The Hon. G.E. GAGO: In relation to the request for the number of machines being moved into the VIP section, my understanding, or the advice I have received, is that no final decision has been made about that yet, so that is still under consideration. In relation to the question asked about the definition of the high roller, again, I have indicated that the premium customers will be defined as international visitors, tourists and gaming programs, interstate visitors, tourists and gaming programs and local SA residents playing above an agreed annual expenditure threshold and meeting harm minimisation requirements. Customers must be registered members of the approval loyalty scheme and meet certain expenditure, host responsibility and behavioural criteria.

I indicated that further details will be included in the amended approved licensing agreement and will be subject to the approval of the Independent Gambling Authority. At this stage these matters are being finalised under commercial-in-confidence provisions and, obviously, should not be publicly released. However, I can confirm that the expenditure thresholds are significantly greater than the $1,000 which you suggested in your second reading contribution.

The Hon. R.L. BROKENSHIRE: All that does is open an absolute can of worms on this whole debate. Here we have the government wanting to force this legislation through in the next day or two, and yet the same government is just confirming that fundamental questions like who is going to be eligible to go into the VIP room remain unanswered. That will include a significant number, I would suggest, of gamblers (some of whom would be problem gamblers) going in there. Whilst they have ruled out it being $1,000 they are telling us at this point in time that we have to trust them in that there will be some sort of mechanism put in place before the licence is issued.

I have a major concern about that and question the government when it comes to its genuine focus on harm minimisation and trying to prevent problem gambling. Whilst the licence has not been finalised yet, surely the government must have some indication, surely the government has not just signed off on this so-called commercial-in-confidence arrangement without better clarity than that. I ask the minister now or after lunch to come back with some more precise figures.

Given that the Casino has always had a favoured deal compared to clubs and hotels ever since it was sold, I ask the minister to let us know what Treasury has projected will be the amount of revenue going into that VIP area. I think most South Australians, whether they agree with poker machines or not, would be very concerned to think that a government that is so keen to get this facility up and running before the next election would sign off on a contract whereby they will be forgoing revenue that they could have taken at a time when the state is in a desperate financial management position. It will sign off on this and allow the Casino to roll a heap of its income into a lower taxation threshold. To me, that is very bad business. I think we need a better explanation than that after lunch, and I ask for that explanation to be more detailed than saying, 'Trust me, I'm from the government.'

The Hon. G.E. GAGO: I thank the honourable member for pursuing the need for further detail. What I can offer is that officers would be happy to meet with him over the lunch break and provide him with a verbal briefing and update.

The Hon. R.L. BROKENSHIRE: I thank the minister for that, and I will take that offer up after my next meeting at 1 o'clock. However, I think the parliament is also entitled to that information.

The Hon. G.E. GAGO: I have already indicated quite clearly that there are matters that are commercial-in-confidence and I am not prepared to put them on the public record. However, as I have indicated, we can provide verbal briefs with what information we can pass on and then the honourable member can make up his mind as to whether that satisfies his concerns or not.

Progress reported; committee to sit again.

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

ADOPTION (CONSENT TO PUBLICATION) AMENDMENT BILL

His Excellency the Governor assented to the bill.

NATURAL RESOURCES MANAGEMENT (REVIEW) AMENDMENT BILL

His Excellency the Governor assented to the bill.

ANSWERS TO QUESTIONS

The PRESIDENT: I direct that the following written answers to questions be distributed and printed in *Hansard*.

PUBLIC SERVICE EMPLOYEES

89 The Hon. R.I. LUCAS (29 November 2012). For the period between 1 July 2011 and 30 June 2012, will the Minister for Communities and Social Inclusion list—

1. Job title and total employment cost of each position with a total estimated cost of $100,000, or more, which has been abolished; and

2. Each new position with a total cost of $100,000, or more, which has been created?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation): The Minister for Communities and Social Inclusion has been advised that this information can be found in the Estimates Hansard on pages 13-14.

DEPARTMENTAL EXPENDITURE

104 The Hon. R.I. LUCAS (29 November 2012). Can the Minister for Communities and Social Inclusion advise—

What was the actual level for 2011-12 of both capital and recurrent expenditure underspending (or overspending) for all departments and agencies (which were not classified in the general government sector) then reporting to the Minister?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation): The Minister for Social Housing has been advised:

The South Australian Housing Trust (SAHT) is a Public Non-Financial Corporation (PNFC) and is not within the general government sector.

In relation to SAHT, recurrent expenditure in 2011-12 amounted to $755 million, and was underspent by $265 million compared to the revised budget of $1.02 billion.

The largest factor responsible for this was a $251 million underspend on donated asset expense, which was expected to be incurred in relation to the transfer of Nation Building—Economic Stimulus Plan (NBESP) funded properties to the non-government sector. This is an accrual accounting expense item and does not represent cash expenditure. At 30 June 2012 the proper accounting treatment for this transfer was still under review.

Capital expenditure in 2011-12 amounted to $196 million, and was underspent by $51 million compared to the revised budget of $247 million. The largest factor responsible for this was a $32 million underspend on NBESP construction projects, of which $20 million is due to the retention of funds by SAHT to reimburse the value of SAHT-owned land that has been contributed to the program.

GOVERNMENT CAPITAL PAYMENTS

141 The Hon. R.I. LUCAS (29 November 2012). Can the Minister for Agriculture, Food and Fisheries advise—

What was the actual level of capital payments made in the month of June 2012 for each department or agency then reporting to the Deputy Premier—

1. That is within the general government sector; and

2. That is not within the general government sector?

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

State/Local Government Relations): The Deputy Premier has been advised of the following information:

1. Capital expenditure for the Attorney-General's Department was $0.9 million during June 2012.

2. Not applicable.

PAPERS

The following papers were laid on the table:

By the Minister for Agriculture, Food and Fisheries (Hon. G.E. Gago)—

Rail Safety Regulator—Report, 2012-13
Appointments to the Minister's Personal Staff Report prepared pursuant to the Public Sector Act 2009
Regulations under the following Acts—
Community Titles Act 1996—General Variation 2013
Fair Trading Act 1987—
Fuel Industry Code—Display of Prices
Related Acts
Graffiti Control Act 2001—General
Liquor Licensing Act 1997—Dry Areas—
Golden Grove Area 1
Moonta Bay and Port Hughes Area 1—Wallaroo Area 4
Strata Titles Act 1988—General Variation 2013
Rules of Court—
District Court—District Court Act 1991—Civil—Amendment No. 24
Supreme Court—Supreme Court Act 1935—Civil—Amendment No. 22

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

Regulations under the following Act—
Forestry Act 1950—Fees

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

Local Government Grants Commission South Australia—Report, 2011-12

By the Minister for Sustainability, Environment and Conservation (Hon. I.K. Hunter)—

Regulations under the following Acts—
Controlled Substances Act 1984—Poisons
Environment Protection Act 1993—Beverage Container
Wilderness Protection Act 1992—Entry to Zones—Camping
Adelaide Film Festival Charter
Education Adelaide Charter, 2012-13

SELECT COMMITTEE ON DEPARTMENT FOR CORRECTIONAL SERVICES

The Hon. T.J. STEPHENS (14:20): I bring up the report of the select committee, together with minutes of proceedings and evidence.

Report received and ordered to be published.

SELECT COMMITTEE ON DISABILITY SERVICES FUNDING

The Hon. J.M.A. LENSINK (14:21): I bring up the report of the select committee, together with minutes of proceedings and evidence.

Report received and ordered to be published.

ABORIGINAL LANDS PARLIAMENTARY STANDING COMMITTEE

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:21): I bring up the report of the Aboriginal Lands Parliamentary Standing Committee 2012-13.

Report received and ordered to be published.

FRINGE BENEFITS TAX

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (14:22): I table a ministerial statement from Premier Jay Weatherill on changes to fringe benefits tax.

ABORIGINAL REGIONAL AUTHORITIES

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:22): I seek leave to make a ministerial statement on Aboriginal regional authorities.

Leave granted.

The Hon. I.K. HUNTER: Around our state, Aboriginal people are demanding a more open relationship with government and a stronger voice in decisions that affect their lives. Strong governance is essential for effective representation, advocacy, coordination and service delivery. This government believes it is important that we support communities that seek to set their own priorities and policy directions.

We have taken notice of the evidence, both in Australia and internationally, which suggests that community-driven regional governance can deliver tangible benefits to Aboriginal people. This is further supported by experience in our own state, with the Narungga and Ngarrindjeri regional authorities making good progress in establishing a strong community voice in their respective regions.

Regional authorities have the potential to increase community decision-making capacity and ensure improved coordination and cooperation of local Aboriginal organisations and groups. Importantly, they will also generate employment and business opportunities. In the first instance, the government is seeking feedback on a consultation paper that outlines the current thinking on the structure, functions and key deliverables of Aboriginal regional authorities. A five-month consultation process commenced on 4 July 2013, with the first round of written feedback due by 29 August 2013.

I have written to key stakeholders across the state to seek their engagement in the policy development process. The schedule of regional forums is available online at www.aboriginalaffairs.sa.gov.au. A second phase of more detailed engagement will involve the selection of several trial sites and testing of various aspects of the regional authority model with community groups that express a strong interest in the model. Details of how these trial sites will be chosen will be released shortly.

The introduction of the regional authorities model is about establishing more effective representation of Aboriginal peoples at a regional level while growing the capacity of Aboriginal communities to make decisions about their future. At the end of the process, we will use the ideas we have received to develop a new Aboriginal regional authority policy. Sir, I invite you, and any others in the chamber, to review the consultation paper and information booklet, both of which are available online at www.aboriginalaffairs.sa.gov.au.

ANSWERS TO QUESTIONS

CARBON TAX

In reply to the **Hon. D.G.E. HOOD** (1 November 2012).

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations): The Treasurer has been advised:

As part of the 2011-12 Mid-Year Budget Review a central provision of approximately $10 million per annum was established for expected increases in electricity, gas and fuel costs across government from the implementation of the carbon tax.

This provision was largely allocated to individual government agencies as part of the 2012-13 Budget. No other supplementation has been provided to agencies for this purpose.

By nature of the application of the carbon tax and its economy wide impacts, the Government is unable to quantify what additional costs have been incurred by agencies during the

period 1 July to 30 September 2012 that may have been directly attributable to the tax as per the honourable member's question.

QUESTION TIME

VETERINARY TREATMENT

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:27): I seek leave to make a brief explanation before I ask the minister for primary industries a question regarding veterinary science, sheep and sperm.

Leave granted.

The Hon. D.W. RIDGWAY: It is policy of the South Australian Veterinary Surgeons Board that a layperson is not able to conduct laparoscopic artificial insemination for a fee or reward separately or under the supervision of a veterinary surgeon, either if employed or contracted by the vet, as these are deemed to compromise the veterinary treatment under the meaning of the Veterinary Practice Act 2003. However, the opposition has been informed that a lay operator has been given a government licence to charge for conducting laparoscopic artificial insemination.

The opposition also understands that the Veterinary Surgeons Board of South Australia has written to the lay operator at least once, and probably more often, to inform him that he is breaking the law. My questions to the minister are:

1. Is it illegal for a layperson to conduct laparoscopic artificial insemination for a fee or charge in South Australia?

2. Has the minister spoken about this issue to the Attorney-General?

3. Has the minister espoused the virtues of a Victorian lay operator who has been investigated by the Attorney-General's Department?

4. Should a South Australian minister support registered veterinarians who live and work in South Australia ahead of a lay operator from Victoria?

5. Has the minister claimed that the lay operator has 30 years' experience and has trained 80 vets? If so, can the minister substantiate this claim?

6. If the regulations in respect of sheep AI being allowed under vet supervision have changed, when did these changes occur, who made this decision and was the South Australian Veterinary Surgeons Board and the industry consulted and informed of the decision?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (14:29): I thank the honourable member for his most important question. They are issues that have been drawn to my attention in terms of the requirements around laparoscopic procedures. I do not have those details with me. I will need to take that on notice and will be happy to bring back a response at the earliest possible convenience.

BALD HILL BEACH

The Hon. J.M.A. LENSINK (14:29): I seek leave to make a brief explanation before directing a question to the Minister for Sustainability, Environment and Conservation on the subject of Marine Park 14.

Leave granted.

The Hon. J.M.A. LENSINK: Over the past five years, tonnes of dead seagrass has been washing up on the Bald Hill Beach in the state's Mid North, and experts believe the cause is the result of both flows from discharges from the Bolivar Wastewater Treatment Plant as well as some impacts from natural accumulation. Local fishermen have been contacting authorities about the issue. However, no action has been taken. The beach forms part of Marine Park 14. My questions to the minister are:

1. Has anyone from DEWNR visited the Bald Hill Beach to investigate the seagrass death?

2. What action will be taken to address this problem?

3. If the government is not willing to address this particular issue that is affecting our coastal environment, what benefit will the marine park provide when the final management plans are brought into place?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:30): I thank the honourable member for her question, although I must admit it seems to be loaded with a little bit of opinion. I do not know who these experts are but I note that the honourable member herself says that the build-up of dead seagrass is part of the natural accumulation on beaches. That has always been so and always will be so.

I do not know what problem the honourable member alludes to. Of course, she does not give any details about that. If the honourable member likes, I will ask my department about the natural accumulation of seagrass and what causes it. I do understand it is a seasonal occurrence and it happens at this time of year, every year, but, if there is something extra-special happening, I will inquire and get back to her by taking this question on notice.

WATER INDUSTRY ALLIANCE

The Hon. S.G. WADE (14:31): I seek leave to make a brief explanation before asking the minister for primary industries a question relating to Water Industry Alliance funding.

Leave granted.

The Hon. S.G. WADE: During the drought, the small block irrigators exit program was opened in September 2008 and the key objective was to enable irrigators to sell their water entitlements and leave irrigated agriculture. In South Australia, 176 irrigators accepted the conditions of the program and the first of these irrigators will meet the five-year condition not to use this land for an irrigation farming enterprise in December 2014.

The Central Irrigation Trust, based in the Riverland, is calling on the federal government to lift these restrictions so investors can access this irrigation land as part of the $240 million Water Industry Alliance fund. My questions to the minister are:

1. During negotiations with the federal government for the $240 million Water Industry Alliance funding, did the minister discuss lifting the five-year moratorium on blocks which exited the program?

2. Can the minister advise what guidelines are available to assist irrigators to access the Water Industry Alliance funding and, if not, when will river communities be provided with this information?

3. Can the minister advise what interest there has been from investors in terms of purchasing vacant exited blocks?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (14:33): A significant funding package has been made available for the South Australian River Murray Improvements Program that aims to return 40 gigalitres of water to the environment and provide opportunities for regional development and also the reconfiguration and renewal of the South Australian River Murray irrigation industry. The $265 million funding announcement is comprised of:

- $180 million from the commonwealth Sustainable Rural Water Use and Infrastructure program, all of which will be put towards the Water Industry Alliance program;
- $85 million from the South Australian industry futures fund, to be established for research, regional development and industry redevelopment in South Australia, with $60 million of the $85 million to be put towards the Water Industry Alliance program; and
- $25 million towards regional development research and programs in the South Australian River Murray.

The South Australian government continues to work to improve environmental outcomes along the South Australian River Murray, and obviously strongly supports the Water Industry Alliance in its development of the $240 million program. This is a very important investment to assist irrigators to further improve their infrastructure and practices and consolidate our state's position as international best practice irrigators. The proposed program will provide our irrigators with an

opportunity to reward their previous responsible behaviours by investing in the future sustainability of the industry and region.

Indeed, a lot of our negotiations with them were around those matters and that is to ensure that South Australian irrigators were not disadvantaged because of the infrastructure improvements they had made previously, where other states were lagging behind and money was being redirected to assist them with those upgrades, whereas they had been made here. So, our negotiations were around other ways that those moneys might be able to be utilised, for instance, for debt reduction and suchlike. So a great deal of our negotiations were around those sorts of matters. It is my understanding that the intention is to reach final agreement very soon.

The state government will continue to work with irrigators and communities along the river. My agency has carriage of the regional development matters on behalf of the government and will perform work required in relation to those matters relating to economic development and diversification, while environmental works and measures naturally rest with minister Hunter from DEWNR.

In relation to the lifting of restrictions, if I recall, the restrictions were for four or five years, and the advice I have received is that most of those have either expired or are about to expire. So, in fact, those restrictions are no longer or provide very little inhibition or impediment to potential developments for the region. Because they have been in place for such a long time, they have either expired or are about to expire. That issue is no longer operating as a significant impediment. In relation to guidelines, they are being discussed and developed and we are working very closely with the industry in relation to those. There was a question on interest—

The Hon. S.G. Wade: The level of interest from investors in purchasing such blocks?

The Hon. G.E. GAGO: I would have to take that on notice. In fact I doubt that we actually have that information available, but if we can access it I am happy to bring back those details to this place.

REGIONAL DEVELOPMENT

The Hon. CARMEL ZOLLO (14:38): I seek leave to make a brief explanation before asking the Minister for Regional Development a question about regional development.

Leave granted.

The Hon. CARMEL ZOLLO: The minister has spoken previously about the importance of premium food from our clean environment. Can she advise the chamber about assistance to support one type of premium product?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (14:39): I thank the honourable member for her important question and am obviously pleased to be able to talk about one of the ways we have focused our efforts to support this priority. The $3 million per annum regional development fund is a merit-based grant program to deliver on PIRSA's regional development objectives and the government's seven priority areas. It consists of two streams: the first is dedicated to supporting Regional Development Australia committees; and, the second stream, which leverages funds to deliver projects that develop and support the premium food and wine from our clean environment, growing advanced manufacturing or realising the benefits of the mining boom for all priorities of government.

In this context, I am pleased to announce that I have approved a grant of $167,500 to Gemlake from stream 2 of the regional development fund to assist them in establishing a composting business utilising 15,000 tonnes per annum of manure waste generated by the Wanderribby feedlot. This 5,000 head beef feedlot located on a 6,072 hectare property, which hosts both cattle and lambs, was established in the 1990s. It operates to add value and finish this livestock for supply into the premium end of the market, including to Feast! Fine Foods.

The business, which houses stock from a range of beef producer suppliers in the area, has built up the business in branded products. The $580,000 project is set to use proven technology to deal with the waste product while also developing a business to provide composted manure for use by other producers such as vignerons and horticulturalists in the Riverland and Sunraysia regions, and also to farmers in the Upper Limestone Coast region.

The project includes the construction of a one hectare concrete pad ($200,000), as well as installing a compost turner ($90,000) and a screen ($25,000), and will use machinery such as a

front-end loader ($155,000) and a dump truck ($90,000) to manoeuvre the waste. Making a business out of a waste product is obviously a great way to turn a business cost into a benefit and an obvious win-win solution for this enterprise and the regional community, creating an additional three FTE direct jobs, in addition to indirect employment gains.

I understand that the proposal to compost this waste while adding green waste will significantly reduce odour produced by the feedlot as well as help to improve nutrient and moisture levels in cropping soils where the compost is used.

Another benefit of the project proposed by Gemlake is that it aids the ability to expand its enterprise from the current 5,000 to 8,000 single cow units. I understand that Gemlake has begun trials of composting, but the new infrastructure to be installed means that it will be able to use a massive 15,000 tonnes of manure waste a year.

This venture aligns with the government's strategic priority of premium food and wine from our clean environment, as Gemlake not only produces premium beef for Feast! Fine Foods stores, but will now also be re-using its waste in an efficient and environmentally friendly way.

The regional development fund is open to applications from non-metropolitan private sector businesses, industry associations, community organisations, regional local government, and the South Australian non-metropolitan Regional Development Australia (RDA) associations. Applicants may access funding—from $50,000 to a maximum of $200,000—for eligible projects. Proponents are required to complete an expression-of-interest form and successful applicants are then invited to lodge a full application and are required to provide a detailed project proposal for assessment by PIRSA, with input from relevant agencies, before recommendations are provided to me for consideration. I commend Gemlake for the project and obviously look forward to seeing the completion of the operation, which is due around mid-2014.

MURRAY-DARLING BASIN PLAN

The Hon. M. PARNELL (14:43): I seek leave to make a brief explanation before asking the Minister for Water and the River Murray a question about the Murray-Darling Basin Plan.

Leave granted.

The Hon. M. PARNELL: On the last day of sitting, in response to a Dorothy Dixer question, the minister congratulated his government on securing an additional 450 gigalitres of water under the Murray-Darling Basin Plan, bringing the total commitment to 3,200 gigalitres. I asked the minister back then by way of a supplementary question: is the additional 450 gigalitres that he referred to guaranteed or is its inclusion in the plan better described as an aspirational target? The minister replied:

> ...I can advise that the 450 gigalitres has been locked in as a result of our Premier campaigning for a better outcome for our state.

I am going to try again. My questions to the minister are: is the guaranteed minimum figure of 3,200 gigalitres included in the commonwealth legislation and, if so, where, and can he name the section? Secondly, if the 3,200 gigalitres is not included in the legislation and the only guaranteed figure is the original 2,750 gigalitres, how can the minister assure this council that the water will actually be delivered to South Australia?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:45): Let me try to help the honourable member once more, and I thank him for his most important question. As I have said many times before in this place, and as I am quite likely to say many times into the future, given the tangent of these questions, the final Murray-Darling Basin Plan represents a fantastic and significant victory for South Australia. The Premier and the former minister for water and the River Murray led a successful campaign. The Hon. Jay Weatherill led a successful campaign that united our state, which brought together government, irrigators and Riverland communities and led to significant changes to the draft plan. Our demands, as always, were based on the best available science, and I will repeat that phrase ad nauseam because it was, which shows—

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

The Hon. I.K. HUNTER: The best available science is the only thing that rational governments can base their decisions on, the Hon. Ms Lensink—which shows that 2,750 gigalitres was insufficient for the health of the river and that 3,200 gigalitres was required to ensure the

health of the basin. Those opposite begged us not to push for a better deal for the state, they continue to cavil at such a thing and they won't stand up for South Australians. They are supinely prepared to go with whatever the Eastern States, or indeed their federal counterparts, demand of them, but that is not what happens in South Australia. We will stand up for the state and we will continue to do so.

Members opposite were prepared to accept a plan which would have failed to ensure the health of the river and they would have tried to have sold that to the state as being a positive outcome. Of course, they deserve to be seen for what they are: supine, absolutely lacking in backbone, refusing to stand up to their party at the federal level, refusing to stand up to their party in the Eastern States governments and they will never ever stand up for South Australia.

Throughout the development of the Murray-Darling Basin Plan the South Australian government actively championed the interests of the River Murray and its communities, seeking a level of water recovery that ensures a healthy river system, restores environmental values and provides for viable and productive industries and communities into the future. The Premier established the Murray-Darling Basin Plan task force, comprised of key ministers, chief executives from across government, as well as the chief scientist and the chair of the Goyder Institute for Water Research, to oversee the coordination of the state's response to the basin plan.

The task force led to the development of the state government's policy positions and formal submissions on the basin plan based on science, expert policy analysis and community input. The government made four formal submissions on the various iterations of the draft basin plan, as well as submissions to five related parliamentary inquiries. Did the Liberals opposite make any submissions to parliamentary inquiries at a federal level? How many did they make? I am not aware they made any. I am not aware they made a single submission.

Members interjecting:

The PRESIDENT: Order! The minister has the call.

The Hon. I.K. HUNTER: Clearly, the accusation that the Liberal Party in South Australia stands for nothing has hit home. Importantly, the government undertook significant community industry engagement, including the Fight for the Murray campaign, which saw over 19,000 people pledge their support, attracted over 28,000 followers through Facebook and Twitter and resulted in over 5,000 letters demanding a better plan be sent to the Prime Minister. These efforts, the efforts of the whole community of South Australia, absent those opposite, delivered a better basin plan for our state.

Everyone who was involved in the campaign—river locals, South Australians concerned about the future of our most important natural resource—deserve our congratulations. They achieved a great win for South Australia, including complementary commitments that will support improved environmental, industrial and community outcomes in South Australia, as well as basin wide. There is now a commitment to return more water to the River Murray so that environmental outcomes consistent with recovering 3,200 gigalitres of water can be achieved. This is written into the basin plan.

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

The Hon. I.K. HUNTER: Again, the Hon. Ms Lensink cavils about the use of science. She says science doesn't matter. You make a statement; don't worry about backing it up with scientific information. Should scientific information enable you to do it more efficiently or come up with a different answer, she says ignore it. That's not how we operate, Mr President.

The plan includes improved salinity targets and minimum water level objectives for the River Murray below Lock 1. The plan requires the authority to develop a constraints management strategy to remove constraints to successful environmental water delivery. I am advised that $1.77 billion in commonwealth funding has been committed to recover the additional 450 gigalitres of water required to achieve 3,200 gigalitres of water recovery and to address constraints.

I do not know what other guarantee the honourable member wants in the answer to his question. The commonwealth has put $1.77 billion on the table to guarantee this water. I think that is probably worth a lot more than something that the honourable member says he wants in writing—$1.7 billion of commonwealth money is on the table to find that extra water.

MURRAY-DARLING BASIN PLAN

The Hon. M. PARNELL (14:50): I have a supplementary question in light of the minister's answer. What happens to this allegedly locked-in amount of 3,200 gigalitres if there is one or more change of government between now and the expiry of the plan in 2024, if it is not locked into legislation?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:50): The honourable member seems to have an unfortunate view of what might happen at the federal election. I don't think there will be a change of government.

Members interjecting:

The PRESIDENT: Order!

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

The PRESIDENT: Order! The Hon. Ms Lensink, order!

MORIALTA CONSERVATION PARK

The Hon. K.J. MAHER (14:51): My question is to the Minister for Sustainability, Environment and Conservation. Will the minister inform the chamber about additions of land he recently announced to one of Adelaide's favourite conservation parks, the Morialta Conservation Park?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:51): I am very pleased to take this important question from the honourable member who, I know, bikes up and down conservation parks in his spare time.

The Hon. J.M.A. Lensink: Have you been hiking there?

The Hon. I.K. HUNTER: I don't know about hiking, but biking is what he does. It gives me great pleasure to report to the chamber that on 15 July this year I announced the addition of more than 51 hectares of land to the Morialta Conservation Park.

Morialta Conservation Park, as the honourable member correctly states, is one of Adelaide's favourite conservation parks. Nestled in the foothills of the suburbs of Morialta and Rostrevor, the park stretches up through the Hills to Montacute. The park itself is not only a valuable green space for nearby residents and those who come to enjoy the park but is also an important habitat and reserve for fauna and flora.

Koalas, echidnas and all manner of skinks and lizards can be seen at Morialta regularly, plus a wide variety of native birds, including the superb blue wren, the yellow-tailed black cockatoo and, I am advised, the occasional kookaburra. On the flora front, stringybark, pink gum, blue gum, red gum and manna gum can all be seen at Morialta. In the months of spring, I am told that the wild bush flowers of the *Acacia pycantha* and the *Senecio quadrientatus* can be seen in abundance along the tracks. In the wetter months, Morialta's three levels of waterfalls and the associated walking trails provide a great experience of the natural environment and are a favourite haunt of photographers.

Morialta has been a public reserve since 1915, following the donation of 218 hectares of land by John Smith Reid in 1913. Since then, countless South Australians and visitors from across our nation and overseas have visited this park for bushwalking, birdwatching, rock climbing, picnicking and general recreation activities.

That is why I was pleased to announce just a few weeks ago this important addition of land to the park that included former crown lands and roads that were established as far back as the 1840s, I am told, and a portion of private land that was acquired for the purpose. This addition of land means that the park is now over 580 hectares in size, or more than double its original size and, most importantly, it all now falls under the protection of the National Parks and Wildlife Act 1972.

This is great news, and I am pleased to advise that this addition has been widely supported by the local community and, in particular, by the Friends of the Black Hill and Morialta Conservation Parks volunteer group, who have for a long time been committed to the park's protection, its health

as an ecosystem, and its value as a recreation space for the people of Adelaide. I want to congratulate all those involved with this process and commend their efforts to this chamber.

PRISONERS, DRUG ADDICTION

The Hon. D.G.E. HOOD (14:54): I seek leave to make a brief explanation before asking a question of the minister representing the Minister for Health and Substance Abuse about the treatment of drug-addicted prisoners.

Leave granted.

The Hon. D.G.E. HOOD: A recent freedom of information request about methadone and the treatment of prisoners specifically revealed that 14 per cent of all South Australian prisoners are on methadone or Suboxone treatment for opioid addiction currently. The request also revealed that SA Prison Health Services do not even keep records of the number of prisoners who have become drug free through such programs. It appears that there is no plan other than to continue with methadone or Suboxone treatment indefinitely, thus maintaining the addiction to opioids when prisoners leave gaol. My questions to the minister are:

1. Has SA Prison Health Services considered the option of using the highly-controlled environment of prison to overcome drug addiction of prisoners before their release in a medically supervised manner?

2. Does the minister accept that imprisonment presents the ideal opportunity to overcome drug addiction in prisoners and that this opportunity is indeed one that should be used appropriately?

3. For long-term prisoners in particular, such as those serving, say, 10 years or more, does the minister consider that it is better for the prisoner to become drug free over that period during the term of imprisonment rather than maintain their addiction to opioids through methadone or something similar?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:55): I thank the honourable member for his important questions and undertake to take those questions about methadone treatment of prisoners to the appropriate minister in the other place, being the Minister for Health and Ageing, I think.

DEPARTMENTAL EXECUTIVES

The Hon. R.I. LUCAS (14:56): I seek leave to make an explanation prior to directing a question to the minister representing the Premier in relation to chief executive contracts.

Leave granted.

The Hon. R.I. LUCAS: The issue of the contract for the new chief executive for the Department for Education and Child Development has attracted some public attention in the last couple of weeks. An inspection of Mr Harrison's contract at the Commissioner for Public Sector Employment's office this morning and a comparison with the equivalent contract for Mr Keith Bartley, the previous chief executive officer, reveals a number of significant differences.

Mr Harrison's contract is for five years, while Mr Bartley's was for four; Mr Harrison must be given at least six months' notice about any intention by government to reappoint him, whereas Mr Bartley only had to be given five months' notice; and there is a significant difference in the termination provisions of Mr Harrison's contract. Mr Harrison's contract says:

> The Chief Executive shall not be entitled to any termination payment if he has a right to return to other employment in the South Australian public sector or if the appointment is terminated to enable him to be appointed to other duties in the South Australian public sector (whether under Section 36 of the Act or otherwise) or if his employment is terminated under Clause 10.1(a).

Clause 10.1(a) refers to termination where a chief executive becomes bankrupt or becomes an MP or does paid work without the consent of the minister, etc.

The contracts, however, are similar in terms of the total salary paid; that is, Mr Harrison is to receive a pay increase of just under $100,000 from his previous position (he is to be paid $387,722, to be precise), even though he has, as has been publicly acknowledged, no educational background compared to the comprehensive and significant educational background of Mr Bartley, who had been headhunted by Premier Jay Weatherill of the Jay Weatherill Labor government variety. My questions to the minister representing the Premier are:

1. Can the Premier indicate why Mr Harrison commenced work without an agreed and signed contract between himself and the Premier? The contract that was sighted this morning was only signed on Friday 19 July 2013.

2. Has Mr Harrison resigned from SAPOL and, in particular, does he have the right to return to SAPOL if his position as chief executive is terminated? In particular, I refer the Premier to the provision in his contract that says 'if he has a right to return to other employment in the South Australian public sector'. That particular provision was not in the contract of Mr Bartley and is a different provision to the standard provision.

3. Why does Mr Harrison's contract require him to be given at least six months' notice about any intention to reappoint him compared to Mr Bartley only having to be given five months?

4. Given that Mr Harrison has acknowledged to have had no educational background at all, why is the Premier prepared to pay him $387,722, which is exactly the same remuneration that was paid to Mr Bartley, who had a very significant and comprehensive educational background, according to the Premier?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (15:00): I thank the honourable member for his questions and will refer them to the relevant minister in another place and bring back a response.

OODNADATTA AERODROME

The Hon. R.P. WORTLEY (15:00): I seek leave to make a brief explanation.

Leave granted.

The Hon. R.P. WORTLEY: As all the members in this chamber realise, this government takes a lot of time and effort to ensure that rural and outback Australia feel part of the South Australian community. In doing so, many of the members and the minister in particular, the Hon. Ms Gago in her capacity as state/local government relations minister, spend a lot of time out there talking with those communities in the outback. We are all probably sad to hear that Mr Adam Plate, who was an identity up there at Oodnadatta, unfortunately was killed in a rally in the Adelaide Hills not too long ago. Can the minister advise us of the recent naming ceremony that took place at the Oodnadatta aerodrome?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (15:01): I thank the honourable member for his most important question. The Hon. Russell Wortley spent a great deal of time also in regional and outback South Australia. On Friday 24 August, a very well-known and highly respected outback resident, Adam Plate, was tragically killed while participating in a Targa car racing rally. I guess we can take some comfort in the fact that he died doing something that he was extremely passionate about—he loved racing cars—but nevertheless it was a very sad loss indeed.

Many of you here in this chamber, and I know those in another place, would be well aware of the significant role that Adam Plate played in the Oodnadatta community, not just through the operation of the Pink Roadhouse with his wife Lynnie and his daughters Alice, Tilly and Ruby, but also through his very determined and persistent advocacy for Oodnadatta and the outback areas. In fact, many of us received emails from Adam Plate, and they were always very demanding. He was certainly not shy about coming forward and outlining what he thought the problems were and what he believed needed to be done to fix those problems. He was extremely persistent; he was a ferocious advocate for the outback.

Over the four decades that both Adam and Lynnie resided in Oodnadatta, they earned a reputation as passionate advocates for tourism development and also improvement of services and amenities across outback Australia. I know that I and other honourable members received numerous communications from him wanting improvement either for Oodnadatta or the surrounding region. He was a dogged campaigner, and when Adam had an idea for improvements in Oodnadatta, he certainly was not shy in letting everyone know about that.

There was never any ambiguity as to where Adam stood on an issue or his determination to get the best out of his community. He was certainly a legend in his own lifetime. As I said, he and Lynnie were renowned for their Pink Roadhouse and also the pink Volvo that he painted that he would use to collect people from the airstrip and give them a personal tour around his town of

Oodnadatta. He was very proud to show it off. He wanted people to better understand what it was like to live in the outback and he also wanted more people to engage with people from the outback so that they knew and understood the characters that lived there.

He also was quite famous in having the road from Marla to Marree named as the Oodnadatta Track and, with the help of community members, he established potentially lifesaving UHF radio towers through the region.

Adam maintained and managed the Oodnadatta aerodrome for over 20 years, helping to guarantee that it remained open and provided access for emergency services, locals and visitors. He was singlehandedly responsible for preparing the gravel strip of the aerodrome for its annual Air Services inspection and for maintaining its basic infrastructure, such as its lights, cones, drainage, and suchlike. If the airstrip lights were to fail, it was always Adam who everyone called on and he would go out and do whatever it took to resolve the issue and ensure that incoming traffic were able to land safely.

He dedicated endless hours working and caring for that airstrip and he was very proud of it. He was proud of it because he understood what an airstrip like that meant to an outback community, how it was a lifeline not only for visitors and tourists but also for essential and emergency services.

The aerodrome is an important transit stop for private and commercial light aircraft and it is a centre for scenic flights, particularly over Lake Eyre and surrounding areas. It is used, obviously, by the Royal Flying Doctor Service for medical clinics and patient transfers, as well as medical emergency evacuations and, of course, that is important for a township that does not have a local doctor. It has about 50 stops at the airstrip each year.

It was significantly refurbished in 2012. It was sealed under the Australian government's Remote Aerodrome Safety Program, with the project jointly funded by the federal Department of Infrastructure and Transport and the South Australian Department of Planning, Transport and Infrastructure. The sealed airstrip now provides for 24-hour, almost all-weather, access and, as I said, it is a critical lifeline to the community and for other people in that region.

For these reasons it was, indeed, considered most fitting and proper that the aerodrome be dedicated to his memory, and I was very pleased to have been invited to speak at the naming ceremony at the Oodnadatta aerodrome, which we named after Adam Plate, on Friday 12 July. The naming ceremony was just a wonderful event for the Plate family, friends and the Oodnadatta community and outback residents to come together to pay tribute to the enormous legacy that Adam has left behind. I would advise that there were hundreds of people there in attendance. I could not believe it; they just really came out of the desert. It was quite remarkable and they came out there to mark the occasion, albeit in somewhat windy conditions.

It was a wonderful community celebration with memories and stories of Adam being shared amongst those who knew him best. The contributions that Adam made to the Oodnadatta community will continue to be remembered well into the future and he has already become an important part of the history of that town and that area and the South Australian outback.

SOUTH AUSTRALIAN SCHOOL FOR VISION IMPAIRED

The Hon. K.L. VINCENT (15:09): I seek leave to make a brief explanation before asking questions of the minister representing the Minister for Education regarding the South Australian School for Vision Impaired.

Leave granted.

The Hon. K.L. VINCENT: The South Australian School for Vision Impaired (or SASVI, as it is known) is the state's specialist educational institution for young people with vision impairment. There are, according to information released to me under the Freedom of Information Act, currently 27 teachers at SASVI. In January this year, 29 SASVI staff attended the South Pacific Educators in Vision Impairment Biennial Conference held at the Rendezvous Hotel in Auckland, New Zealand. My questions to the minister are:

1. Who paid for the travel, accommodation and conference registration of this trip?
2. Was the minister aware of the travel of these employees?
3. Who approved the travel of the SASVI staff?
4. What was the registration cost per delegate?

5. How has the conference directly benefited South Australian children with vision impairment?

6. Did any DECD departmental staff attend the conference?

7. Did any partners and/or family members accompany staff to the conference? If so, were any accommodation costs paid by DECD recovered from SASVI staff, partners or family members?

8. Did SASVI staff produce a report based on their attendance at the conference? If so, who can access that report?

9. Will DECD or SASVI be sponsoring a visit to Australia by Mr Patrick Pink from the Homai College in New Zealand? If so, when, at what cost, and for what purpose?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (15:11): I thank the honourable member for her important question about travel costs and conference registration for a conference in New Zealand for staff of the South Australian School for Vision Impaired. I undertake to take those many questions on notice to the minister in the other place and bring back a response.

EDUCATION AND CHILD DEVELOPMENT DEPARTMENT

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (15:11): I table a ministerial statement made in the other place by the Minister for Education and Child Development regarding the appointment of the chief executive of DECD and an update on the Debelle recommendations.

QUESTION TIME

AGRICULTURAL EXPORTS

The Hon. J.S. LEE (15:11): I seek leave to make a brief explanation before asking the Minister for Agriculture, Food and Fisheries a question about exporters in the agricultural sector.

Leave granted.

The Hon. J.S. LEE: Many exporters have contacted my office raising concerns about the lack of support by federal and state government. The Export Market Development Grants (EMDG) legislation has been presented in the federal parliament which will introduce changes that will significantly impact on business operation for exporters. Feedback collected in consultation with industry and the Export Council of Australia indicates that the number of exporters accessing the scheme will drop. The level of complexity will increase, with increased compliance costs to be borne both by the exporter and Austrade in administering the scheme.

It appears that the EMDG Amendment Bill is bringing uncertainties for exporters involved in international trade, and South Australian companies are concerned about the staggering reduction of investment in our regions. As they have pointed out, the state budget for regional development and primary industries will spend $79.7 million this year compared to $96.6 million last year.

According to the exports data that the Australian Bureau of Statistics released on 3 July 2013, exports have continued to decline in April and May and, over the previous 12-month period, South Australian exports fell a staggering 8.6 per cent. My questions are:

1. Has the minister consulted with South Australian exporters in the agriculture, food and fisheries sectors regarding the impact of EMDG new changes on their business operations?

2. The agricultural sector is one of the most important export revenue earners for our state. What strategies will the minister introduce to provide certainties for South Australian exporters in the agricultural sector?

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (15:14): I thank the honourable member for her important questions. Indeed, when we go to the 2011-12 Food ScoreCard, we see that, in fact, there have been significant gains made in much of our activity, including our exports.

For instance, gross food revenue has increased by $442 million, which is a 3 per cent increase, to reach record levels of $14.3 billion. Finished food values have grown by around $200 million, a 4 per cent increase, to reach record levels of $4.9 billion. Total overseas exports exceeded the record levels of 2010-11 by $207 million, a 6 per cent increase, to reach a record $3.7 billion. The value of Australian food exports increased by nearly 12.3 per cent, to $30.5 billion. South Australian food retail and food service sales grew over $300 million (4 per cent) to reach a record of $8.7 billion, and the value of food and liquor retailing in Australia grew by 4.2 per cent in 2011-12, to $135.8 billion.

Our food imports rose $74 million, 10 per cent, which is obviously in response to the high dollar, and the South Australian food industry and their value chains represent almost one in five or 17.8 per cent of the state's employed workforce. In the last 20 years, real growth in South Australia's agriculture, forestry and fisheries sector has averaged 4.1 per cent per annum. Over the same period, South Australia's total economy averaged a real growth of 2.8 per cent per annum. Nationally, the increase was about 3.5 per cent.

In 2011-12, the agriculture, forestry and fishing sectors contributed 5.8 per cent of the state's economy. I could go on. I find it interesting that the opposition continues to look only at those negative things. They fail to ever refer to the enormous achievements we make in this state, the hard work of our primary producers, the largely small to medium-size family businesses that devote their life's work to these activities and achieve a great deal. It is a real shame that the opposition continues to come into this place only pointing at the negatives.

Our Wine ScoreCard, gross wine revenue, increased by $26 million (1 per cent), to reach $1.75 billion. Grape production values increased by 17 per cent, to $421 million following a 2 per cent increase in volume, to just over 698,000 tonnes, and an increase in average farm-gate grape prices, from $528 per tonne to $603 per tonne—up 14 per cent. Wine making values increased by 5 per cent, local consumption values increased by $23 million, and interstate sales and stocks increased by $65 million. I could continue to go through our horticulture, our exports in 2011-12 totalling $118 million for citrus and almonds, being key exports, our livestock, our grains—there are so many areas in relation to our primary products in which we continue to achieve a great deal and are doing reasonably well overall in terms of exports.

We continue to do work here in South Australia in assisting industries to seek and develop new markets. We are doing a great deal of work I have reported in this place on a number of occasions, particularly the work in China, where we have burgeoning middle-class growth, consumers who are looking for premium quality products of high food safety, good quality assurance standards and good environmental standards. That is exactly the sort of produce we have here. We know that South Australia is not renowned for cheap bulk commodities. What we are best at is premium quality, safe primary produce.

PLASTIC SHOPPING BAGS

The Hon. G.A. KANDELAARS (15:20): Will the Minister for Sustainability, Environment and Conservation provide an update to the chamber of the operation of the plastic bag ban within South Australia?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (15:20): I thank the honourable member for his most important question and for his ongoing interest in this important environmental initiative. As you are aware, Mr President, South Australia became the first state in Australia to ban checkout style, single-use plastic bags in May 2009. In fact, I recall that it was led by my colleague and leader, the Hon. Gail Gago, when she had the portfolio. She led the campaign to introduce the ban and, despite some opposition, she prevailed. It was a fantastic public policy initiative that she initiated and one of which we can all be very proud.

Four years on, switching from the single-use bags to the more durable, multiple-use bags, which are also biodegradable, I am told, has had a dramatic effect on our environment. It is now estimated that, as a result of this ban, there are 400 million fewer plastic bags in South Australia every year. That is a fantastic outcome and I congratulate minister Gago on that public policy achievement.

This has obviously reduced the amount of our waste going to landfill and the amount of litter in the form of plastic bags in our land and marine environments. It has also reduced the use of energy and water and other materials that are required in the production of plastic bags. It has also

caused a significant drop in the number of plastic bags entering our land and marine environment as litter.

Following the introduction of this ban, major supermarkets complied quickly by stocking the more durable biodegradable bags. Recent research commissioned by Zero Waste into the consumer choice of plastic bags identified that a high level of consumers were taking their own re-usable shopping bags to grocery stores. I am told that almost seven in 10 shoppers come prepared.

Consumers are adept at estimating the number of bags needed for larger shopping trips, therefore reducing the need to purchase any more bags at the store. Green bags were also, I am told, the most popular bag to take shopping, with almost eight in 10 shoppers possessing at least one green bag, although I think I possess about eight or 10 'Steph Key for Ashford' bags, which are purple, and about eight or nine 'Grace Portolesi for Hartley' bags, which are dark blue—but that is just me.

Members interjecting:

The Hon. I.K. HUNTER: I buy a lot of broccoli and a lot of vegetables. Three in 10 grocery shoppers said that they recycle shopping bags through a grocery store rather than send them to landfill, and that is a positive finding. Lastly, I understand that there is enduring support for the plastic bag ban but less support, I am told, for extending the ban to the more durable plastic bags that you might get at a department store when you purchase something.

In light of the success South Australia has had following the plastic bag ban, I am pleased to advise that other states and territories are beginning to follow suit. The Australian Capital Territory was the first off the ranks in December 2010, passing legislation banning plastic bags, which commenced on 1 November 2011, I am advised. The Northern Territory parliament was next, passing legislation in February 2011, which commenced on 3 January this year. I can now also advise that the Tasmanian parliament passed legislation on 30 May to ban plastic bags, with the ban to take effect from 1 November.

It is my belief that these developments following on from the Labor government's lead in South Australia will bring us closer to seeing a consistent national approach to the use of plastic bags and the eventual nationwide banning of this extremely wasteful and environmentally damaging single-use bag. The leadership and knowledge within South Australia has been a resource for these other jurisdictions as they begin to both consider the ban and educate their communities about its operation.

I can advise that officers from my department have been consulted by their interstate counterparts and have been happy to lend a hand where necessary. Information from the South Australian website, www.byobags.com.au, has been used by the Northern Territory government and, more recently, we have provided advice and support to the Tasmanian government.

This is another great example of the truly great South Australian tradition of leading the way on social and now environmental reforms. I welcome the decision by Tasmania to follow in our footsteps and I am looking forward to other jurisdictions following suit into the future. Once again, I have to say how very proud I am, as a South Australian, that we were leading this great social change, policy change, and that it was my leader, the Hon. Gail Gago, who led this campaign in this place and in this state and achieved this fantastic outcome, which is being emulated across the country.

Further, a review of recycling activities in South Australia, I should advise, is undertaken annually by Zero Waste SA to guide activities and programs and to monitor the progress of South Australia against targets in South Australia's Strategic Plan and South Australia's Waste Strategy 2011-2015. The latest report of 2011-12, shows that South Australia remains a strong performer in recycling and the recovering of resources.

The Hon. G.E. Gago interjecting:

The Hon. I.K. HUNTER: We are, and in this one instance I am happy to extend the hand of bipartisanship across the aisle and invite members opposite to enjoy the leadership that this state—

The Hon. S.G. Wade interjecting:

The Hon. I.K. HUNTER: No; to enjoy the leadership that this state provides to the country in so many other areas, but particularly environmental initiatives. We shouldn't be backward about

saying, across the country, that South Australia does have a different approach to these policy developments. We can lead because we have the sort of attitude in this state where we are prepared to go out and make some hard decisions, to sell those policy initiatives and to get the community on board, and with remarkably little partisanship, I think, in these situations we can push these initiatives through our community by working with industry and other levels of government.

I think we can all be proud of that. I am certainly proud of the actions of my leader, the Hon. Gail Gago, in initiating this wonderful change in recycling policy. Honourable members don't have to go quite so far, but they can, I think, be proud that South Australians are leading again in terms of environmental issues and recycling in general. I am very proud to advise the chamber of this update.

APPROPRIATION BILL 2013

Adjourned debate on second reading.

(Continued from 4 July 2013.)

The Hon. D.W. RIDGWAY (Leader of the Opposition) (15:28): I rise to speak to the Appropriation Bill 2013. Every fortnight, some South Australians are lucky enough to have a job in the state with the highest unemployment in the mainland. Australians get their wage or salary and, usually, every month or fortnight they pay their bills. Some families have housing or car loans, there are water bills, electricity and gas, registration, rates, taxes and levies, groceries and school fees.

Most people live within their means, but not this government. If this government was a family unit the debt collectors would have come knocking at the door long ago. South Australia's total government debt is expected to reach 75 per cent of the state's income within three years. By then, we will be paying about $750 million a year in interest on that debt. Taxpayers will be paying more interest every hour than a typical family earns in a year.

It is not as if ordinary South Australians are not fattening the government coffers; we are. We are paying more in state taxes than anyone else in this great country. Adelaide has the highest capital city water charges in Australia. Land tax is charged at 40 per cent above the national average. Stamp duty is 27 per cent above the national average. Insurance duties are one and a half times the national average. So, where is the money going that the government collects from the taxpayers? It is squandered: squandered on things like a desalination plant and building an inner-city hospital that we cannot afford while neglecting rural health.

The real problem, of course, is that our state is falling further and further behind the other states. Last year, the national economy grew seven times faster than South Australia's. Under Labor, our economy is forecast to grow below the national average for each of the next five years. Under Labor, population growth will lag behind the other states.

Under Labor, unemployment will remain above the national average over the next five years. Under Labor, export growth will be below the national growth in each of the next five years. If South Australia had kept pace with the national jobs growth under Labor there would be 41,000 more jobs in this state today. These are the real issues in the budget before us today.

In response, the Premier and Treasurer have slashed spending and support for the few initiatives in South Australia with the capacity to haul us out of this economic quagmire. The government is attacking the Tourism Commission with a financial chainsaw and the few dollars that are left are not being spent wisely.

There is no guarantee, for example, that the government will maintain the Visitor Information Centre past March next year. The minister has no idea where such a Visitor Information Centre will be relocated. In fact, in estimates just recently in the other place, the minister was unable to answer if there would be a city based Visitor Information Centre and where it would be likely to go. Labor has also cut the Sell SA program, leaving regional visitor information centres with no assistance, training or program support. They say they have a vision for South Australian tourism but, in fact, they have nothing but cuts.

The Adelaide Convention Centre is costing us $91 million this financial year. There is no plan to guarantee that the redevelopment will attract bigger events and conferences to boost our South Australian economy. In fact, there is no bid fund to attract conferences or events. Unlike every other capital city and every other state that has a convention centre, they have a dedicated

bid fund where they can bid for international and national conferences. We do not have any and we do not have any conferences.

The minister is relying on a Chinese soap opera, Facebook, Twitter and taxpayer-funded trips to mainland China—and I quote—'To build relationships.' In actual fact, the minister is burning taxpayer funds to trot the globe before he and his government are tossed out next March. It is his odyssey but, unlike Ulysses, who travelled for 10 years, the Hon. Leon Bignell is trying to see as much of our planet as he can in under 10 months, eating and drinking his gluttonous way through France, Hong Kong, Shanghai, Beijing and London before the election.

Meanwhile, he has cut industry assistance by $2 million and there is nothing in the budget for regional tourism. By the minister's own admission, he is lashing out $6 million to promote Kangaroo Island and $6 million to promote the Barossa Valley over the next 18 months, while doling out a miserable $10,000 to $30,000 of direct investment in the 11 regions. While the commission has been cutting staff, its wages bill has actually been going up. Fewer people getting more money—that is the minister's formula: the nests feathered by the preening peacocks.

However, that same minister cannot give a breakdown of the costs of the redevelopment of the commission's website or the number of potential visitors who visit the website. The minister does not know the number of tourists visiting his own departmental website and the SATC's very own mobile app does not even have the new $1.3 million SA logo. The minister refuses to disclose how much major events like the Tasting Australia cost taxpayers in his and every other electorate, despite the fact the event remains a budget target.

Speaking of food, Labor's attitude to primary industries is more famine than feast. Food, wine and fibre make primary production South Australia's largest export industry and the most important contributor to the state's economy. So what is Labor's response? Labor's budget cuts spending on primary industries by almost $6.5 million. Its supposed premium food and wine innovation clusters are a battleground in the turf war between the minister for primary industries and the Minister for Manufacturing, Innovation and Trade.

Agricultural research, which should make South Australia a world leader, is now a low priority under Labor. At the South Australian Research and Development Institute (SARDI) more than one in every 10 jobs will disappear in this budget. It is an adage that one reaps what one sows but Labor is a grim reaper sowing the seeds of discontent and failure. These cuts have been going on for years. In the long list of failed Labor primary industries ministers two names stand out: the incumbent and the 'indumbent'.

In 2010, minister O'Brien actually defended the government's decision to cut 179 jobs from Primary Industries and to reduce spending on agricultural research and development. He was proud of the fact that 100 jobs went from Rural Solutions and he boasted that the cuts within the department of primary industries had been going on for years.

In 2008-09, 100 positions were cut with the expectation that 200 full-time jobs would go by 2013-14, but Mr O'Brien gave the promise three years ago that PIRSA would still be employing 1,200 people this financial year. The budget papers show that there are fewer than 900 full-time jobs in PIRSA today.

Under the current minister, the government has again let down rural South Australia. As Primary Producers SA chairman Rob Kerin put it, Labor's cuts to PIRSA in this budget follow a decade of cuts and leaves the department with nowhere near enough resources to fulfil its roles. Mr Kerin said:

> Given the downturn in manufacturing and the volatility of mining, the government needs to invest in primary production through R&D, biosecurity, and ensuring our products are promoted to the emerging markets.

Labor heard those wise words and then slashed PIRSA's budget from $89 million to $77 million, including $4 million less for SARDI.

We hear the tourism minister talk with his mouth full when he says premium food and wine is a state priority and, in the government's next breath, the primary industries minister decreases investment in the industry. Regional South Australia is the powerhouse of our economy, but the government would not be able to find regional South Australia without looking on a sat nav.

When the South-East was reeling with uncertainty over the government's forward sale of the forests, the minister stayed in her Adelaide bunker refusing to meet with foresters, community

leaders or the public. Instead she cowered in her ivory tower—on the ninth floor of Terrace Towers, to be exact—and dreamed up new ways to create havoc out of harmony.

The minister has set up the Forest Industry Advisory Board to duplicate the work already done by the board of ForestrySA, and the Forest Industry Advisory Board chair, an old Labor union mate, is collecting $50,000 a year on a so-called attraction and retention allowance. That is an average Australian's yearly salary, which the Labor-appointed chair gets as an attraction on top of his board fees.

The Forest Industry Advisory Board has practically no members who live in South Australia. It is stacked with Labor mates. It costs money to run, of course, and it is money snatched from legitimate programs which could have helped the South-East and the state in general. It could have kickstarted a biofuels program using the wood waste. You do not have to be a rocket scientist to know that we have one million tonnes of surplus fibre in the South-East.

The logical solution is to put it into a biomass power station. There are people down there who have been wanting to do it for a decade, yet this government spends $1 million on a study and also then appoints a forestry industry advisory board to advise the minister that that is the logical outcome. It is just an absolute waste. Instead, the government is just burning taxpayers' money and wasting it.

There have been some mean and miserable budgets under 11 years of hard Labor. There have been some incompetent budgets under Kevin Foley, the second-worst treasurer this state has ever seen, and there have been some callous budgets under Mike Rann, the most vain and pompous premier the state has ever seen, but this current budget is not just incompetent and cruel—it is an admission of defeat and, at the next election, Labor's defeat will be complete.

Debate adjourned on motion of Hon. R.P. Wortley.

STATUTES AMENDMENT (FINES ENFORCEMENT AND RECOVERY) BILL

Bill recommitted.

Clauses 1 to 10 passed.

Clause 11.

The Hon. T.A. FRANKS: I move:

Page 18, line 36 [clause 11, inserted section 70K(3)(a)]—After 'relation to' insert:

a person's primary place of residence or

This amends the bill to ensure that a person's primary place of residence would not be sold out under them or taken. Given the questions that were raised by myself in clause 1 to this bill, and the responses that this could impact upon somebody who had no responsibility for the debt—somebody who was a part-owner of the house, the child of somebody in the house, or a relative or friend living in that home—that being their primarily place of residence it could indeed make a very innocent person homeless. With that, I commend this amendment to the committee.

The Hon. G.E. GAGO: The government opposes this amendment. We do not support it. A number of enforcement actions and powers are open to the fines enforcement and recovery officer, and the government's preference is for people to manage their overdue debt in the first instance.

For debtors who persistently and intentionally evade paying an overdue debt, the fines enforcement and recovery officer is able to clamp a car or seize property and then sell those assets if the debtor does not pay the overdue amount. This enforcement action of selling the primary place of residence would only be considered after multiple reminders and enforcement actions has been exhausted, and in many cases as an action of last resort.

This enforcement action may be interpreted as harsh, but what the government says is that if you choose to ignore all attempts from the new fines unit to contact you and manage your debt, including opportunities to enter into payment arrangements which would allow you to pay a minimum amount that is negotiable with the fines enforcement and recovery officer, why should you, as the debtor, have the right to sit back and ignore your debts while owning a large asset such as your home? We believe that it is about getting the debtors' priorities right, so we oppose this amendment.

Amendment negatived; clause passed.

Remaining clauses (12 to 50) and title passed.

Bill reported without amendment.

The Hon. G.E. GAGO (Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Regional Development, Minister for the Status of Women, Minister for State/Local Government Relations) (15:44): I move:

That this bill be now read a third time.

Bill read a third time and passed.

STATUTES AMENDMENT (GAMBLING REFORM) BILL

In committee (resumed on motion).

Clause 1.

The Hon. T.A. FRANKS: Now that we have had a small amount of time to judge the responses from the minister to the questions that were raised in the second reading, I ask for some clarification from the minister in regard to the position of the Responsible Gambling Working Party. Was it the case that the overall position of that working party was that South Australian hotels and clubs should adopt the federal time frame for implementation of new technologies?

The Hon. G.E. GAGO: I have been advised—and this comes from the report itself—that the first major recommendation of the working party is 'that technology is available on all gaming machines in venues by 2016 to allow gamblers to set voluntary limits on their gambling expenditure'. The government actually accepted that recommendation, and the bill we are currently considering proposes a light-handed regulatory approach to achieve that outcome.

The Hon. T.A. FRANKS: But was it the case that the overall recommendation from that working party was that we should adopt the federal time frame? Why have we not done that in this bill?

The Hon. G.E. GAGO: I know that there are differing views about this; however, the words of the actual working party themselves were to 'make the technology available by 2016'. Those are the words of the working party themselves, and that is what we have adopted.

The Hon. T.A. FRANKS: You have just read directly from the script which said 'make the technology available'. Is the discrepancy here—

The Hon. G.E. Gago: Accepted a recommendation from the working party.

The Hon. T.A. FRANKS: Could the minister just undertake to provide the exact recommendation?

The Hon. G.E. GAGO: I just did. The recommendation from the working party itself, and I quote, said:

That technology is available on all gaming machines in venues by 2016 to allow gamblers to set voluntary limits on their gambling expenditure.

The government has accepted that recommendation. The second major recommendation of the working party is, and again I quote:

That small venues are exempt from this timetable and that the following timetable is applied—

and I outlined that for very small venues with 10 or less and venues between 11 and 20. Those caveats, if you like, are on the record.

The Hon. R.L. BROKENSHIRE: As a point of clarification, could the minister advise which working party, and was it the working party that actually put two years of work into all this only to be sidelined for working party B? Is this from working party A? You are talking about working parties, but I am told that the original working party that, in good faith, tried to come up with something that would be fair and reasonable for all sectors, was sidelined.

The Hon. G.E. GAGO: These were recommendations from the Responsible Gambling Working Party's Fifth Progress Report. This was the initial working party that was established, not the more hands-on group that was established for the implementation component. I have outlined that they were the terms of reference that were established in 2006 and their job was to focus on assembling the best possible evidence to understand and advise on how precommitment could be

implemented in South Australia. It involved Eve Barratt, David Di Troia, Rosemary Hambledon, Mark Henley, Ian Horne, Andrew Lamb, Cameron Taylor and Cheryl Vardon.

The Hon. R.L. BROKENSHIRE: Was Clubs SA, Club One or anyone from sport and rec or clubs involved in that?

The Hon. G.E. GAGO: I have already outlined this. Mr Cameron Taylor from Clubs SA was on that initial working party.

The Hon. R.I. LUCAS: There is obviously a significant difference of opinion about this particular Responsible Gambling Working Party and its recommendations. The member for Davenport, who has had carriage of this for the Liberal Party, said this in relation to the Responsible Gambling Working Party:

> What the government has done is they had a Responsible Gambling Working Party, which was set up to look at and report into a number of matters. The terms of reference are set out in this report, which is called, 'Supporting customer commitment: implementation of pre-commitment (June 2012)—the fifth progress report to the Minister For Business Services and Consumers by the Responsible Gambling Working Party'. It is on the Treasury SA website...
>
> Page 66 of that particular report sets out the Responsible Gambling Working Party's terms of reference in regard to looking at precommitment. Then the government decided it needed a bit more work to do, and in June 2012 there were other terms of reference specifically about the implementation of the terms of reference about the precommitment. So, the government actually said, 'How should we implement this pre-commitment?'
>
> The Responsible Gambling Working Party is a mixture of the hotels, the clubs, the welfare lobby and the government—it is essentially a working group of the industry players. What did the Responsible Gambling Working Party say about the implementation of precommitment? It said, 'Adopt the federal dates.'

Then, further on, the member for Davenport said:

> ...'Even though the federal government has debated this, even though the federal government has intervened, what we are going to do is set our own dates.' So, what happens in South Australia is our hotels, clubs and pubs have to introduce the legislation more quickly.

He continued:

> We had the Responsible Gambling Working Party report on behalf of the government, and that said the government should introduce precommitment technology but at the same time as the feds. This was not our committee: this was the government's committee. It was unanimously supported, as I understand, by every member of that Responsible Gambling Working Party, but that did not suit the government. I am not sure why. No reason really has been given as to why the government would then say, 'Even though we've had this Responsible Gambling Working Party report that says to match the feds, what we'll do is adopt our own dates.' So, the government brings forward the dates for precommitment introduction by about two years.

Further on, the member for Davenport says:

> Not surprisingly, the government clearly did not like the Responsible Gambling Working Party's advice. They have simply decided to disband, wind up and thank the Responsible Gambling Working Party for its work. Having set it up, asked it to deal with the question, specifically give it a term of reference to deal with the matter of consistency between state and federal legislation, they then say, 'We want to be consistent with the federal legislation.' The government says, 'Well, you know what? We don't like that, thanks for your advice; even though we asked you to comment, even though it is unanimous from the committee, even the welfare groups now, we're just not going to do it.'

There is clearly a very significant difference between what the minister is telling members in this chamber and what the industry and stakeholders are telling all the non-government members about this particular Responsible Gambling Working Party.

We know that this government is well known for its trickiness in terms of answering questions in this house, etc. Can I ask the minister explicitly: did the Responsible Gambling Working Party provide any other advice in addition to the fifth report? If the minister is saying there is no such recommendation in the fifth report, did this Responsible Gambling Working Party, as claimed or stated by the member for Davenport during the debate, give explicit recommendations to the government that the federal dates for precommitment should be adopted, and was that a unanimous view expressed by that working party to the government?

The Hon. G.E. GAGO: Yes, I can advise that the working group did say at the time that the federal time frames should be adopted. I think what the honourable member is failing to understand is that the federal dates at that time were in fact 2016, and 2016 was in turn the recommendation they actually made in their report. They called on the federal time frames; the federal times frames at that time were 2016 I have been advised, and it was reinforced again in their written recommendation.

The Hon. R.I. LUCAS: Well, this is extraordinary, and the trickiness of the minister's language and government's language has now been exposed for everybody. The Hon. Ms Franks has been asking a series of questions, as has the Hon. Mr Brokenshire. I know from where they have been getting their advice, because people who worked on this Responsible Gambling Working Party were saying to them, 'Hey, we said it makes sense to do this in the same time frame as the federal legislation. Why put our lot through additional hoops and hurdles prior to a national agreement?'

The Hon. Mr Brokenshire starts before lunch with the questions and the Hon. Ms Franks afterwards, because that is the information they have been given, and this minister stands up in this chamber, on behalf of the government, and point blank denies it and says, 'No, it's not true, it ain't the case.' It is only when, eventually, we dig up the statements the member for Davenport put on the record in the House of Assembly that we finally get the minister fessing up in this chamber and saying, 'Well, yeah, they did, but at that time the federal dates were different and we just didn't choose to tell you that; you need to ask 15 different questions of three different ministers and stand up asking the questions until eventually you get an answer,' which should have been provided by the minister in the first place to have saved this prolonged section of debate.

I think the minister and the government are to be condemned for their trickiness in terms of answering their questions in relation to that. I think they now, having acknowledged that, have entirely missed the point. The industry is saying that if we are going to have these major changes, it makes sense to do them in concert with a national arrangement because, when we get to some of the technical detail, some of the things that are going to have to be introduced here may well be slightly different to some of the things in terms of how they are going to be implemented nationally a year or two later. We are going to have those sorts of problems for the industry here in South Australia.

The Responsible Gambling Working Party—the group that the government asked to give it advice—says, 'If you are going to do these things, do them sensibly at the same time as the federal changes' in relation to these particular issues. Finally, the minister has conceded that that was, indeed, the unanimous view—so the member for Davenport says he has been told—of the Responsible Gambling Working Party. That was its advice in relation to all of these issues, and the government, obviously for its own purposes, has chosen not to listen to the Responsible Gambling Working Party and ignore its particular recommendations.

The Hon. R.L. BROKENSHIRE: On the same line of questioning, can the minister advise whether the Responsible Gambling Working Party made a recommendation to the government that we have these mini casino 60-gaming machine venues? Was that one of the recommendations made by the Responsible Gambling Working Party?

The Hon. G.E. GAGO: I have been advised no, because its terms of reference were around matters to do with precommitment.

The Hon. R.L. BROKENSHIRE: Will the minister please advise the committee where the government dreamt up the super mini casinos of 60-machine venue sites that are clearly going to be located in strategic vulnerable areas north and south of Adelaide?

The Hon. G.E. GAGO: I have been advised that the government developed a policy to incorporate the over 60 machine operating venues as one means to address the excess supply of gambling machine entitlements and to accelerate their decrease.

The Hon. R.L. BROKENSHIRE: Based on that answer, will the minister table all of the evidence the government has that mini casinos dotted all around vulnerable areas of the north and south of Adelaide in particular will produce more responsible gambling and better supervision, because that is the claim from the government in allowing these mini casinos to be set up all around our metropolitan area?

The Hon. G.E. GAGO: I just want to reiterate that the approach adopted by the government is consistent with that of the view offered by the Independent Gambling Authority. The authority's long-standing position is that the first priority in the management of the reduced number of gaming machines must be to reduce both the number and the proportion of licensed premises with gaming machines, and this underpinned the original recommendations in 2003. That continues to be the authority's view, supported by evidence taken then by the authority and its ongoing observations.

The Hon. R.I. LUCAS: I acknowledge that the minister has said this is a position the Independent Gambling Authority has held since it conducted some inquiries in 2003. I do not propose to debate at length the rightness of the particular view the Independent Gambling Authority has put, other than to say that it is certainly my view, having looked at what they decided in 2003, that they had precious little evidence to support the view that bigger clubs and pubs, in terms of numbers of gaming machines, would lead to a reduction in problem gambling.

They certainly took the view, from some researchers and academics in this particular area and people from within the concerned sector, that that would be the case. I certainly do not have the evidence to say that the view of the academics and researchers and the concerned sector is wrong. I do not profess to say that I do. Equally, I would strongly contend that they and the government, and the IGA in particular, do not have hard evidence to demonstrate that increasing the number of gaming machines in clubs and pubs—which is what this Labor government wants to do, it wants to increase by 50 per cent the number of gaming machines in clubs and pubs.

All Labor members of parliament are supporting that particular point of view, to increase the number of gaming machines in clubs and pubs by 50 per cent, as well as the 500 extra gaming machines in the Casino. I think people should bear in mind that Labor members of parliament are all supporting that particular point of view in relation to gaming machines and problem gambling.

I asked a series of questions, as did the Hon. Mr Brokenshire, about the government's evidence on these changes. The Hon. Mr Brokenshire has talked about the increase to 60 machines. Equally, you can ask the questions about precommitment, instant messaging and a range of issues as to where the hard evidence is that this will do anything to reduce problem gambling. I put my view on it at the time and the minister has been unable to produce hard evidence today. I will not prolong the debate on the issue other than to conclude that the invitation was given to the government and it was unable to provide any hard evidence that any of these particular issues will lead to a reduction in problem gambling.

I want to clarify with the minister, in terms of the response, one of the other issues that was raised before the lunch break by the Hon. Mr Brokenshire; that is, when one reads the information that the Casino has provided to the stock exchange, and it is also available on its website, it could lead people to believe that—let me read what it says:

> The new significantly expanded VIP rooms to accommodate all electronic gaming machines, ATGs and table games.

That could be read to mean—and this is by the end of financial year 2016—that the deal that has been negotiated with the government is that all of the electronic gaming machines are to be accommodated in the expanded VIP rooms. I cannot believe even this government is so incompetent as to allow that to happen because that would mean they would be being taxed at the 10 per cent tax rate rather than the 40 per cent tax rate. So, can the minister clarify, I suppose, the position in relation to the deal that has been negotiated in terms of the limit that there must be, I assume, on the number of gaming machines that can go into the VIP area, even an expanded VIP area, and therefore be taxed at the concessional rate?

The Hon. G.E. GAGO: I have been advised that all of the gaming machines will not be placed in the VIP room. As I indicated in an answer previously, the exact numbers are yet to be determined. We expect that some will be placed in the VIP room, but not most.

The Hon. R.I. LUCAS: The government has negotiated and is still negotiating agreements with the Casino. From the Liberal Party's viewpoint, we are certainly fully supportive of the Casino redevelopment going ahead, but there are people within the industry who read under the heading 'A new world-class entertainment complex for Adelaide', a section which states:

> The full benefits of the Agreement will not be realised until the full development is completed-expected by the end of FY16.

It then goes on to state:

> New significantly expanded VIP rooms to accommodate all EGMs…

I think it would be in the best interests of the Casino, and certainly in the best interests of the government, if some sort of clarification or quarantining of the information were provided. It is not unreasonable for some people to interpret that as they have—to say that all 1,500 machines are going to be accommodated in an expanded VIP area, which clearly would make little sense at all, other than obviously the Casino would only have to pay tax at the 10 per cent rate rather than at

the 40 per cent rate. It is not for the opposition to advise the government, but it would certainly be in the interests, I think, of the Casino and the government if that particular issue were clarified.

The Hon. T.A. FRANKS: In addition to that, the minister responded in her answers to the second reading questions that, in regard to the bill's reserve position, that in fact the 300 non-tradeable premium gaming machine entitlements could be purchased not through the trading rounds but from the government, but that these would all have to be in the premium gaming area and, in fact, as the minister herself said, apparently not available for use by the general public.

I assume (1) (and the minister can clarify this) that 'not available for use by the general public' means that all those using those machines would have to be VIP premium status, and (2) does that mean that there are at least 300 in this VIP premium area, or is there an upper cap and a bottom limit to the number of machines that will be in this premium gaming area?

The Hon. G.E. GAGO: I am advised that if the Casino does take up the provision of the 300, then it is eligible to have those in its VIP room. Basically, the current provision allows for up to 300 non-tradeable premium gaming machine entitlements to be purchased by the Adelaide Casino.

Other than that provision, as I said, no decisions have been made on absolute amounts. A lot will depend on the success and viability of machines. As I said, this government's position is certainly that it will not contain all of the machines and, again, as I have said here before, it is likely to have some, but not most.

The Hon. R.L. BROKENSHIRE: Just as a point of clarification on that and to get this right for the record, from that answer, minister, I understand that 500 additional machines will be going to—

The Hon. T.A. Franks: 505.

The Hon. R.L. BROKENSHIRE: —505, to be exact, additional machines will be going to the Adelaide Casino, and 300 of the additional machines will go into their VIP area.

The Hon. T.A. Franks: No—can be bought if they're not done through the trading rounds from the government. They will get 300 without going through the trading rounds, but the minister might want to clarify that.

The Hon. R.L. BROKENSHIRE: I would like just a bit more clarification on whether it is 300 that can be bought if they do not get the 500, and those 300 can then go into the VIP room; is 300 the limit in the VIP room?

The Hon. T.A. Franks interjecting:

The Hon. G.E. GAGO: Sorry, what was your question?

The Hon. R.L. BROKENSHIRE: The question was: if they are not able to procure the 505, is the minister ultimately saying that there could be an additional 300 machines made available for the VIP room?

The Hon. G.E. GAGO: I have been advised that if the Casino is not able to purchase the 505 from the open trading system, then at a particular point in time the balance can be purchased from the government, and those that are purchased from the government must go into the VIP room, which is not accessible by the general public.

The Hon. T.A. FRANKS: I would just like to emphasise that the second part of my original question was: could the minister define who would not be a member of the general public and to further clarify that that means, I assume, they would be VIP premium members?

The Hon. G.E. GAGO: I have already outlined what the criteria would be around determining who would be eligible to have VIP access, and they are in the notes that were circulated as well.

The Hon. T.A. FRANKS: My recollection is that when you outlined that—and I do believe it was in response to questions from the Hon. Robert Brokenshire—you did not give a definitive definition of how somebody would qualify. You simply said that it would be far more than a thousand. Also, you did not actually go into details as to whether that thousand would be turnover or a straight amount.

The Hon. G.E. GAGO: I have already answered this a number of times. It is on the record. I have given all the information I can. That information that is commercially confidential, obviously I am not able to divulge, but I have outlined all the criteria I am able to publicly divulge.

The Hon. R.L. BROKENSHIRE: I ask the minister whether she can first of all advise: in the last budget papers, what was the final income from the Casino with respect to gaming tax and what will be the expected revenue from the Casino in its entirety at the end of the forward estimates for this budget just tabled? The second part is: what proportion of that will be at 45 per cent and what proportion of that will be at 10.19 per cent?

The Hon. G.E. GAGO: I am advised that the tax collections from the Casino for 2012, and this goes across the forward estimates starting 2012-13, is $23 million, $25 million, $26 million, $27 million, and then for 2013-14, starting 2012-13, $22 million, $26 million, $30 million and $32 million. I do not have the breakdown in terms of the different proportions. I can try to obtain that and bring it back if that is available.

The Hon. R.I. LUCAS: I think the point the Hon. Ms Franks has raised is an important one. Members need to be aware that what the minister has put on the record in relation to this definition of VIP, and she returns to it, is that other than the international visitors and interstate visitors (tourists and gaming program players), in relation to the local SA resident the minister has said 'local SA residents playing above agreed annual expenditure thresholds'. The Hon. Mr Brokenshire said in his contribution, 'Is that $1,000?', and the minister has come back and said, 'I can't tell you'—which she has repeated again today—'but they are significantly greater than the $1,000 amount suggested by the Hon. Mr Brokenshire.'

The point to bear in mind is that it is my advice that the agreed annual expenditure thresholds we are talking about are turnovers. So, for example, if a gambler gambles $20 a week for 50 weeks a year, that is $1,000. The annual expenditure threshold, the turnover, is 10 times that, which is $10,000. The trickiness of the government's language and the minister's language, again, members need to understand. What they say to Mr Brokenshire is, and the impression is, that this is going to be significantly greater than $1,000, as if anyone who is betting more than $1,000 is a big gambler. But, if you work through the numbers, at $20 a week for 50 weeks a year, that is $1,000, and the turnover, I am told, is about 10 times in terms of the turnover for each dollar, so there is $10,000. The government could set a limit of $10,000 or whatever you might have, and that would sound very impressive, but in essence, that would be $20 a week, so I am advised.

That is why I think the questions that the Hon. Mr Brokenshire and the Hon. Ms Franks asked are reasonable in relation to (a) what the limit was and (b) what the definition of an annual expenditure threshold is. Is it the money you take in there and plonk on the table, or is it the money that is being generated in terms of turnover through the machines over an annual expenditure basis? It is clear that the government is unprepared to provide any further information in relation to that, and the parliament ultimately will have to accept that, but I think, again, members and those who follow the *Hansard* ought to see through the trickiness of the government's responses in relation to this. It is only by asking further and further questions that you actually get closer and closer to the truth in relation to these issues.

The Hon. G.E. GAGO: I would advise the Hon. Rob Lucas that there is indeed no trickery and that the expenditure thresholds are based on net gambling revenue, customer spend or loss, not turnover.

The Hon. R.I. LUCAS: The minister should have actually provided that answer to the question from the Hon. Ms Franks about five minutes ago, instead of saying, 'Well, I have already told you that,' when I quoted exactly what she said here—'the local SA residents playing above agreed annual expenditure thresholds.' She made no reference at all to turnover, to net gaming revenue or anything, and that was the question that the Hon. Ms Franks was putting in terms of trying to clarify what the definition of an annual expenditure threshold would be.

One of the questions I asked in the second reading debate, and the minister has responded, was in relation to the trading system and the total number of machines. I asked the question: what is the Treasury estimate of the total number of gaming machines for each year over the forward estimates period, because I think the Hon. Mr Brokenshire and others have raised questions about this commitment to reduce the total number of machines. I note that the minister's statement said:

> There is no doubt that the initial approved trading system was fundamentally flawed because of the price fixed in legislation for the trade of gaming machine entitlements.

Those people with long memories will know the government was, in fact, told that at the time. I, in fact, moved amendments to the legislation to remove the fixed price provisions in the legislation at the time and the government, in its infinite wisdom, said, 'We know better. This trading system will

work, and you wait and see.' Now, many years later, the government comes back with this acknowledgment that the initial approved trading system was fundamentally flawed because of the price fixed in the legislation.

Blind Harry could have told the government that and blind Harry did, if you want to call me blind Harry, on behalf of those within the industry who indicated that the system that the government had put forward was fundamentally flawed. It just could not and would not work and, sadly, the government managed to convince the majority of members to approve its system and, of course, many years later we now see this acknowledgment.

I think the critical question now is—and the one that I put—given these changes and given the government says this is going to reduce problem gambling, or claims that it will, the minister has said here, based on Treasury advice I am sure, that 'Treasury and Finance has adopted a conservative assumption that 500 gaming machine entitlements would be traded over the forward estimates.' My question to the government is: is it correct that if the minister is saying that the 500 machines would be traded that from that, and that alone, there would only be a reduction of 125 machines as a result of that piece of advice to the parliament?

The Hon. G.E. GAGO: I have been advised that that is true if all entitlements come from hotels, but with entitlements that come from clubs, one in four go to Club One.

The Hon. R.I. LUCAS: Could I clarify that the minister is therefore saying that, given that the industry advice would be that a number of these would come from clubs, the net reduction from this would be less than the 125 because the reductions from clubs, as the minister has just said, would go potentially to Club One? Treasury must have done its modelling and its analysis on what it believes the total number of gaming machines will be for each of the forward estimate years because it has constructed an estimate of taxation to the Treasury. So it must have therefore done some calculation on the number of gaming machines. My question to the minister is: what is the Treasury estimate for each of the forward estimate years of the number of gaming machines in South Australia compared with the current number?

The Hon. G.E. GAGO: I remind the honourable member that, for the purposes of modelling, Treasury and Finance adopted a very conservative assumption that 500 gaming machine entitlements would be traded over the forward estimates. I just reiterate that it was a very conservative assumption, that these figures were based on observed levels of excess supply at the time of modelling and that the outcome could quite significantly differ from the modelling, depending on how venues respond to the changed regulatory environment. It is likely that there will be change, so it is difficult at this point in time to be prescriptive about those numbers.

The Hon. R.I. LUCAS: My question is: Treasury must have estimated, conservatively or otherwise, the number of gaming machines in South Australia for each of the forward estimate periods because it has estimated an increase of, I think, $47 million per year in terms of gaming machine revenue by the end of the forward estimates period. So, Treasury will have estimated, conservatively or otherwise, the number of gaming machines. My question to the minister is: what is the Treasury estimate of the number of gaming machines for each of the forward estimate years?

The Hon. G.E. GAGO: I am advised that there is no precise estimate, as I have indicated. What has been assumed is that, for the 500, trade is evenly spread over the forward estimates, so that would result in 125 each year.

The Hon. R.L. BROKENSHIRE: My question to the minister on this trading is that if they are only expecting 125 machines to be taken out of the system over the forward estimates, so over—

The Hon. R.I. Lucas: No, less than that.

The Hon. R.L. BROKENSHIRE: Well, a maximum of and probably less than 125. The Casino has to actually get 500 so, effectively, that is the Casino done and dusted because the Casino will need the machines, I assume, once the building is completed. Is the government saying that, even though they want to go to 60 super mini casinos in the metropolitan area, they do not expect any of those to be developed over that period? There would be trade-offs there, as a start. An answer to that would be of interest, considering what we have to deliberate on.

The second part is: how does the government expect to get rid of machines? I think the last count I received from FOI was 804 machines that should have been taken that still had to be taken

out of the total number, so when and how does the government expect to get another 675 machines out of the total numbers?

The Hon. G.E. GAGO: I believe I have answered the question already; that is, the figures are based on very conservative estimates. The figures are based on levels of excess supply at the time of modelling, and obviously we do not want to overstate the estimates.

The Hon. R.I. LUCAS: I guess it is apparent that we are not going to get any answers from the government on this issue. The final point I make in relation to this, which follows on from the point the Hon. Mr Brokenshire has just made, is that on the basis we are not getting answers one can only suspect as before—when those who wanted to see 3,000 machines reduced and saw it as a solution to problem gambling (and I am not one of those)—a massive fraud was perpetrated on them. One can only be suspicious that there is a massive fraud being perpetrated on those who believe this will do something about problem gambling and reduce gaming machines numbers.

Bear in mind what the government has said in relation to this: it wants to reduce the number of venues and the number of machines. That is what is driving this process. It is not unreasonable to say, 'You say you are going to reduce problem gambling by reducing the number of machines and the number of venues,' but, as we have just seen—and from the questions that Hon. Mr Brokenshire has asked as well—it is not just the Casino that is going to be wanting to trade.

If there will be only 125 trades per year, you will have, to use the phrase of the Premier (and I would not use this about my friends in the AHA), the big end of town that the government has hopped into, those greedy, rapacious hoteliers the Premier likes to describe the AHA as, together with Coles and Woolworths purchasing machines in the trading market, and you have the Casino purchasing machines, yet Treasury is saying there will only be 125, on its conservative estimates, trades per year, and some will end up with Club One, so there is no net reduction.

If the hotels buy them, there is a net reduction of one in four, but if the clubs take them and put them into clubs there is no net reduction at all in terms of the gaming machines. At the same time, you have this side deal with the Casino which says, 'You've got an extra 505 machines, and we'll issue you with 300 after a certain period if you can't get them on the trading market.' How can anyone actually fall for the line from this government that this will lead to a reduction in gaming machines in South Australia—in my words, 'Let the buyer beware.'

If the government will not answer the questions, and based on its history, it is a not unreasonable position to adopt that people are being sold a pup in relation to this. They are being told this will lead to a reduction in the number of gaming machines, but when you ask the questions the government refuses to give any answers. Treasury must have done the modelling in relation to all this to calculate the taxation revenue. In their own assiduous way with the numbers, they would have been grinding out those numbers and making the assumptions, but the government will just not release those particular assumptions.

The bottom line is that we know they are predicting on an annual basis an increase of $47 million by the end of the forward estimates from gaming machine taxes. That is their estimate in relation to this. If anyone wants to believe that this is going to tackle problem gambling, let the buyer beware in relation to the claims being made by the government. As I said, that is from those who subscribe to the view that by reducing the number of gaming machines you are going to tackle problem gambling. As I have outlined in my second reading contribution, I do not subscribe to that particular view.

Members will be sick and tired of hearing me say that the 0.4 per cent of problem gamblers will crawl over cut glass to get to the last 50 machines if they are left in the system. Even with the Hon. Mr Brokenshire's wish to get it down to 2,200 or 2,300, trust me, the 0.4 per cent problem gamblers will find those 2,200 (or whatever the number is going to be) machines to engage in their habit. Or, as we are increasingly seeing, they are moving to sports betting and a variety of other options which are more readily available in their back pocket or in their home.

The Hon. R.L. BROKENSHIRE: I have a question following on from this. Given that I am advised—and if I am wrong, I welcome the minister to correct me—that based on some information given to the South Australian Council of Social Service that they supported the concept of 60 super venue hotels and/or clubs, can the minister advise the committee whether or not the department actually advised the South Australian Council of Social Service that the net expectation in the reduction of machines out of the industry over the forward estimates would be, at most, a maximum of 125?

The Hon. G.E. GAGO: The advice I have received is that we are not aware of any advice that was given to SACOSS about the maximum reductions.

The Hon. R.I. LUCAS: I have just a couple of other issues on clause 1. I quoted on the record the information from the Independent Gambling Authority that had been provided in relation to gambling studies on problem gambling prevalence, which was the 0.4 per cent. Can the minister confirm whether or not a more recent study of problem gambling prevalence has been conducted in South Australia within the last financial year (2012-13) and, if there has been, have the results of that information been provided to the government?

The Hon. G.E. GAGO: I have been advised that, yes, we are aware that a further problem gambling prevalence study has been conducted by the IGA and the Department for Communities and Social Inclusion, and that report is currently in the process of being finalised.

The Hon. R.I. LUCAS: Given that my information was correct, is the minister in a position to advise the committee of what evidence there is from that most recent report in relation to the prevalence of problem gambling in South Australia?

The Hon. G.E. GAGO: I am advised the Department of Treasury and Finance has not received a copy of the report yet, so it is unable to advise on any changes. As I said, my understanding is that the report is still being finalised.

The Hon. R.I. LUCAS: Given that it is highly likely this debate will continue until tomorrow, is the minister prepared to have government officers contact the IGA to see what information they can provide to this parliament and this chamber on the most recent research, which I understand was conducted late last year, or early this year? So, whilst the final drafting might be being tidied up, my understanding is that the research has been conducted some time ago. Is the minister prepared to ask officers to contact the IGA and see whether the IGA, as an independent authority, is prepared to provide to all members of this chamber updated advice from this financial year in relation to the problem gambling prevalence study that has been funded?

The Hon. G.E. GAGO: I can only speak on behalf of the minister and, without putting words into his mouth, I would imagine he would be keen that the final report be expedited. I do not think it is helpful for any agency or anyone to have information from an incomplete report. I am sure the minister would welcome the finalisation of that report in the most expeditious possible way.

The Hon. R.I. LUCAS: If that report had information which would be useful for members of this particular chamber and the House of Assembly to assist us in judging the merits of this particular case, then it would be most unfortunate if, for whatever reason, that report was being delayed beyond the passage of this particular legislation. As I said, given the government is notoriously reluctant to be open, transparent and accountable about not only this issue but all issues, it is only by raising the issue that we are able to, at least, get on the record that this report has been done.

Now that we have that on the record, as I said, it would be most unfortunate if that report was being delayed until after the passage of this particular legislation because all information in relation to problem gambling prevalence should be on the table. If the government is maintaining that this is the best way of tackling problem gambling, then let us see this particular study. There have been so many others, but it would certainly be useful to see one which has evidently been conducted in this particular financial year.

So, I am disappointed if the minister's response is to be interpreted as saying that she is unprepared to ask the minister responsible for the legislation and his officers to contact the IGA. If that is the case then my office will be contacting the IGA this afternoon to see whether we can be provided, given that it is an independent body, with information in relation to that particular study.

The minister responded earlier in the reply to the second reading, and which she outlined in clause 1, that after a period of time if the Casino cannot purchase the machines that it requires on the open market then the government has the side deal to sell them directly. The government has said, 'We can't tell you the price because that's confidential', but can the government indicate the time period; that is, how many years, or months, does the Casino have to try to trade in the market to get its machines before the side deal kicks in?

The Hon. G.E. GAGO: I am advised that the target date will be 30 June 2016.

The Hon. R.I. LUCAS: I think they are all the questions I have on clause 1. I just want to make one concluding statement in response to the minister on two issues: one is our general

position and also the contention that the minister in charge of the bill has been making that the Liberal Party and the Legislative Council have been delaying consideration of the bill. I want to place quickly on the record that it has been the government that has delayed the consideration of this bill. During the last sitting week of parliament, we were ready to debate the bill and the government adjourned it whilst they tried to negotiate a deal with the minor parties or Independents.

Secondly, it was the government that delayed the debate of the bill this morning to put through discussion on fines legislation, and it was the government that again delayed the bill this afternoon to put the fines legislation and the Appropriation Bill as priorities before this bill. I know that is contrary to what they have been telling the Casino: that this bill was going to be their No. 1 priority and that the Liberal Party was holding the bill up. I want it on the public record that what the government, its ministers and advisers have been telling the Casino, the media and others is untrue.

Finally, I will again summarise the Liberal Party's position during the committee stage, given that we now have 10 pages of amendments I think (whatever the number is) from the Hon Mr Darley—I can see a touch of the Nick Xenophons coming through in the Hon. Mr Darley's approach to the legislation but good luck to him. We also have amendments from the Hon. Ms Franks, the Hon. Mr Brokenshire, the minister, and myself on behalf of the Liberal Party. It will be quite a complicated committee stage and, therefore, I want to place clearly on the record that our position is, as I said in the second reading, that we have supported and will support the Casino redevelopment and the deal that has been negotiated with the Casino.

We intend to ensure the passage through this parliament with our votes anyway—and it will require others—to support those aspects of this bill that relate to the Casino. We have discussed this with the Casino representatives and they acknowledge that those provisions of the bill that we are intending to support will allow the Casino redevelopment to proceed.

We will be opposing significant elements of the package which relate to clubs and pubs. We will be opposing them on the basis of the lack of consultation, in particular with the clubs who have been ignored for more than two years. It is our simple view that the Casino section of this bill should be allowed to go through and that the government should sit down in good faith with the clubs, the pubs and other stakeholders over the break and negotiate a position as it relates to clubs and pubs, as opposed to the Casino, and come back to the parliament with a discrete bill that relates to the club and hotel industry.

Certainly, from our viewpoint, speaking on behalf of the party as I am, we do not prejudge any of the issues in relation to what might come back before the parliament under that process. Whilst I have firmly cynical views in relation to a number of the issues—I have expressed them before and I have occasionally expressed them during this particular debate—we will have a party position in relation to this and we are prepared as a party to address whatever package might come back before the parliament.

At the very least, we think that our clubs are the lifeblood of the community, and clearly for whatever reason—and I cannot understand this—the Premier and the government have decided to start world war III with the club industry in South Australia. We are not just talking about the big SANFL clubs and the other clubs like that but, as I indicated earlier, a whole range of smaller clubs in the country and in the city that have provided great support to sporting clubs and associations and community groups through their activity.

Why would the government want to have pitched warfare with the club industry at this particular time? Only the Premier, I guess, and the minister can explain to the caucus members why they want to go down that particular path. Whilst it is a sideline, I know that there is some discontent within elements of the caucus about the minister's and the government's approach, but from our viewpoint, we will be moving amendments in relation to that.

It will be ultimately up to the minor parties and Independents as to whether they are prepared to support the club industry in South Australia. I know the club industry has put to the minor party and Independent members the importance of these particular provisions and the importance of them being given a chance to sit down and negotiate with everyone else in relation to a package that may well affect their future.

The Hon. R.L. BROKENSHIRE: I have one more question in relation to clause 1. It follows on from a question of the Hon. Rob Lucas. I think what he was alluding to was that there had been a reduction with problem gamblers from 0.4 per cent to perhaps a figure lower than that,

but I ask the minister whether she is aware now—or if she is not aware now, given that I assume we will still be debating this tomorrow, could she find out and advise the committee—of the situation in Victoria.

I understand they have opted to get into encouraging bigger venues and fewer of them and that their rate of problem gamblers is at 0.7 per cent. Can the minister confirm that now or take it on notice? What I am concerned about is that I understand that in Victoria things are going the wrong way for problem gamblers and part of that is probably the decision to give Coles and Woolworths more of a share than the family-owned hotels and the community-owned clubs.

The Hon. G.E. GAGO: I will take that on notice.

The Hon. T.A. FRANKS: Going back to the $20 million payment that will be made by the Casino to the government upon certain conditions being met, what purposes will that money be put to? Has it been allocated?

The Hon. G.E. GAGO: I am advised that that $20 million will go into general revenue.

The Hon. T.A. FRANKS: In that context, when the government was drafting this bill, did it pay any attention to the lack of any increase to the four main funds that fall under this act—the sport and recreation fund, the charitable and social welfare fund, the Gamblers' Rehabilitation Fund and the Community Development Fund—noting that they have not been increased even by CPI since their introduction?

The Hon. G.E. GAGO: I am advised that at this point in time the government is not seeking to make changes to those funding arrangements.

The Hon. T.A. FRANKS: My question to the minister is: did the government consider changes to the amounts of these funds to at least increase them by CPI in the drafting of this bill?

The Hon. G.E. GAGO: The government has no intention of changing the funding arrangements and has not considered alternatives to do that. We do not have any intention at this point in time of making changes.

Clause passed.

Clause 2.

The Hon. J.A. DARLEY: Before moving this amendment, I need to state that I had four sets of amendments; I will not be proceeding with sets 1, 2 or 3, but I will be proceeding with set 4. I move:

Page 6, lines 6 to 7 [clause 2(2)]—Delete subclause (2)

The bill seeks to allow the delayed commencement of various measures proposed by the government by providing that the relevant section of the Acts Interpretation Act does not apply to the bill or to various gambling reform measures proposed by the bill. These measures include, but are not limited to, caps on ATM limits and the reduction of maximum bets to $5, although I will be moving to reduce the maximum bet to $1.

As members would be aware that, if the Acts Interpretation Act were to apply, those provisions would come into operation on the second anniversary of the date on which the act was assented to, unless brought into operation before the second anniversary. History has taught us that, in some cases, leaving it to the government to decide when various provisions will come into effect is not the way to go about things.

For example, section 51B(3) of the Gaming Machines Act was amended in 2001 to ensure that the holder of a gaming machine licence would not on or after the prescribed day provide or allow a person to obtain cash by means of those facilities more than once on any one debit or credit card on any one day. A prescribed day is defined as a day fixed by proclamation. To date, the government has not fixed a date. The amendment itself was a complete waste of time and effort.

There is every possibility that we will pass individual measures aimed at reducing the risk of problem gambling today and that they, like the previous changes regarding cash facilities, will never be implemented. There is no question in my mind that in its current form the government bill does not go anywhere near far enough in terms of addressing problem gambling. However, if the government is intent on proceeding with it, they should do so on the basis that any provisions that

are agreed to will in fact be implemented. On that basis, I propose to delete subclause (2) of clause 2 of the bill.

The Hon. G.E. GAGO: The government opposes this amendment. This amendment would mean that all the measures proposed in the bill would, if passed into law, be required to commence within two years from the date of royal assent, and this would represent a significant acceleration in the time frame set out by the government.

The bill sets out a long-term strategy for the regulation of gaming to address problem gambling. It takes into account the life cycle of industry investment to ensure that the cost and regulatory burden of the sector is minimised while at the same time bringing the benefits of the measures in advance of existing national time frames. The government has consulted on these time frames with the sector and the gaming regulation reference group and is confident that these time frames can be achieved. Artificially bringing the time frame forward risks additional costs to the sector and the possibility of suboptimal systems being implemented.

The Hon. T.A. FRANKS: Could I ask the mover of the amendment whether or not he agrees with the government's analysis of his amendment or whether he disagrees with it?

The Hon. J.A. DARLEY: No.

The Hon. R.I. LUCAS: The Liberal Party will not be supporting the amendments because they are inconsistent with the process and the policy I have indicated we will be adopting.

The Hon. T.A. FRANKS: Just to clarify, my understanding of this amendment is that it would not apply to those parts of the bill that are intended to come into force at a staggered time, but it would just stop the government from being able to delay them; is that the case?

The Hon. J.A. DARLEY: That is the case.

The Hon. T.A. FRANKS: I thank the mover and the Chair for their indulgence. With that, the Greens will be supporting this amendment.

Amendment negatived; clause passed.

Clauses 3 to 11 passed.

Clause 12.

The Hon. J.A. DARLEY: I move:

Page 10, lines 2 to 11 [clause 12(8), definition of *premium customer* and *premium gaming area*]—Delete the definitions

This amendment is consequential upon amendments 3, 4, 11 and 12, which deal with premium gaming provisions in respect of the Casino. It is, if you like, a test clause. The package of amendments opposes allowing the Casino to vary its licence via the ALA in relation to premium customers or premium gambling areas.

Section 16 of the Casino Act provides that there is to be an agreement between the licensee and the minister about the operation of the Casino, the term of the licence, the conditions of the licence and the performance of the licensee's responsibilities under the licence or Casino Act. Further, it provides that the agreement is to be entered into with a prospective licensee before the licence is granted, or with a licensee before renewal of the licence, and must be consistent with the provisions of the act and has no effect unless approved by the authority. Any variations to the agreement by a later agreement between the parties are permissible provided that they are consistent with the provisions of the act and that they have also been approved by the authority.

Section 17 of the act provides that there is also to be a casino duty agreement between the licensee and the Treasurer fixing the amount or basis of calculation of casino duty and providing for the payment of casino duty and dealing with interest and penalties to be paid for late or non-payment of casino duty. That agreement may also be varied by agreement between the parties.

Section 18 of the act provides that the minister must, within 12 sitting days after the authority approves an agreement entered into by the minister with a view to the agreement becoming an approved licensing agreement, or an agreement for the variation of an approved licensing agreement, have copies of the agreement laid before both houses of parliament. Further, it provides that the Treasurer must also, within 12 sitting days after entering into a casino duty

agreement or an agreement for the variation of a casino duty agreement, have copies of the agreement laid before both houses of parliament.

In short, under the current provisions of the Casino Act, the Casino can vary its licence via the licensing agreement, but only with the sign-off of the Independent Gambling Authority. Importantly, any such changes must be consistent with the Casino Act. The agreement itself is not subject to parliamentary approval. The bill would allow the ALA to circumvent the act in relation to premium gaming areas or premium gaming customers by providing that the agreement may exempt the licensee from or modify the licensee's obligation to comply with specified requirements of the act or conditions fixed by the act or provisions of a code or requirements prescribed by the authority.

The government is effectively giving the Casino the green light to adopt different rules for premium gaming areas over the rest of the Casino. Not only can the rules be different, they can also be entirely inconsistent with the act. They could, for example, potentially allow smoking in pockets of premium gaming areas. They could allow alcohol to be served to patrons playing poker machines in premium gaming areas. They could allow incentives. All the things which are not okay anywhere else in the Casino or, indeed, in hotels and clubs would become perfectly acceptable purely by virtue of the fact that we are talking about the gambling activity of high rollers. We are effectively being asked to agree to the proposition that if you are a premium customer you are somehow above the law.

So intent is the government on heeding the sensational requests of the Casino, they have also agreed to allow extra entitlements for premium gaming to be obtained outside the trading system, something which I will talk about in further detail later.

I understand it is normal for premium gamblers to be afforded extra benefits that do not necessarily apply to other Casino patrons. This situation occurs everywhere. What I do not accept, however, is that those benefits should exceed what would otherwise be acceptable under the Casino Act. Smoking in VIP areas is the most obvious example. Whilst the Tobacco Products Regulation Act bans smoking in enclosed public spaces, workplaces and shared areas, my advice is that it may not necessarily preclude the government from allowing smoking in pockets of premium gaming areas where staff are not present.

I remind all honourable members that in March 2011 the government supported the Casino (Enclosed Areas) Amendment Bill, which I introduced in response to the Adelaide Casino's attempt at operating poker machines in an outdoor smoking area situated within the Casino's atrium. At the time, the Hon. Carmel Zollo, on behalf of the government, stated that the bill was consistent with the government's policy position with respect to smoking and anticipated amendments that were planned by the government for the Casino Act when it was to be next amended. Despite my repeated efforts, that bill is yet to pass the other chamber, so I will be moving a further amendment dealing with this same issue in this bill.

In closing, I want to make it clear that I do not have any real objection to the Casino operating premium gaming areas but rather with the fact that we are allowing the checks and balances that apply in the act to be modified in relation to premium customers or premium gaming areas. This approach is fraught with danger and I think we should be doing our level best to ensure that all the Casino's gambling areas, irrespective of whether or not they are premium areas or tailored for premium customers, are covered by the same checks and balances that apply to the rest of the Casino in accordance with the Casino Act.

The Hon. G.E. GAGO: The government opposes this amendment. The current premium gaming products offered by the Adelaide Casino are not competitive with its interstate and international competitors. This is partly because of limitations placed on the Adelaide Casino by the Casino Act. The bill proposes to allow for a new premium class of gaming which is limited to customers that meet specific criteria set out in the approved licensing agreement. The government's position is that no problem gambler should be able to access premium gaming areas. This is achieved by setting out requirements for access to premium gaming areas and the exemptions in the approved licensing agreement.

The long-term protection that this government, and I am sure this council, is looking for is provided by the fact that the government and the Casino cannot execute an approved licensing agreement which sets the criteria for access to premium gaming or the exemptions for premium gaming without the Independent Gambling Authority's approval. The Independent Gambling Authority has seven members and is a statutory independent body from government in assessing

whether or not the approved licensing agreement should be approved. It must have regard to the following objects:

(a) the fostering of responsibility in gambling and, in particular, the minimising of harm caused by gambling, recognising the positive and negative impacts of gambling on communities; and

(b) the maintenance of an economically viable and socially responsible gambling industry, including an economically viable and socially responsible club and hotel gaming machine industry in this state.

Further, any variations to the approved licensing agreement are required to be tabled in parliament.

The Hon. R.L. BROKENSHIRE: Given what the Hon. John Darley has said in moving his amendment, can the minister confirm whether a lot of those privileges already apply to what is known as the high rollers room or area? Further, can the minister confirm whether, if this amendment were to be passed as per the government's clause at the moment, there would be more checks and balances? I think that is what the minister is saying with regard to the premium VIP area. Is that what the government is saying? There are two points: high rollers changes and whether or not with registration there would be more checks and balances on people entering this area if it was not deleted. I would like clarification.

The Hon. G.E. GAGO: I am not absolutely confident that I have understood the honourable member's questions perfectly, but I will have a go. In relation to the high rollers question and whether there would be a change of product, the current premium gaming products offered by the Adelaide Casino have been assessed to be not competitive with interstate and international competitors because of the current limits around the act, and obviously the Casino is looking to make changes in that area.

In relation to checks and balances for premium customers, there is a process which SA residents are required to fulfil to access the VIP room or to become a premium customer. They have to be a member of the loyalty program and the Casino must follow a process approved by the IGA to determine whether or not that person has been assessed to be a problem gambler or has the potential to become a problem gambler.

The Hon. R.L. BROKENSHIRE: My understanding is that the Hon. John Darley's amendment deletes this specific area, and by virtue of deleting that does the government believe that that has any difference with respect to what the minister has just said about checks and balances with respect to people who can go into that area? Does it makes a difference or not—I just want an answer?

The Hon. G.E. GAGO: My understanding is that the Hon. John Darley's amendment would simply get rid of all premium customers and get rid of the VIP facilities altogether—they simply would not exist. Therefore, all these additional checks and balances would not be in place or applied to VIP customers, because there would not be VIP customers. They would be removed.

The Hon. T.A. FRANKS: Following on from the previous questions prior to this clause, the concern here and the reason that we are implementing the new premium gaming conditions and also looking to have even more beneficial tax arrangements to the Casino is that these machines and the people who play them will in fact be subject to less tax than those who are not VIPs, premium or high rollers. Is this the place the minister means when she says that we are not competitive with those interstate?

The Hon. G.E. GAGO: I have been advised that it is a combination and there are mainly two factors operating: one is that the gambling product on offer is simply not attractive to premium international customers, not competitive; and the second is mobile customers, that the tax rates for the Casino are not competitive.

The Hon. T.A. FRANKS: Does one of the indicated areas that is not attractive include the ability to smoke in these areas?

The Hon. G.E. GAGO: I am advised that the current arrangement is that smoking in the high rollers' room is prohibited, and we are not intending to make any changes in relation to that.

The Hon. R.I. LUCAS: I just want to clarify that because I think a number of people were led to believe that maybe it was only part of the negotiation and that, in the end, it was not agreed. However, certainly a number of people were led to believe that part of the deal that was being

negotiated with the Casino was that, in certain parts of the high rollers' room, special arrangements were to be made in relation to smokers.

Whether there was going to be a special rooftop or something, I am not sure what it was, but the minister is quite clear in her advice to the committee that there have been no special arrangements made for smokers in the high rollers room. I know the Casino, for many years, has been arguing that in other jurisdictions the high roller rooms did allow smoking and they believed they were uncompetitive because Asian gamblers in particular preferred to high roll and smoke at the same time.

The Hon. J.S. Lee interjecting:

The Hon. R.I. LUCAS: You disagree? I am only passing on the advice that Casino representatives, over the years, have put to me. The minister's advice is clear. I would just ask her to clarify whether any other arrangements in relation to a special smoking area have been negotiated as part of this deal in and around wherever this premium gaming area is going to be.

The Hon. G.E. GAGO: I am advised that the Casino will be required to comply with our state legislation with regard to smoking. There are no exceptions or exemptions to that. They must comply with the current legislative provisions. They are permitted to have smoking areas only where they comply with our state smoking legislation; that is, in outdoor areas and other like provisions. As I said, I have been advised that there are no exemptions or exceptions to that; they will be required to comply with our state legislation.

The Hon. T.A. FRANKS: Can the minister confirm that none of these VIP premium areas will be in what are called suites and private areas of the redeveloped Casino?

The Hon. G.E. GAGO: I am advised that there is a possibility that provisions may be made in suites. The advice I have received is that there has been no final decision or details around that.

The Hon. R.I. LUCAS: Can the minister indicate how smoking in suites is consistent with the state legislation?

The Hon. G.E. GAGO: I would have to take that on notice. I am not familiar with the provisions at that level.

The Hon. R.I. LUCAS: Let us put aside the question of the suites. Given the minister says that there is the potential, under current state law, to have designated smoking areas in hotels, for example—albeit I think there have been proposals that that too be banned, but currently it has not—can I ask whether the minister will take on notice whether the agreement that has been offered to the Casino actually locks in provisions to allow them to have those sorts of outdoor smoking areas even if there is to be a change in state legislation during the term of their licensed agreement?

The Hon. G.E. GAGO: I am advised that no, it does not.

The Hon. R.I. LUCAS: In relation to the amendments. The Liberal Party's position is that we do not support the amendments. If the end result of this is that all of the premium gaming areas and premium customers are to be wiped from the face of the earth in relation to the Casino, then we do not support that. They have been a constant feature of this Casino and all casinos. We certainly see some ongoing role, in terms of competing for international and interstate customers, for having a premium area and provisions for premium customers as part of the redevelopment. Certainly, if the proposed redevelopment is to succeed, it could not proceed if this amendment and related amendments were to be passed.

Whilst I have understood, during debate on clause 1, the not unreasonable questions being put by members as to what is the definition of a premium customer, certainly from my viewpoint what we might have understood to be a high roller, I suspect when we see or become aware of the exact definition of high roller, it will not be a high roller but it might be a medium-level roller. It certainly will not be, I guess, the current perception of a high roller gambler in those areas.

I suspect the agreement the government is going to enter into will allow people who would not traditionally be seen as high rollers into that particular area, given that the minister has been unwilling to share the definition or the terms of the agreement with the Casino.

The committee divided on the amendment:

AYES (6)

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

NOES (13)

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

Majority of 7 for the noes.

Amendment thus negatived; clause passed.

Clauses 13 to 16 passed.

Clause 17.

The CHAIR: The Hon. Mr Darley, you have indicated that the clause will be opposed.

The Hon. J.A. DARLEY: This is consequential, so I will not be proceeding with this.

Clause passed.

Clauses 18 to 20 passed.

Clause 21.

The CHAIR: The Hon. Mr Darley, you will be opposing this clause; is it consequential on the others?

The Hon. J.A. DARLEY: I will not be proceeding with this either.

Clause passed.

Clauses 22 to 24 passed.

New clause 24A.

The Hon. J.A. DARLEY: I move:

Page 13, after line 36—After clause 24 insert:

24A—Insertion of Part 4 Division 1A

After Part 4 Division 1 insert:

Division 1A—Gambling only allowed in enclosed areas

27A—Gambling only allowed in enclosed areas

(1) It is a condition of the casino licence that gambling may only take place under the licence within a place or area that is enclosed as defined by the *Tobacco Products Regulation Act 1997* (see section 4(3) and (4)).

(2) Section 16(1a) does not apply to the condition imposed under subsection (1).

When moving my second amendment, I commented briefly on the fact that in March 2011 the government, together with crossbenchers, supported the Casino (Enclosed Areas) Amendment Bill, which I introduced in response to the Adelaide Casino's attempt at operating poker machines in an outdoor smoking area situated within the Casino's atrium.

Given that this bill has yet to be passed by the other chamber, I indicated that I will deal with this issue by way of an amendment to the bill before us. The first subclause of the amendment does just that: it makes it a condition of the Casino licence that gambling may only take place under the licence within a place or area that is enclosed, as defined by the Tobacco Products Regulation Act 1997.

In addition, I indicated that I would address any uncertainty about smoking in pockets of premium gaming areas. The second subclause achieves that purpose. It does so by providing that

the exemption or modification from complying with specific requirements of the Casino Act does not extend to the conditions regarding where gambling activity may take place. In short, it prevents smoking anywhere in the Casino, including any premium gaming areas.

Based on the 2011 debate, I do not expect the opposition to support this amendment, but I will be truly disappointed if the government also opposes it, especially given their previous undertakings on this matter. The government made it quite clear in 2011 that this approach was consistent with government policy with respect to smoking and anticipated amendments were planned for the Casino Act when it was next amended. That time is now.

As the Hon. Tammy Franks pointed out in 2011, this is not simply about whether one is allowed to smoke or not. It is about the health and safety of Casino staff and other patrons. The fact of the matter is smoking is not tolerated in any other enclosed area or workplace, and there is absolutely no reason why a VIP gambling area should be any different. If a premium customer wants to light a cigar, they can do so in an outdoor area where there is no gambling, like the rest of the Casino's patrons do. I urge all honourable members to support this amendment.

The Hon. G.E. GAGO: The government supports this amendment. The amendment is consistent with the government's policy position on smoking, as set out in the Gaming Machines Act. This amendment was previously considered by this Legislative Council and was supported by the government and we intend to do the same again.

The Hon. R.L. BROKENSHIRE: I advise the chamber that Family First supports this amendment.

The Hon. R.I. LUCAS: I am advised that, consistent with our past position on this, the Liberal Party will not support the amendment.

The Hon. T.A. FRANKS: The Greens will of course be supporting this amendment and we hoped that it would not have had to be put in this bill, given it has been languishing in the lower house for so long.

The Hon. K.L. VINCENT: Just for the record, Dignity for Disability will also support this very sensible amendment.

New clause inserted.

Clauses 25 to 32 passed.

Clause 33.

The Hon. J.A. DARLEY: I move:

Page 16, line 38 [clause 33, inserted section 40A(6)(a)]—After 'particular gaming machine' insert:

in a particular calendar year

Since 1 October 2001, all new games and gaming machines installed after that date are required in the long run to return an amount in prizes equivalent to at least 87.5 per cent of the amount bet. This applies equally to the Casino. Clause 33(6) of the bill provides that the commissioner must not approve a game to be played on a gaming machine unless the game returns winnings to players at a rate that is not less than 87.5 per cent of the total amount of all bets made on the game on a particular gaming machine. The games must also be able to be operated in compliance with any other legislative and regulatory requirements.

Subclause (7) goes on to provide that the commissioner may approve a game to be played on a gaming machine that does not comply with the previous provisions regarding returns to players if the commissioner is satisfied that the game will operate in a way that allows the expenditure or part of the expenditure on the game when played on a particular gaming machine to accumulate with the expenditure or part of the expenditure on a game played on another machine and that the games, in combination, return winnings to players at the rate that is not less than 87.5 per cent of the total amount of all bets made on the games. This is intended to cover jackpot wins which only the Casino can offer.

At the moment, the 87.5 per cent minimum rate of return applies over the life of the machine or machines. That means the machine could be installed and operated indefinitely, provided of course that its approval is renewed every 10 years. Applying the rate of return over the life of the machine completely defeats the purpose of having a minimum rate in place. This

amendment seeks instead to make it applicable over a calendar year. I ask all honourable members to support the amendment.

The Hon. G.E. GAGO: The government opposes this amendment. It is not possible to implement a measure of this nature without fundamentally changing how a gaming machine works. The outcome for each game played on a gaming machine is determined by a random number generator and payout table. The outcome for each game played is not dependent on the outcome of any other game played. When determining compliance with the minimum return to player set in legislation, the Liquor and Gambling Commissioner assesses the gaming machine game played on its logarithm and the expected return to the player over an infinite number of games.

As with other areas of probability, the average return to player over a finite number of games or a period of time may vary from the expected return to player. However, as the number of games played increases, the average return to the player will tend towards the expected return. It is simply not possible for a gaming machine supplier to achieve compliance with the proposed amendment without making true the myth that a gaming machine that has not paid out in a long time is more likely to pay out.

The Hon. R.I. LUCAS: The Liberal Party will not be supporting this amendment.

Amendment negatived; clause passed.

Clauses 34 to 38 passed.

Clause 39.

The Hon. J.A. DARLEY: I move:

Page 22, after line 38—After inserted section 42A insert:

42AB—Cash facilities withdrawal limit

(1) It is a condition of the casino licence that the licensee must not, on or after the prescribed day, provide, or allow another person to provide, cash facilities in gaming areas that allow a person to obtain by means of those facilities, in any one transaction, on any one debit or credit card, an amount of cash that exceeds the sum of $200.

(2) It is a condition of the casino licence that the licensee must not provide, or allow another person to provide, cash facilities in gaming areas that allow a person to obtain cash by means of those facilities more than once, on any one debit or credit card, on any one day.

(3) In this section—

cash facility means—

(a) an EFTPOS facility; or

(b) any other facility, prescribed by the regulations, that enables a person to gain access to his or her funds or to credit;

prescribed day means the day falling 1 month after the commencement of this section.

This amendment limits cash facility withdrawals within the Casino to $200 per transaction, per card, per day. To be clear, it only applies to EFTPOS transactions. It is important to bear in mind also that it only applies to cash facilities in gambling areas. It does not prevent patrons from using the ATM machines situated in the foyers of the Casino. It also would not apply to other areas of the Casino precinct, such as restaurants, bars and so on.

When speaking to my first amendment, I mentioned that in 2001 the government had a similar amendment regarding cash facilities in hotels and clubs. Whilst that amendment was never implemented, it did, nevertheless, indicate that the government was supportive of limits on cash facility withdrawals. This amendment is no different and, on that basis, I would ask that it be supported.

The government will, as I understand it, oppose this amendment on the basis that limiting EFTPOS facilities in one area of a venue as opposed to another is too difficult. I am not convinced by this argument. If it is possible to set caps for ATM machines in venues, then surely the same can be said for EFTPOS facilities. Clearly, the government envisaged that at some point cash facilities, including EFTPOS facilities, would be capped. I would be very interested to hear why it is that this measure, which is almost identical to that inserted in the bill in 2001, is now considered unworkable.

The Hon. G.E. GAGO: The government opposes this amendment. The Adelaide Casino offers a broad range of gaming product. While there is a crossover between clubs, hotels and the Adelaide Casino in the provision of gaming machines, the Adelaide Casino also offers a range of table games. Table games tend to offer higher stakes gambling. Given the different gaming product mix, the government does not consider that the limitations proposed in this amendment on EFTPOS are appropriate.

Similarly, the Productivity Commission in its report on gambling recommended that ATM and EFTPOS withdrawal limits should not apply to casinos. It is the government's view that EFTPOS is preferable to the use of ATMs because it requires interaction between the customer and trained Adelaide Casino staff. The bill proposes to prohibit placement of ATMs in gaming areas at the Casino.

The Hon. R.I. LUCAS: The Liberal Party does not support the amendment.

The Hon. R.L. BROKENSHIRE: For the record, Family First does support the amendment.

The Hon. T.A. FRANKS: And for the record, also, the Greens will be supporting this amendment.

Amendment negatived.

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

Page 23, line 8 [clause 39, inserted section 42B(2)]—After 'must not' insert:

, on or after the prescribed day,

This amendment is related to the debate we had on clause 1 in relation to the timing of changes being introduced in South Australia and as to whether or not they should be consistent with requirements for the introduction of federal precommitment requirements. It is the Liberal Party's position that we should be introducing automated risk monitoring to commence at the same time as the federal precommitment arrangements. We understand the government's position is different from that but, certainly, this bill requires that machines do have automatic risk monitoring technology, and there is another amendment later on in relation to instant messaging.

As I said, the Liberal Party's position is that, in deferring precommitment dates to line up with the later federal dates, it is common sense that this be deferred to the later dates, as they rely on the same technology. It is all tied up with the same debate. It is the Liberal Party's view that, if you support the position that we should be consistent (as the Responsible Gambling Working Party recommended to the government) with the federal dates in terms of these major changes, it is our contention that this is consistent with that particular position.

As you know, we had a long and tortuous debate earlier with the minister to finally winkle out of the minister and the government that, indeed, the Responsible Gambling Working Party had unanimously recommended that we do this consistent with the federal dates and the federal timetable, and we will be moving—this is the first of them—a series of amendments to go down that path. Certainly, the clubs industry, for those who want to support the clubs industry, is supporting this amendment and a range of other amendments based on the same premise.

The Hon. R.L. BROKENSHIRE: I have a question to the minister. What is the background of the government's wanting to bring it in at this particular time?

The Hon. G.E. GAGO: The government has negotiated with the Adelaide Casino to ensure that better responsible gambling features are delivered early, and possibly as soon as 2014, to the community of South Australia. This negotiated outcome is well in advance of national requirements and the requirements for the clubs and hotels proposed in this bill. This amendment would ensure that the regulatory powers required by the Independent Gambling Authority and the Liquor and Gambling Commissioner to support this negotiated outcome would not be operational until 2019, some five years later than required, and that is why the government opposes this amendment.

The committee divided on the amendment:

AYES (12)

Brokenshire, R.L.	Dawkins, J.S.L.	Franks, T.A.
Hood, D.G.E.	Lee, J.S.	Lensink, J.M.A.

AYES (12)

Lucas, R.I. (teller)	Parnell, M.	Ridgway, D.W.
Stephens, T.J.	Vincent, K.L.	Wade, S.G.

NOES (7)

Darley, J.A.	Finnigan, B.V.	Gago, G.E. (teller)
Hunter, I.K.	Maher, K.J.	Wortley, R.P.
Zollo, C.		

PAIRS (2)

Bressington, A.	Kandelaars, G.A.

Majority of 5 for the ayes.

Amendment thus carried.

[Sitting suspended from 18:00 to 19:46]

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

Page 23, lines 13 to 20 [clause 39, inserted section 42B(3) and (4)]—Delete subsections (3) and (4)

It is the same principle, that is that there be no state precommitment scheme before the federal precommitment scheme starts. We debated the issue in clause 1 and we debated it a little before the dinner break, and we had a division on the earlier amendment in relation to this, so it is the same general principle again. It is our contention, as the Responsible Gambling Working Party recommended to the government, that it makes sense to do these major changes in concert with the national changes that are going to be introduced and consistent with that particular timetable.

The Hon. G.E. GAGO: The government opposes the amendment. As noted earlier, the bill provides the necessary regulatory powers to support the early implementation of precommitment that has been negotiated with the Adelaide Casino.

The committee divided on the amendment:

AYES (9)

Brokenshire, R.L.	Dawkins, J.S.L.	Franks, T.A.
Lee, J.S.	Lensink, J.M.A.	Lucas, R.I. (teller)
Parnell, M.	Stephens, T.J.	Wade, S.G.

NOES (5)

Darley, J.A.	Gago, G.E. (teller)	Kandelaars, G.A.
Maher, K.J.	Vincent, K.L.	

PAIRS (6)

Bressington, A.	Wortley, R.P.
Hood, D.G.E.	Zollo, C.
Ridgway, D.W.	Hunter, I.K.

Majority of 4 for the ayes.

Amendment thus carried.

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

Page 23, line 21 [clause 39, inserted section 42B(5)]—After 'must not' insert:

, on or after the prescribed day,

I think it is a very similar point to that we have decided by two comprehensive votes before dinner and after dinner. This one relates to on-screen messaging, which comes in at the same time as the automated risk monitoring. Again, it is a very similar argument, that all of these changes—it is our view, and the amendments are consistent with that—should come in at the same time as federal precommitment arrangements and as part of the national changes.

The Hon. G.E. GAGO: The government opposes this amendment for the reasons outlined previously.

Amendment carried.

The Hon. T.A. FRANKS: I move:

Page 23, after line 26 [clause 39, inserted section 42B]—After subsection (6) insert:

(6a) It is a condition of the casino licence that the licensee must not permit the use of an audio device on any gaming machine if the use of the device is not intended primarily to assist a person with a hearing impairment.

This amendment goes to ensuring that, in South Australia, we do not have the technologies where a person playing one of these machines can be fitted with a headphone, if you like, or an audio device, with the exception of those who are hearing impaired who need such a device.

This technology does not yet exist in South Australia; however, we are taking proactive action here to make sure that certainly people do not have that added impact of being completely hooked into the machines. We are following the lead, I do believe, of the ACT where, in March this year, the Greens minister Shane Rattenbury banned this particular technology, recognising the harm that it causes. With that, I commend the amendment to the council.

The Hon. G.E. GAGO: The government supports this amendment. The government understands that, at this stage, no gaming machine dealer has sought to have a gaming machine with the headphone outputs approved in South Australia. Further, it is understood that New South Wales, Victoria and the ACT have already banned gaming machines with headphone outputs. The government considers that implementing such a ban would be appropriate as headphones have the potential to isolate the customer from the environment and could make staff or customer interactions more difficult. For those reasons, we support this amendment.

The Hon. R.L. BROKENSHIRE: We will also be supporting this amendment.

The Hon. R.I. LUCAS: The Liberal Party's position is not to support the amendment.

The Hon. J.A. DARLEY: I rise to indicate that I will be supporting the Hon. Tammy Franks' amendments as they relate to the use of audio devices being used on poker machines and I commend her and the Greens for taking the lead on this very important issue, not only here but in other jurisdictions as well. As I understand it, a similar provision was also moved by Greens MLA Shane Rattenbury in the ACT.

Such devices, which were previously in operation in Victoria and New South Wales, were marketed as having the ability to deeply immerse and engage players in game play for longer periods of time. This, together with the high definition LCD displays and ergonomics, was said to allow venues to take their operation to a whole new level of profitability.

This is truly disturbing. It is disturbing that, at a time when problem gambling has gained such momentum at a national level, poker machine manufacturers are showing such a blatant disregard for the harm caused by their products. I certainly hope that this amendment gets the support it deserves.

Amendment carried.

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

Page 23, line 33 [clause 39, inserted section 42B(8)]—Delete '$5' and substitute '$10'

I think this is going to be a messy procedure in relation to this amendment. This essentially relates to the provision in the legislation that has $5 in it in terms of the bet. The Liberal Party's position is changing the maximum bet to $10, which returns it to its existing position; the Hon. Mr Darley has

an amendment for $1. Having looked at the way these amendments are going to be put, it may well be that at the end of it there might not be support for anything—$5, $10 or $1—given the sequence of events.

In the event that that occurs—and we cannot prejudge of course the votes of this chamber—my understanding is that the minister may well then propose a recommittal of the clause afterwards to test the vote of the parliament in relation to the government's position of $5. We would then, by way of amendment (or however we propose to do it at that particular time), test the position in relation to $10.

Depending on the sequence of votes in this chamber there are clearly members who want to support the $1 provision and it is certainly our view that they should have the opportunity to express and vote for that view at an appropriate time during the debate. However, at the outset in moving my particular amendment, I wanted to flag what may well be a messy process on the way through but that, ultimately, all of us will have the opportunity, I suspect, at the end on a recommittal—if the $1 bet does not get up—to decide the position as to whether it be a $5 bet or a $10 maximum bet.

In discussing the issue, again, this is one of the challenges I put to the minister in the debate to provide us with some hard evidence to indicate how this change will assist in reducing problem gambling. I think conceptually a lot of people see or believe that it will but the challenge we put to the government was to produce the evidence to indicate that this change would reduce problem gambling.

One of the points that I want to put on the record is that I am advised that under our state regulations you can have a spin every 3.5 seconds; every minute you can have approximately 17 spins. In practice I am told that it might not be up to that particular regulatory entitlement, it might average out at around 10 spins, but you can have 17 spins. Whether it is a $1 maximum bet or a $5 maximum bet or a $10 maximum bet that we are talking about, the reality is that if you are an addicted gambler or a problem gambler the issue is, as I have said before, that you are going to spend whatever money you have and more with the problem that you have unless you are identified and somehow taken out of the system or assisted and encouraged not to continue with your addiction.

The reality is that if you drop the bet from $10 to $5 you can still do 17 spins a minute, and instead of spending $170 a minute you will be spending $85 a minute and you might sit there for slightly longer to spend whatever money it is you have plus whatever else you go into debt for if you are a problem gambler. The reality is that people who think that by reducing the maximum bet you have any impact are deluding themselves. People who have a problem will sit there for as long as they need to in order to spend the money they have and the money they do not have. That is the sad reality of the problem that we confront.

As to the issue of the maximum bet and the number in and of itself, and also the issue of the number of spins you have, all it means is that someone sits there for a longer period of time. People can console themselves with the view that it has taken them longer to lose all the money they have and the money they do not have, but it does not actually impact on their problem gambling. They have a problem, and they will continue to gamble. The reality is that this change, in our view, is not going to make the difference that everyone believes it will.

For those reasons, we have moved a position to, in essence, retain the status quo. This, however, goes into the package of amendments, and we have said that if the bill goes through without some of these amendments in them—it might have some of them in and some not in—ultimately it is our view still that the government should sit down with stakeholders, with the clubs industry, with hotels, and with welfare groups, to come up with a sensible package that may well better target problem gambling, rather than with things which have superficial appeal and media appeal, admittedly, but which ultimately, as the figures I indicated, in terms of the prevalence of problem gambling in South Australia compared with other states and jurisdictions, thus far have not demonstrated that they have made a significant difference in terms of their impact on problem gambling.

The Hon. G.E. GAGO: The government rises to oppose this amendment. There is a high level of community interest in what the maximum bet should be. It is the government's view that the maximum bet for non-premium gaming machines in the Adelaide Casino, as well as in clubs and hotels, should be reduced. The current maximum bet of $10 on South Australian gaming machines

is only shared by New South Wales and the ACT. All other jurisdictions have a maximum bet of $5 on machines in clubs and hotel venues.

South Australia does not have a significant market share of gaming machines in Australia. South Australia is not in a position to influence the national market for gaming machines, and a pragmatic approach to the maximum bet needs to be adopted. The bill proposes to do that by reducing the maximum bet from $10 to $5, a point that most other Australian jurisdictions have already implemented. Any consideration below $5 can only be really done in concert with other major Australian jurisdictions.

The Hon. T.A. FRANKS: The Greens will be opposing this amendment, put forward by the Liberals, for a $10 limit, and we indicate that we will be supporting the $1 amendment being put forward by John Darley. We will speak further when we get to that particular amendment.

The Hon. R.L. BROKENSHIRE: I advise that Family First will not be supporting the Liberals on this because we believe, in the interests of trying to minimise problem gambling, that the lower the dollar bet ratio the better the chance of that person not having a problem. I just put on the public record that we actually support the $1, but I find it interesting that the minister in her response says that she does not support the $10 and does not support the $1 either because it is not conforming with national policy, yet when it comes to other areas they want to be ahead of the pack. Where the hell is the inconsistency with the government on this matter? We will be supporting the $1.

The Hon. J.A. DARLEY: I will not be supporting this amendment.

The CHAIR: Will you be moving your amendment to assist us?

The Hon. J.A. DARLEY: I move:

Page 23, line 33 [clause 39, inserted section 42B(8)]—Delete '$5' and substitute '$1'

The amendment seeks to replace $5 maximum bets for poker machines with a $1 maximum bet. The Hon. Rob Lucas, on behalf of the opposition, has argued that maximum bets should be left at $10. It is useful to consider the following example, provided by the Productivity Commission in 2010, in relation to both $5 and $10 maximum bets. If played at the fastest allowed rate, lowering the maximum bet limit from $10 to $5 will mean that the value of bets laid per hour will have fallen from $12,000 to $6,000. This will result in the expected losses reducing from $1,200 to $600 an hour; $600 hourly losses may be a far cry better than $1,200, but they are still extraordinarily high.

The Productivity Commission has argued that there are strong grounds to reduce the maximum intensity of play per button push well below the current $5 and $10 regulated limits and that a limit of $1 would strongly target problem gamblers with little disturbance for other recreational gamblers. It would, in all likelihood, achieve more than all the other proposed measures combined. Based on the above example, $1 maximum bets would result in expected losses of $120 an hour.

All too often we hear about the fact that these machines provide a form of entertainment for the majority of users. No other form of so-called entertainment allows a person to lose up to $1,200 per hour. Poker machine gambling revenues of and in excess of $740 million per year are not coming from a form of entertainment.

This demonstrates very clearly that the government is intent on talking the talk, but they do not want to walk the walk. We talk about the addictions of problem gamblers all the time, but we fail to address the government's own addiction to poker machine revenue. That is the only reason the government is opposed to this amendment, plain and simple. On the one hand, the government is pleading with us to pass a bill apparently aimed at reducing the effects of problem gambling; on the other, they are refusing to support the single biggest measure in terms of reducing the harm caused by poker machines. The opposition is no better: they want to wind the clock back even further in the other direction.

Despite what the government and, particularly, the opposition may think, the scale of the problems associated with poker machines is one that warrants continued policy attention; there is absolutely no doubt about that. The Productivity Commission has confirmed it. I find it astonishing that we are always so keen to rely on the findings of the Productivity Commission in other areas of policy but choose largely to ignore findings as they relate to problem gambling.

The Hon. Rob Lucas has said time and time again that problem gamblers would crawl over cut glass to feed their addiction. He is probably right, many would, but the fact still remains that poker machines pose a very real risk—indeed, the highest risk than any other form of gambling.

The Hon. Rob Lucas also alludes to the fact that only a small proportion of the population has a gambling addiction. Again, there is no question that he is right about that, too.

Currently, the prevalence rates of problem gambling are said to be 0.7 per cent and 1.7 per cent of the adult population for problem and moderate risk gamblers respectively. Based on these figures, it is easy to see why the hotel and club industry argues so strongly that the social policy significance of problem gambling is insignificant, but this needs to be put into context. According to the Productivity Commission, only 0.15 per cent of the population are admitted to hospital each year for traffic accidents and around 0.2 per cent of the population are estimated to have had heroin in the preceding year. The point is that small population prevalence rates do not mean small problems for society.

Both the 1999 and the 2010 reports of the Productivity Commission confirm that each year 40 per cent of poker machine losses (some $5 billion) come from problem gamblers. We know that the harms from problem gambling include depression, relationship breakdown, lowered productivity, job loss, bankruptcy, crime and, worst of all, suicide. According to a 2008 study, gambling was found to be the most common motivation for fraud, with the average loss amounting to $1.1 million per incident.

We know also that for every one problem gambler, the lives of at least seven others are affected. According to the Productivity Commission, whilst it is hard to quantify some aspects of these harms, the evidence suggests costs equivalent to many thousands of dollars per person affected. When these costs are accumulated across people with significant problems, they amount to some $4.7 billion annually, and that is using conservative estimates.

The Productivity Commission, quite rightly, points to the fact that it is very difficult to justify allowing the large social cost from current arrangements to continue just because some people benefit from them. It quite rightly points to the fact that history is replete with instances in which industry interests have suffered from regulated increases in safety standards—tobacco, coal mining and asbestos, to name a few. This is not just about the small population prevalence rate for problem gamblers: it is about reducing the havoc that problem gambling wreaks in one form or another on the rest of society.

According to the Productivity Commission, current bet limits imposed by all jurisdictions (and that includes $5 bet limits) are too high to be effective in constraining the spending of problem gamblers, given the speed and intensity of play that a modern poker machine allows. Maximum bets need to be low enough to constrain the spend rate of problem gamblers but not so low as to adversely affect recreational gamblers who typically bet at quite low levels. This amendment achieves that, and I urge all honourable members to support it.

The Hon. G.E. GAGO: The government opposes this amendment for the reasons previously outlined.

The Hon. K.L. VINCENT: Very briefly, I will be supporting the Hon. Mr Darley's amendment, and I will, in fact, on behalf of Dignity for Disability be supporting all of his amendments because I think they are very sensible ways to look at stemming problem gambling. I think one of the big questions that needs to be asked at this point in the debate is that, if Mr Lucas and the Liberals are so convinced that the $1 maximum bets will not make any difference, why are they so unwilling to try it? I will be supporting the amendment on behalf of Dignity for Disability.

The Hon. T.A. FRANKS: As previously indicated, the Greens will be supporting the Hon. John Darley's amendment for $1 bet limits. We note the words of Uniting Communities and, indeed, Mark Henley, who is well respected in this area, in a press release issued on 16 April this year where, with regard to this particular bill, it stated:

> Uniting Communities is also urging the Government to amend its proposed $5 bet limit per spin to $1, as recommended by the Productivity Commission.

Mark Henley stated:

> A $5 per spin bet limit still means that a person with a gambling problem can put $100 per minute through a poker machine—this is excessive. We are well aware that it is people with gambling problems who are most likely to be gambling $5 per spin. A vast majority of 'recreational gamblers' gamble less than $1 per spin. So a $1 per spin bet limit for pokies is good policy that won't affect recreational gamblers.

That concludes the press release. That is urging this particular government, from those who stood alongside it promoting this particular bill at that press conference a few months back, to support $1 a spin.

I echo the words of the Hon. Robert Brokenshire that we are a little flummoxed that the government can claim that they do not want to be ahead of the pack on this, yet they do not want to go with the federal timetable on other measures in this bill. It seems to be a contradictory position. The Greens have long held a policy of $1 bet limits and we think that the Australian Productivity Commission is not to be ignored on this.

The Hon. R.I. LUCAS: Briefly, the other point which I did not make but for the benefit of members I should, is that for 99.6 per cent of the population who do not have a problem gambling issue what is the problem with allowing someone like myself or the chairman of the committee to bet $50 on a gaming machine, or $50 on the TAB, or $50 on the Lotto, or $50 on Sportsbet, or $50 on whatever?

For the overwhelming majority of people who are recreational gamblers who do not have a problem gambling issue, not being able to bet on one particular form of betting is an issue for people who are recreational gamblers. So, those who argue the case—and again I leave the challenge with the government and those who support the government—that this particular measure or indeed the others will reduce problem gambling, need to produce the evidence to indicate that that will be the case. If they can, then you can take decisions that will restrict the freedoms of the overwhelming majority of people who happily bet $50 on their mobile phone on Sportsbet every day of the week, or on their interactive computer at home every hour, or they go to the X-Lotto and put on $50, or they buy a lottery ticket, or go to the TAB and plonk $50 on some nag that one of the members may have told them is a good thing at Balaklava.

Ultimately they are choices which, for 99.6 per cent of us who are not problem gamblers, we ought to be able to take in a free society. Whilst I understand the debate about the 0.4 per cent, the issue is that we are restricting the capacity of recreational gamblers to spend their money as they see fit, without causing any grief to themselves, their families or their acquaintances, and that is an entitlement or freedom that should not be restricted unless the government or someone can demonstrate that a particular measure will actually reduce this 0.4 per cent to a lower figure of problem gamblers in South Australia. It is a simple request; I put it in the second reading two or three weeks ago.

The government and no-one else has actually been able to produce the hard evidence in relation to the issue. I know there are those with strong views who say they believe this will occur and who also say that they believe that by increasing the number of gaming machines in a venue to 60 from 40, and reducing the number of venues that that will reduce problem gambling.

The Hon. R.L. Brokenshire: There's no evidence of that.

The Hon. R.I. LUCAS: Okay, but there is no evidence of this other one either—that is what I am saying. The point is that people believe these things will reduce problem gambling, but they do not actually produce hard evidence to back these things. It is the sort of thing of which the community generally will be supportive because it is a perception of doing something about problem gambling, and governments, whether Labor or Liberal, will pat themselves on the back in relation to being seen to do something, but ultimately these things will have to be judged by whether or not that 0.4 per cent of problem gamblers is actually reduced.

That is why we would be interested to see the results of the problem gambling prevalence study, which has been completed but which for some reason has not been released to members or publicly prior to the passage of this particular debate.

The CHAIR: If members support the Hon. Mr Lucas's amendment or the Hon. Mr Darley's proposition, they will vote no to the question that '$5' in clause 39, page 23, line 33 stand as printed.

The committee divided on the question:

AYES (4)

Finnigan, B.V.	Gago, G.E. (teller)	Maher, K.J.
Zollo, C.		

NOES (11)

Brokenshire, R.L.	Darley, J.A.	Dawkins, J.S.L.

NOES (11)

Franks, T.A.	Lee, J.S.	Lensink, J.M.A.
Lucas, R.I. (teller)	Parnell, M.	Stephens, T.J.
Vincent, K.L.	Wade, S.G.	

PAIRS (6)

Hunter, I.K.	Bressington, A.
Wortley, R.P.	Hood, D.G.E.
Kandelaars, G.A.	Ridgway, D.W.

Majority of 7 for the noes.

Question thus disagreed to.

The Hon. R.I. Lucas's amendment negatived.

The committee divided on the Hon. J.A. Darley's amendment:

AYES (5)

Brokenshire, R.L.	Darley, J.A. (teller)	Franks, T.A.
Parnell, M.	Vincent, K.L.	

NOES (13)

Dawkins, J.S.L.	Finnigan, B.V.	Gago, G.E. (teller)
Hunter, I.K.	Kandelaars, G.A.	Lee, J.S.
Lensink, J.M.A.	Lucas, R.I.	Maher, K.J.
Stephens, T.J.	Wade, S.G.	Wortley, R.P.
Zollo, C.		

Majority of 8 for the noes.

Amendment thus negatived.

The Hon. J.A. DARLEY: I move:

Page 23, after line 33 [clause 39, inserted section 42B]—After subsection (8) insert:

(8a) It is a condition of the casino licence that the licensee must not provide any gaming machine on the licensed premises that may be operated otherwise than in connection with a system that interrupts play at regular intervals (not exceeding 30 minutes of continuous play) for at least 5 seconds on each occasion.

(8b) It is a condition of the casino licence that the licensee must not provide any gaming machine that returns winnings to a player of more than $500 at any one time.

I also intend to move similar amendments regarding hotels and clubs. The amendment introduces two new concepts. The first is a five-second break in play, the second is maximum jackpots. In relation to the first issue, subsection (8a) of the amendment is aimed at ensuring that poker machines have a system that interrupts play at regular intervals not exceeding 30 minutes of continuous play for at least five seconds on each occasion.

It is widely accepted that providing a break in play provides gamblers with the opportunity to rethink their options in terms of whether or not to continue gambling. Five seconds is not a long time. If someone cannot handle a five-second break after sitting in front of a poker machine for 30 minutes, then I dare say they may be at risk. This amendment, in conjunction with on-screen messaging, could go a long way towards providing those people with the time they need to reassess their position.

In relation to the second issue, subsection (8b) provides that it is a condition of the Casino licence that the licensee must not provide any gaming machine that returns winnings to a player of

more than $500 at any one time. This amendment is specifically aimed at addressing some of the misconceptions people have about poker machines.

There exists a misconception amongst many problem gamblers that if they just keep pouring money into a machine, eventually it will pay out and it will pay out big, that somehow if they have poured a few hundred or a couple of thousand dollars into a machine it is bound to come good. Some problem gamblers cannot even bring themselves to leave a machine for fear that somebody else might jump on and win all of 'their' money.

There are plenty more examples that all tie into a lack of understanding about the way poker machines actually function. I do not profess to be an expert in this area, but I know enough to understand that these machines are designed to lure people in and keep them there for as long as possible. Usually, for problem gamblers, that time comes when they have exhausted all their funds, all their food money, their rent money, their mortgage repayments, their petrol money, their kids' lunch money.

There is absolutely no question that people who play the poker machines are always chasing that big jackpot, the one that is going to make up for all the losses of the evening. According to the Productivity Commission, notwithstanding the long-running inevitability of losses for regular poker machine gamblers, some gamblers will occasionally win big prizes, and these people will disproportionately be problem gamblers, given their spending rates. This is what keeps them coming back.

Measures such as jackpot limits are designed to make people's thinking about their chances of winning on the poker machines more realistic. They would not interfere with the enjoyment of recreational gamblers who just want to have a bit of fun, but they could make a huge difference to those less able to control themselves. If a person knows that the most they can get out of a machine at any one time is $500, they may be less inclined to clean out their bank account of money they can ill afford in the process. I urge all honourable members to support the amendment.

The Hon. G.E. GAGO: The government opposes this amendment in relation to the proposed break in play. The government with the responsible gambling working group undertook extensive work on precommitment between 2006 and 2013. A key measure that was evaluated as part of this work was default messages which displayed specific messages at predetermined spend points. These messages encouraged customers to remember their gambling budget.

The evaluation of this feature suggested that it could be beneficial and certainly did not unduly impact on recreational gambling. It is the government's intention that default messages will be a prescribed requirement of an approved precommitment system. Therefore, it is the government's view that this amendment is not necessary and that it is preferable to implement measures that are based on evidence-based development by the Responsible Gambling Working Party.

In relation to the proposed maximum prize, currently the maximum prize is regulated at $10,000 with the exception of linked jackpots at the Adelaide Casino, which have a regulated maximum prize of $250,000. It is clear that retaining the current return-to-player requirements in legislation and applying this amendment would substantially increase the frequency of prize payouts to customers. It is unclear what the consequence for problem gambling would be from this amendment. It is for those reasons that the government opposes this amendment.

The Hon. T.A. FRANKS: The Greens will be supporting this amendment. We underline our concerns raised in the second reading speech that the Weatherill government put up this bill supposedly as a bill that addresses problem gambling, but we have seen very little in this bill that really does address problem gambling.

We have seen this bill put up as supposedly, purportedly, reducing the number of poker machines in this state, and we know that, in fact, it is more than likely to increase them by a substantial amount. There are no guarantees that it will reduce the number of poker machines in this state, and yet here is quite a simple suggestion that will go some way to addressing harm caused by problem gambling and to those who most need that assistance—a five-second break is not much to ask. It seems breathtakingly hypocritical of this government not to entertain this amendment.

The Hon. R.L. BROKENSHIRE: Family First will be supporting this amendment. The response from the government to the proposer of this amendment just confirms to us the furphy

that the Weatherill government is putting out that this has to be a total package and we have to just rubberstamp something for the government because it has the best of all worlds for everyone.

It has the Casino up and running, the crane is there before the next election, there is a $20 million up-front dividend to Treasury, it has all the problem gambling matters resolved, it has done a good job for clubs—this is the story the government is painting, but the reality is that this, to me, indicates the importance of splitting the bill. The Casino is one thing, but clubs have to be looked after, and also harm minimisation and any initiatives to prevent problem gambling need to be supported.

I think five seconds is not enough time. I personally believe that five minutes every 30 minutes would probably be better, frankly, because then people would have a chance to go and suck in a bit of fresh air and think about how long they have been playing. If a little sign were put up on the screen that said, 'Don't gamble too much,' or something like that, people are so mesmerised on dropping in the next coin they would not even read it, quite frankly.

I have watched a few people play, and the coins are in their hand or in their cup and they are ready to drop the next one in because they know they are not going to win on that one and they are ready to drop in the next coin. The government has just exposed itself for what it is: that is, frauds on this bill. I will be supporting, on behalf of Family First, the Hon. John Darley's amendment.

The Hon. R.I. LUCAS: We will not be supporting the amendment. I am a natural cynic in relation to warning messages. I think the evidence is not there regarding the health warnings that we are constantly bombarded with. Everyone says, 'This will stop someone from smoking,' or whatever it is, but I must admit that the circle of people I associate with who are smokers all know that it is not good for them and the warning messages mean nothing; it is just part of the background.

I think it would be the same thing in relation to gaming machines. If you are one of the 0.4 per cent who have a gambling problem, the fact that the message scrolls across the screen or is in neon lights or jumps up and down or whatever, in my view is not going to cure your addiction or assist you or prevent it in any way.

The second point is in relation to the limitation on the winnings. Again, I speak on behalf of the 99.6 per cent of people who are recreational gamblers. You can win $30 million in X-Lotto, unlimited lumps of money in sports betting or in any variety of other gambling pursuits that you want. For those who, again, I repeat, do not have a problem and who are recreational gamblers and who are not causing problems for their families or their acquaintances, from my viewpoint the issue remains that if you are going to restrict them you should do so only after you have produced hard evidence to indicate that the restriction you are applying to the 99.6 per cent of people will actually do something, in terms of hard evidence, to reduce the 0.4 per cent of people who are problem gamblers. The member and those who support this particular amendment, in my view, have not produced the evidence that this will do just that.

Amendment negatived.

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

Page 23, lines 34 to 40 [clause 39, inserted section 42B(9)]—Delete subsection (9) and substitute:

(9) In this section—

prescribed day means—

(a) 31 December 2018; or

(b) if, before 31 December 2018, the Governor prescribes a later date by regulation—on that later date.

In my view, this is consequential on earlier amendments that we have voted on comprehensively.

Amendment carried.

The Hon. T.A. FRANKS: I move:

Page 23, after line 40 [clause 39, inserted section42B(9)]—After the definition of *approved pre-commitment system* insert:

audio device means an earphone, earpiece, headphone, headset or any other device to convert signals from a gaming machine to audible sound delivered to the ear of a person playing the machine to the exclusion of everyone else.

This is a consequential amendment on a previous amendment that gained the support of this council, so I would hope, as such, there would be a similar vote. It goes to the audio devices that can potentially be fitted to machines and that new technology.

The Hon. G.E. GAGO: The government supports the amendment and sees it as consequential.

Amendment carried; clause as amended passed.

Clause 40.

The Hon. J.A. DARLEY: I move:

Page 24, after line 14—After subclause (2) insert:

(2a) Section 43—after subsection (2) insert:

(2a) If a child under the age of 16 enters the casino premises and is not accompanied by that child's parent or guardian, the licensee and the staff member who is responsible for supervising entry to the casino premises are each guilty of an offence.

Maximum penalty:

In the case of the licensee—$10,000.

In the case of a staff member—$2,000.

Clause 40 of the bill deals with the exclusion of children from the Casino premises. Currently, section 40 of the Casino Act prevents children from entering the Casino. The bill seeks to draw a distinction between Casino premises and gaming areas. The effect of this is that it allows the child to enter those parts of the Casino premises where gambling is not available.

The amendment seeks to mandate that a child under the age of 16 be accompanied by a parent or guardian while on the Casino premises. If a child is allowed on Casino premises unaccompanied by a parent or guardian, the licensee and the staff member responsible for supervising entry to the Casino premises will each be guilty of an offence. This is consistent with section 43(3) of the act which currently provides that if a child enters the Casino the licensee and the staff member who is responsible for supervising entry to the Casino are each guilty of an offence.

The fact that the bill introduces a distinction between the Casino premises and gaming areas to allow children into the non-gambling parts of the Casino tends to suggest that the Casino is looking to incorporate many additional entertainment facilities such as those that exist in casinos interstate. It might not be intended to go as far as the Crown Casino, which has a theme park and cinema situated on its premises, but it will certainly incorporate some sort of entertainment precinct. Again, anyone who has been to Melbourne's Crown Casino would know that the gambling areas are not hidden away from view. Children walking around the precinct are not shielded from gambling activities; they are, in fact, quite prominent.

The risks about exposing minors to gambling activity have been well documented. Whatever Adelaide Casino's intentions may be, I do not think it unreasonable to expect that minors aged under the age of 16 be accompanied by a parent or guardian when visiting the Casino precinct; it is, after all, still a casino.

The Hon. G.E. GAGO: The government opposes this amendment. It is a completely impractical amendment that could result in a 15 year old not being able to return to their parents' hotel room. As noted earlier, a new Adelaide Casino complex is expected to include a range of facilities such as a six-star hotel, signature restaurants and bars, live entertainment venues and an outdoor entertainment precinct. The proposed Darley amendment is impractical, given that the complex will include a range of facilities such as a hotel where it may be appropriate for an unaccompanied minor to enter.

This is not the same as a gaming area. This is simply referring to the Casino premises, which is defined in a different way to a gaming area. Regulatory restrictions on access to specific areas will be determined by the nature of the activity being undertaken under the Casino Act and the Liquor Licensing Act. So we oppose this amendment for those reasons.

The Hon. R.I. LUCAS: I rise to indicate the Liberal Party is opposing the amendment.

The Hon. R.L. BROKENSHIRE: Whilst Family First understand what the Hon. John Darley is trying to do in protection of children, on this occasion, after deliberating, we will not be able to support this amendment. There are quite a lot of complications with the amendment. Whether it is the Casino or a hotel venue, there are occasions, particularly with the new facilities advocated in the Casino, where children and families will be invited to go in there to utilise facilities outside of direct gaming.

I did recently in March visit the Melbourne Casino just to have a look at what they are doing there. There are a lot of actual good things there, with the theatre complexes and the eating facilities, that are, to a fair extent, separated from the gaming areas where we would not want children to be. I think, at the end of the day, if the person is a child, then the parents actually have to take the responsibility for the management, supervision and protection of those children.

To have a criminal offence on an employee simply because there was a negligent parent would do serious injustice to that employee, and it is complicated and difficult to manage. For those reasons, we would be focused more on parental responsibility to those children, and we will be opposing this amendment.

Amendment negatived; clause passed.

Clauses 41 to 45 passed.

New clause 45A.

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

Page 26, after line 28—After clause 45 insert:

45A—Amendment of section 48—Accounts and audit

Section 48(2)(a)—delete 'in a form approved by the Authority' and substitute:

in accordance with generally accepted accounting standards.

The advice to me from the member for Davenport is that this amendment was requested by the Casino. It requires the Casino to keep accounts in accordance with generally accepted accounting standards, instead of in the form approved by the authority. The Casino Act has always required the Casino to keep accounts in a form approved by the authority, so for those reasons I move the amendment.

The Hon. G.E. GAGO: The government opposes the amendment. This amendment limits the ability of the Independent Gambling Authority to request accounting information from SkyCity. The Independent Gambling Authority has an important role in ensuring that SkyCity remains a fit and proper person to hold a casino licence. The Independent Gambling Authority relies on information gathered from a range of sources. A key source of information is the accounting information provided by the licensee to the Independent Gambling Authority. Information prepared to satisfy company law requirements may not provide sufficient granularity for the Independent Gambling Authority to undertake this role. This is a longstanding provision and the government is not aware of any concerns about the exercise of this power by the Independent Gambling Authority.

The Hon. R.I. LUCAS: My advice is that perhaps the government's adviser should speak to the Casino. There obviously have been issues because the member for Davenport has advised me that this particular amendment and drafting has been requested by the Casino.

In terms of the amendment, what it is essentially saying is what all companies and organisations are required, and that is you submit accounts and forms in accordance with generally accepted accounting standards. That is the way accounts are prepared in the corporate world. That is the way the Auditor-General operates. Indeed, with the greatest respect, that is the way Treasury and Finance operates. They adopt practices in accordance with generally accepted accounting standards.

In reading between the lines—and I have not had the discussion with the Casino, the member for Davenport has—one would assume the forms that are being requested by the authority, on some occasions, have not been in accordance with generally accepted accounting standards, otherwise they would not have been raising the issue with the member for Davenport.

With the greatest respect to the Independent Gambling Authority, there have been the odd occasions that some have indicated where they have flexed their muscles in terms of their requirements. If there is good cause for that, that is fine, but one could infer from their support for

this particular amendment that the Casino is suggesting that, in this particular case, there has been no good cause for the information being requested in this particular form.

In terms of reducing red tape, generally accepted accounting standards is a very common provision. If you are producing all your information in accordance with generally accepted accounting standards, it does not seem unreasonable to think that information being requested by the IGA should follow the same sort of principles that Treasury follows, the Auditor-General follows and most of the corporate world follows—that is a generally accepted accounting standard.

The Hon. G.E. GAGO: I am not surprised that SkyCity would want a less onerous method of accountability. That is not surprising at all. This will provide less accountability required from them and less transparency, so I am not surprised.

It is the Independent Gambling Authority that has the responsibility to provide assurances to the public that the Casino is a reputable organisation doing the things that it is supposed to and is a fit and proper organisation as well to hold a casino licence. The IGA—an independent statutory authority—is saying that it requires additional information to be able to do that. SkyCity has not raised this issue as a significant issue with us. The IGA has indicated that the provision of this information is important to the accountability of SkyCity.

The Hon. R.I. LUCAS: It is good to hear that the minister has now clarified her response saying it was never raised. Now she says it has not been raised in a significant way; ipso facto, it has been raised by the Casino and they have run into a brick wall with the government and its advisers in relation this particular issue.

It is an issue of concern to them; no-one is talking here about fit and proper persons. There is a whole probity regime with the IGA and everything else in relation to whether or not the operators of the Casino are fit and proper persons, so let us not get deluded by that sort of nonsense from the minister that this is in some way going to allow people who are not fit and proper persons to be operators of the Casino. This has nothing to do with that at all.

This is merely an issue of red tape; that is, if you are actually going to be producing a form and providing information, would it be unreasonable to expect that it be done in accordance with generally accepted accounting standards? How can anyone actually see that as some way of not being transparent or accountable, or not being a fit and proper person? It would only have to be the fertile imagination of this minister, who must have some hatred of the operators of the Casino even to suggest that this raises the issue of lack of transparency or that, in some way, we are trying to get around the fit and proper person argument. It is a nonsense.

The Hon. G.E. GAGO: Just for the record, it is most important that I set the record straight. The Hon. Robert Lucas has distorted the truth. I never said that this issue was not raised by SkyCity.

Members interjecting:

The CHAIR: Order!

The Hon. G.E. GAGO: I absolutely did not. What I said was the government is not aware of any concerns about the exercise of this power by the Independent Gambling Authority. So, let us just stick to the facts here. The Hon. Rob Lucas does not need to distort the truth. I am quite happy to stand by what I have said. *Hansard* will record it. My notes are quite clear. I have indicated the correct information for the record and, as I said, it is important that the Hon. Rob Lucas does not distort the truth in this place.

The Hon. T.A. FRANKS: I was under the impression that the minister had said that there had been no concerns raised; however, I guess *Hansard*—

Members interjecting:

The CHAIR: Order!

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

The CHAIR: The Hon. Ms Lensink!

The Hon. G.E. Gago: Read *Hansard*.

The Hon. T.A. FRANKS: I am trying to say that, minister. I am saying that *Hansard* will reflect what you said.

The Hon. G.E. Gago interjecting:

The Hon. T.A. FRANKS: If you stop heckling me, I can finish what I was going to say, minister.

The CHAIR: I am not heckling you, the Hon. Ms Franks. The Hon. Ms Franks has the call.

The Hon. T.A. FRANKS: If you let me finish my sentence, minister, I said I thought that you had said that there had been no concerns raised, but *Hansard* would reflect and we can reflect upon that.

The Hon. G.E. Gago interjecting:

The Hon. T.A. FRANKS: Apparently I am wrong, but I am going to read *Hansard*, which I cannot do at the moment—

The Hon. G.E. Gago interjecting:

The Hon. T.A. FRANKS: —not only because you are heckling me but also because it is not available yet. So, my question was going to be—

The Hon. G.E. Gago interjecting:

The Hon. T.A. FRANKS: Minister, if you want to patronise me—

Members interjecting:

The CHAIR: Order!

The Hon. T.A. FRANKS: —I will continue with my questioning.

Members interjecting:

The CHAIR: Order!

The Hon. T.A. FRANKS: 'Poor love' and 'poor dear' are incredibly patronising terms to be employed by a Minister for the Status of Women—

The CHAIR: The Hon. Ms Franks, you have the call.

The Hon. T.A. FRANKS: —I would have thought.

The Hon. G.E. Gago: You're being incredibly patronising to me.

The Hon. T.A. FRANKS: I am not being patronising, minister. I am trying to ask you a question.

The CHAIR: Order!

The Hon. T.A. FRANKS: I am simply trying to ask you a question—

The Hon. G.E. Gago interjecting:

The CHAIR: Minister, order!

The Hon. T.A. FRANKS: —whether there has there been any correspondence from the Casino on this issue to the minister?

The CHAIR: The Hon. Ms Franks, you have the call.

The Hon. T.A. FRANKS: I simply rose to try and clarify the point, had there been any correspondence to the relevant minister or the relevant minister's office on this issue?

The Hon. G.E. Gago: By whom?

The Hon. T.A. FRANKS: SkyCity Casino.

The Hon. G.E. GAGO: The advice is: not that we are aware of.

The Hon. T.A. FRANKS: So, when the minister reflected that it had not been raised as a significant issue, had it been raised in verbal discussions with the relevant officers?

The Hon. G.E. GAGO: I have been advised that there is no recollection of SkyCity raising this issue with the department but the adviser has indicated that it is highly likely that at some time or other it may have been raised. What they are confident of is that it has not been raised as a significant issue. We do not believe that there is any correspondence reflecting any concerns. The

concerns that I raised were those raised by the Independent Gambling Authority about this provision, not concerns raised by SkyCity.

The Hon. T.A. FRANKS: Thank you, minister, for not only allowing me to ask my question but for answering the question.

The Hon. G.E. Gago: Don't be so patronising.

The Hon. T.A. FRANKS: If you will stop heckling me, minister—

The CHAIR: Order!

The Hon. T.A. FRANKS: —I simply then wanted to ask the mover—

The Hon. G.E. Gago interjecting:

The CHAIR: Order! Minister!

The Hon. T.A. FRANKS: —of the amendment had he had any correspondence from SkyCity on this issue, given that the Greens have received no correspondence and we are told one thing by the government and another thing by the opposition. I am simply trying to get to whether or not SkyCity has put anything in writing on this issue.

The Hon. R.I. LUCAS: I am very happy to respond in a non-patronising way. The simple answer is—

The Hon. T.A. Franks: I don't mind if you patronise me. I think I'm getting used to it.

The Hon. R.I. LUCAS: I do not think that is conducive to good committee stages of parliament, if one behaves in a patronising fashion. The answer is I have had no discussions, because the member for Davenport has—

Members interjecting:

The Hon. R.I. LUCAS: She is sort of a little hit-and-run.

The CHAIR: The Hon. Mr Lucas, you have the call.

The Hon. R.I. LUCAS: The member for Davenport has had the carriage of this bill and his notes from his office were that this has been requested by the Casino. My assumption is it probably was not by way of letter but, in terms of the ongoing discussions, it may well have been an issue that was raised in discussions with the member for Davenport and his office. I cannot give you any more information than that.

The Hon. R.L. BROKENSHIRE: I ask the minister, given her answer to the Hon. Tammy Franks that the government has taken its advice and focus from the IGA, if she can advise the house what the concerns were that the IGA had with respect to not accepting standard accounting practices?

The Hon. G.E. GAGO: The issue that I raised initially in my response was that the government is not aware of any concerns about the excise of this power by the Independent Gambling Authority. That is suggesting that SkyCity had not raised with them any issues of concern about the reporting required. That is the advice I have received from the Independent Gambling Authority.

The Hon. R.L. BROKENSHIRE: So, therefore, did the IGA, who should have, I would have expected, had a look at this amendment, make a recommendation to the government or, indeed, to the department that they do not accept this clause and, if they did not, what is your problem?

The Hon. G.E. GAGO: The advice that I have received is that the IGA has not indicated any problems with the current reporting arrangements. The IGA, I am advised, did not review this particular amendment. The role of government is to do that. Our understanding is that they are satisfied with the current reporting arrangements and the current provisions.

The Hon. R.I. LUCAS: I just put on the record that the minister has just confirmed that the IGA has not even looked at the amendment, on the basis of what she has said, yet she would have led the committee to believe quite the contrary in her earlier statements. I think the minister's argument, and the government's argument, is on very shaky and flimsy ground in relation to this amendment. I would urge support.

The Hon. G.E. GAGO: I need to clarify. The IGA has seen this amendment and are aware of it, and has not provided any specific response to it specifically.

The Hon. T.A. FRANKS: Given the lack of substance that the government has provided, the Greens are inclined to support this amendment.

The Hon. R.L. BROKENSHIRE: Given the very indecisive answers from the government, again showing the incompetence that they have with respect to the overall input into consideration of amendments, and the holistic approach to this bill, we will be supporting the opposition.

The Hon. J.A. DARLEY: I will be supporting the amendment.

New clause inserted.

Clauses 46 to 59 passed.

Clause 60.

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

Page 32, lines 31 to 34 [clause 60(13) and (14)]—Delete subclauses (13) and (14)

This is the first amendment, and there is a series of them that follow. This is not really the substantive clause, but it is probably a test clause for the issue of the debate about major and minor venues. A complicated part of this new regime is this issue of different provisions for major and minor venues. I will not go over the complicated provisions again, but we are obviously going to have venues with potentially up to 60 machines. I think the Hon. Mr Brokenshire has coined the term 'super casinos' or some such phrase.

The Hon. R.L. Brokenshire: Mini casinos in the north and southern suburbs.

The Hon. R.I. LUCAS: Mini casinos in the north and southern suburbs is the Hon. Mr Brokenshire's description of the proposal. Then there is a different arrangement in relation to those venues which will have under 20 machines. It is the major/minor venue arrangement. I do not propose to revisit all of the argument again here, but to repeat in summary, the Liberal Party's position is that for this whole bill we are prepared to support those aspects that relate to the Casino, but these other aspects which have major implications for clubs in South Australia have been developed with virtually no consultation with the club industry and the club sector in South Australia.

The Hon. R.L. Brokenshire: Or the hotel industry, for that matter.

The Hon. R.I. LUCAS: Maybe a little with the hotel industry, but certainly nothing on behalf of the club industry. We unashamedly in the Liberal Party are strong supporters of the club industry and community clubs in South Australia. We have urged members in this chamber, through this whole debate, to support the club industry in South Australia. Their simple proposition has been to force this government to come back to the table, to sit down and negotiate a package after input from all the stakeholders—not just the concerned sector, not just the hotels—and to include the club sector in the negotiations with the government.

As I said earlier this evening, the government should, if a number of these provisions are deleted from the bill, take the time in the break between now and September to sit down with the club industry and other stakeholders and to come back to the parliament with a package which hopefully has the support of the club industry in South Australia. My amendment is part of a package and is consistent with our general premise that these sorts of issues need to go back for further negotiation and should not be approved at this particular stage.

The Hon. G.E. GAGO: The government opposes this amendment. The government has been mindful about the impact on smaller, regional and community venues of the measures proposed in this bill. To reduce the impact, the government established a new minor class of gaming venues. These venues are low-cost operations that generally have a handful of gaming machines as an adjunct to the food and beverage services offered. Most of these venues do not have extended hours of operation and tend to have a more direct relationship between the customer and the venue staff.

Given the above, the government recognised that these venues would probably find it difficult to fund the implementation of more advanced systems aimed at reducing problem gambling. This bill does not require a minor licensing class to implement advanced responsible

gambling systems. The minor licensing classes are an important protection that offers a low-cost approach to smaller, regional and community venues.

The opposition proposes to remove this protection from smaller, regional and community venues. In total, the opposition amendments will require smaller community and regional venues to implement automated risk monitoring systems and alter gaming machines at significant cost to these venues.

The Hon. T.A. FRANKS: On what did the government base its definitions of major and minor venues—on consultation with which groups and which groups support and oppose this particular measure?

The Hon. G.E. GAGO: I have been advised that, in relation to the minor classification, that is consistent with the size of venues adopted in the national gambling regulation, that is, fewer than 20. In relation to the major, that has been increased to 60. It is consistent with submissions received from the community sector in response to an earlier consultative process.

In relation to those who offer support, Uniting Communities has indicated support, and SACOSS has indicated support for measures to decrease the number of machines, and we believe that this is a measure that will do that by increasing the demand for entitlements. Therefore, through forfeiture, we would take out one in four, some machines, out of the system. We believe that it is a measure to help decrease the number of machines. They are the areas for which we received some support.

The Hon. R.L. BROKENSHIRE: My first question to the minister is a point of clarification and to make sure that it is absolutely clear in *Hansard*. Will the minister please read to the committee the part of her briefing note where it talks about the close relationship between staff and the clients in what I call the smaller pokie venues, typically a country pub with a few pokies? The minister, I understand, did say that there was a close relationship there. I would like to get that on the record and to deliberate on that for a moment, and then I have a subsequent question.

The Hon. G.E. GAGO: I am not too sure exactly what you are referring to, but I did talk about these venues being low-cost operations that generally have a handful of gaming machines as an adjunct to food and beverage services offered, and most of the venues do not have extended hours of operation and tend to have a more direct relationship between the customer and the venue staff. They are small businesses, small venues, and staff tend to know particularly regular customers and have a closer relationship to them. Given that, the government has recognised that these venues would probably find it difficult also to fund the more advanced systems of reducing problem gambling. Therefore the view is that the risk tends to be lower for this particular group.

The Hon. R.L. BROKENSHIRE: Thank you. That is music to my ears because that has been an argument that I have been putting to the government and it is contrary, I might say, to what the lead minister advised me: that these small venues, clubs and pubs with small numbers of poker machines, actually were not in a position to provide the counselling, support, care and attention needed, unlike a proposed mini 60-machine casino venue.

So again I point out to my colleagues that we have totally differing and confusing information coming through on that. We now have that clearly on the public record, and that confirms what I, as a country person, see in my own town when I go to the hotel for dinner with my family, where there are only 12 poker machines. It is a family-owned hotel and they pretty much know everybody in their pokie machine area and they are very caring about them.

I therefore go to the next two points. One, the minister said in a response to the Hon. Tammy Franks that SACOSS had recommended 60 machines in the mini casinos but, from what the minister said, I do not think they had been totally firm on that. To me, it sounds more like the government made that decision, so I ask for confirmation on that because I would not want to have SACOSS misrepresented.

Again, I ask the government to provide evidence relating to mini casinos of 60 machines in the vulnerable metropolitan parts of Adelaide, where Coles and Woolworths have already bought hotels. I have the facts and figures. I have done the research: Coles and Woolworths in particular have deliberately bought hotels in the most vulnerable areas for problem gambling, in the lower socioeconomic areas, where they can actually pull disposable income away from the family unit. So I think it is fair and reasonable that the government provides hard scientific evidence to show us that they are going to be better managed if we were to support these big mini casinos in the metropolitan areas of Adelaide.

The Hon. B.V. FINNIGAN: I want to take issue with what the Hon. Mr Brokenshire has said. While it is certainly true that pokie venues in country areas and in clubs are more likely to know their clientele, be familiar with them and be in a position to intervene if they perceive there could be a problem, it certainly has not always been the case; in fact, quite the contrary. Certainly a couple of cases come to my mind where over $100,000 was lost in a very short period of time on a poker machine in a country pub. It is very difficult to believe that the publican could not have been aware that that person did not have that sort of money to throw around.

Certainly, there are country pubs and venues where gross instances of neglect by the licensees have occurred in terms of intervening with problem gamblers, so I do not accept the argument that ipso facto by going from 40 to 60 and smaller venues being forced out of the market, that can be said automatically to be something that leads to more problem gambling. I would be interested if the minister has any information that she is able to put on the record regarding problem gambling and the question of 40 or 60 machines, because I am not sure what evidence there is that going from 40 to 60 would make a material difference in terms of problem gambling. You may have other reasons for not wanting it to go from 40 to 60 in supporting clubs and so on—I understand that—but if fighting problem gambling is the rationale for opposing it going to 60, I would be interested in the evidence on that question.

The Hon. R.L. BROKENSHIRE: Sir, I am still waiting on an answer from the minister. Is there an answer to my question about evidence and the SACOSS issue? I will have to get my office to contact SACOSS tomorrow, but I am concerned that they are actually being misrepresented in all this. I have not received any confirmation that I can recall where SACOSS said that they were supporting mini casinos of 60 machines. The government are saying it was a SACOSS initiative, then they are half back-pedalling, but they are saying that you are going to get much better management when it comes to addressing problem gambling with mini casinos of 60 machines, but we need evidence. There must be some evidence. Someone did not just wake up and, using the Hon. Russell Wortley's language, have a thought bubble in all this from the government.

The Hon. T.A. FRANKS: In response to my original question the minister indicated that there had been some submissions from the community sector in support of these definitions and I believe the 40 machines being raised to 60 from earlier submissions. How much earlier were these submissions? What date were these submissions made and what was the market penetration of Coles and Woolworths in the poker machine industry at that stage the submission was made?

The Hon. G.E. GAGO: Just to clarify something that the Hon. Robert Brokenshire stated about SACOSS supporting the increase to 60. I am not aware that SACOSS have indicated direct support for the increase to 60. What I indicated was that SACOSS supported measures to decrease the number of machines and we believe that this is a measure to decrease the number of machines. As I indicated, we believe that by increasing demand for entitlements, therefore through forfeiture, we would take out one in four of some of these machines from the system. We believe—and I clarified this earlier in statements—that we believe that going from 40 to 60 was a measure to decrease the number of machines. What SACOSS has done is indicate support for those measures to decrease the number of machines. I was careful to clarify that in the first place. It is a clarified support, if you like, and I indicated that upfront. In relation to the earlier consultative process that I referred to, I have been advised that that was in relation to consultation around the 2010 bill.

The Hon. T.A. FRANKS: So, what consultation with regard to the development and drafting of this bill was made to create the number of 60?

The Hon. G.E. GAGO: Sorry; were you asking in relation to the 2010 bill consultative process, or the consultative process in relation to this particular bill?

The Hon. T.A. FRANKS: I quite clearly said that given that consultation you just spoke about was the 2010 bill, what consultation was undertaken for this bill?

The Hon. G.E. GAGO: In January and February 2013, consultation began on the draft bill with key agencies: SACOSS, Uniting Communities, AHA(SA), Clubs SA, Club One, United Voice and the IGC. Some of these agencies had multiple meetings to discuss the specific concerns and further refine the bill, and I have outlined to you the outcomes from that.

The Hon. T.A. FRANKS: Given the clause that we are discussing my question was: which of these groups in the consultation for this bill wanted the 60 machines level and definition?

The Hon. G.E. GAGO: As I have already clearly said, the answer is the Uniting Communities, as I have already said quite clearly, and SACOSS support clarified, as I have said, supporting the measures to decrease the number of machines and we believe this is a measure to decrease machines. So, I have already said that a couple of times. It is on the record: that was the result of these consultations. So, I have already said that, clearly.

The Hon. R.L. BROKENSHIRE: Given that we are not going to finish tonight, unless we bring our swags in, I ask the minister whether, given that we actually, in good faith, had a working group, a responsible working group, working for years actually, and two specific years into this, to allegedly be ignored, then I think it is only fair and reasonable that we ask that the minister table all of the documentation tomorrow morning at 10:30 from all of the contacts they made with all of the agencies so that members can then see, transparently, what occurred and then deliberate from there. So, I ask the minister, will she table all of that documentation that, clearly, Treasury managed so that we can actually have a democratic look at this matter?

The Hon. T.A. FRANKS: I remind the minister of my original question also asking for the information about the market penetration of Coles and Woolworths into this particular industry, and to correlate that information with the positions taken by the various groups.

The Hon. G.E. GAGO: I am happy to take both those questions on notice. I am not clear about what level of documentation is available, but we can have a look at that overnight and tomorrow morning and bring what we can back tomorrow morning.

Amendment carried.

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

Page 33, lines 2 to 12 [clause 60(16), inserted subsections (4) and (5)]—

Delete inserted subsections (4) and (5)

This is consequential on the amendment we have just moved, and the government accepts that.

Amendment carried; clause as amended passed.

The Hon. B.V. FINNIGAN: I just have a question. Earlier it was indicated that the amendment before last was a test clause, but then a couple of honourable members asked for information to be put on the record, which the minister was going to do.

The Hon. G.E. Gago: I may not; what I said was that I would have a look at it.

The Hon. B.V. FINNIGAN: Well, have a look at it. Can I just clarify that, essentially, that decision has now been made, that the council is supporting the status quo of 40?

An honourable member: That's right.

The Hon. B.V. FINNIGAN: Based on these last two votes?

The Hon. R.I. Lucas: We have tested it.

Clauses 61 to 64 passed.

Clause 65.

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

Page 36, after line 8—Before subclause (1) insert:

(a1) Section 14(1)(ab)—delete 'on premises in respect of which someone else holds a gaming machine licence as agent of the holder of the gaming machine licence' and substitute:

—

(i) on the casino premises as agent of the holder of the casino licence; or

(ii) on premises in respect of which someone else holds a gaming machine licence as agent of the holder of the gaming machine licence;

This amendment provides Club One with the ability to place its entitlements in the Adelaide Casino. The bill extends the concept of gaming machine entitlements to the Adelaide Casino between the houses. The government identified an omission in the bill that would frustrate the government's intention to allow Club One to have an agreement with the Adelaide Casino to place entitlements in

the Adelaide Casino. This amendment makes it clear that the special club licence under the Gaming Machines Act authorises Club One to do this.

The Hon. R.I. LUCAS: Will this allow Club One machines in the VIP area?

The Hon. G.E. GAGO: They could be placed anywhere.

The Hon. R.I. LUCAS: The member for Davenport has advised me that the party's position is that we are prepared to support the amendment and we will do so. I just have one further question. Clearly, if they can be placed anywhere is the government aware of the extent of discussions with the Casino in relation to the possible location of these particular licences?

The Hon. G.E. GAGO: I have been advised that we are not aware of any discussions.

Amendment carried; clause as amended passed.

Clause 66 passed.

Clause 67.

The Hon. G.E. GAGO: This is another sort of test clause that is probably going to be lengthy, as well.

Progress reported; committee to sit again.

WATER EFFICIENCY LABELLING AND STANDARDS (SOUTH AUSTRALIA) BILL

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

SERIOUS AND ORGANISED CRIME (CONTROL) (DECLARED ORGANISATIONS) 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 the Status of Women, Minister for State/Local Government Relations) (21:49): 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.

In 2007-08 the Government began the process that would lead to the enactment of the *Serious and Organised Crime (Control) Act 2008*. Section 4 of that Act says:

4—Objects

(1) The objects of this Act are—

(a) to disrupt and restrict the activities of—

(i) organisations involved in serious crime; and

(ii) the members and associates of such organisations; and

(b) to protect members of the public from violence associated with such criminal organisations.

(2) Without derogating from subsection (1), it is not the intention of the Parliament that the powers in this Act be used in a manner that would diminish the freedom of persons in this State to participate in advocacy, protest, dissent or industrial action.

On November 11, 2010 the High Court, by a majority of 6-1, decided that at least in so far as the Magistrates Court was required to make a control order on a finding that the respondent was a member of an organisation declared to be a criminal organisation under the Act, that court was acting at the direction of the executive, was deprived of its essential character as a court within the meaning of Chapter III of the Commonwealth Constitution and that section was, therefore invalid (*South Australia v Totani (2010) 242 CLR 1*). The net effect of that decision was that a key part of the legislative scheme in the Act was inoperable. That, in turn, meant that the legislative scheme for attacking criminal organisations and their members was rendered ineffective and the essential objectives of the Act thwarted.

In 2011-12, the Government prepared extensive amendments to the Act in light of Totani and the subsequent decision of the High Court to invalidate the New South Wales equivalent legislation in *Wainohu v New South Wales (2011) 243 CLR 181*. These amendments represented, on the best advice then available to Government, an attempt to place the legislation and the accomplishment of its aims on a sound constitutional footing. The amendments were passed and came into effect as the *Serious and Organised Crime (Control) (Miscellaneous) Amendment Act 2012*.

Since the 2012 amendments, no application has been made in relation to any organisation. However, SA Police, the Crown and other Government legal experts have been preparing applications based on the scheme as amended in 2012. In the meantime, the High Court has heard and delivered judgment on a constitutional challenge to the equivalent Queensland legislation. The Queensland Act differs from both versions of the South Australian Act. The High Court dismissed the challenge and upheld the validity of the Queensland scheme in Assistant Commissioner *Condon v Pompano Pty Ltd & Anor [2013] HCA 7*.

The Queensland scheme is contained in the *Criminal Organisation Act 2009*. The Act provides that the Supreme Court of Queensland, on application by the Commissioner, may declare an organisation to be a 'criminal organisation' if the Court is satisfied that some of the organisation's members 'associate for the purpose of engaging in, or conspiring to engage in, serious criminal activity' and the organisation is 'an unacceptable risk to the safety, welfare or order of the community'. In considering whether to make a declaration, the Court must have regard to various matters, including information before the Court 'suggesting current or former members of the organisation have been, or are, involved in serious criminal activity, whether directly or indirectly and whether or not the involvement resulted in convictions'.

If an organisation is declared to be a criminal organisation under the Act, the Supreme Court may, if certain conditions are met, make control orders for members of the organisation and persons who associate with members. Control orders may prohibit the person subject to the order from doing various things, including associating with members of any declared criminal organisation or with other controlled persons and applying for or undertaking stated employment. That an organisation has been declared to be a criminal organisation is also relevant for the making of other orders under the Act.

It is immediately apparent that the Queensland scheme is almost identical to the current South Australian one, except that the jurisdiction to declare an organisation a criminal organisation in Queensland is conferred upon the Supreme Court as a court but in South Australia, the jurisdiction is conferred on what the South Australian Act calls an 'eligible judge' acting as persona designata. South Australia chose the eligible judge model in 2012 because Western Australia, the Northern Territory and New South Wales then used it, and because the eligible judge model used by New South Wales had not attracted unfavourable High Court comment in the decision in Wainohu.

Like South Australia (and, indeed, all jurisdictions that have such legislation) the Queensland Act had extensive provisions easing the strict rules of evidence in the area of what is commonly known as 'criminal intelligence'. South Australia was the pioneer in this area and the constitutional validity of the South Australian provisions was upheld in *K-Generation v Pty Ltd v Liquor Licensing Court (2009) 237 CLR 501*. South Australian criminal intelligence provisions were standardised in the constitutional model by the *Statutes Amendment (Criminal Intelligence) Act 2012*. This is centrally relevant because the challenge to the Queensland statute in Pompano was a challenge to the operation of the criminal intelligence provisions in that Act.

The majority was constituted by Hayne, Crennan, Kiefel and Bell JJ. They said:

> Contrary to a proposition which ran throughout the respondents' submissions in this case, noticing that the Supreme Court must take account of the fact that a respondent cannot controvert criminal intelligence does not seek to deny the allegation of legislative invalidity by asserting that the Supreme Court can be 'relied on' to remedy any constitutional infirmity or deficiency in the legislative scheme. Rather, it points to the fact that under the impugned provisions the Supreme Court retains its capacity to act fairly and impartially. Retention of the Court's capacity to act fairly and impartially is critical to its continued institutional integrity.
>
> In this respect, it is useful to contrast the impugned provisions of the [Queensland Act] with the [New South Wales Act] considered in Wainohu. It will be recalled that the [New South Wales Act] provided that an eligible judge need not give reasons for declaring an organisation to be a declared organisation. That an eligible judge could choose to do so was not to the point. The [New South Wales Act] was held invalid as repugnant to or inconsistent with the institutional integrity of the Supreme Court of New South Wales. But in the present case, the [Queensland Act] does not in any way alter the duty of the Supreme Court to assess the cogency and veracity of the evidence that is tendered in an application for a declaration of an organisation as a criminal organisation.

It is not pellucidly clear that the majority were of the opinion that having the declaration function performed by the Supreme Court, as opposed to an eligible judge, was crucial to the validity of the legislation. It is certainly clear that the ability of the court to ensure the delivery of procedural fairness was central and it is also clear that the majority regarded the inherent characteristics of the judicial function as central to validity. It is, of course, easier to find these matters where the deciding authority is a court acting as a court. An 'eligible judge' has no such inherent jurisdiction or inherent characteristics to fall back upon.

For French CJ, the provisions of procedural fairness were central. He said:

> The effect of Pt 6 of the [Queensland Act] upon the normal protections of procedural fairness is significant. On the other hand, the Supreme Court performs a recognisably judicial function in determining an application under that Part. It is not able to be directed as to the outcome. It retains significant inherent powers and its powers under the [Uniform Civil Procedure Rules] in relation to the proceedings. The process is analogous in some respects to that used in the determination of public immunity claims in the exercise of the inherent power of the Supreme Court. The provisions of Pt 6 relating to an application for a criminal intelligence declaration do not impair the essential and defining characteristics of the Supreme Court so as to transgress the limitations on State legislative power derived from Ch III of the Constitution.

It is clear that, for Gageler J, the fact that it was the Supreme Court was central to validity:

> There should be no doubt and no room for misunderstanding. Procedural fairness is an immutable characteristic of a court. No court in Australia can be required by statute to adopt an unfair procedure. If a procedure cannot be adopted without unfairness, then it cannot be required of a court. '[A]brogation of natural justice', to adopt the language of the explanatory notes to the Bill for the [Queensland Act], is anathema to Ch III of the Constitution.
>
> Chapter III of the Constitution admits of legislative choice as to how, not whether, procedural fairness is provided in the exercise of a jurisdiction invested in, or power conferred on, a court. Procedural fairness can be provided by different means in different contexts and may well be provided by different means in a single context. The legislative choice as to how procedural fairness is provided extends to how procedural fairness is accommodated, in a particular context, to competing interests. … From that starting-point, it is sufficient to engage in an analysis that leads to the conclusion that nothing in the scheme of the [Queensland Act] or in procedural rules not excluded by the [Queensland Act] is necessarily sufficient to address that unfairness if it arises, but that the Supreme Court of Queensland retains inherent jurisdiction to stay a substantive application if unfairness becomes manifest. (emphasis added)

It is clear beyond argument from this discussion that the constitutionally safe course is to replace 'eligible judges' with the Supreme Court and to make consequential amendments to the Act. The Northern Territory did so in 2011 (*Serious Crime Control Amendment Act 2011*). After Pompano was decided, New South Wales amended a Bill already in Parliament to do so (Crimes (Criminal Organisations Control) Amendment Bill 2013). Victoria legislated using the Supreme Court in the *Criminal Organisations Control Act 2012*. The trend is clear. South Australia must now stand with the others, and with that legislative model that has been definitively ruled to be valid.

The opportunity has also been taken to make some minor adjustments to the Act that, on advice, are consistent with constitutionality and ameliorate the effect of transition to a court based system.

In addition, the opportunity has also been taken to insert a new provision into the *Serious and Organised Crime (Unexplained Wealth) Act 2009* (the *Unexplained Wealth Act*). Currently, information lawfully obtained by police pursuant to a statutory authority other than under the Unexplained Wealth Act (for example a search warrant under the *Criminal Assets Confiscation Act 2005*, *Summary Offences Act 1953* or the *Controlled Substances Act 1984*) cannot be used as evidence for the purpose of unexplained wealth proceedings or in support of an application for the use of investigative powers under the Unexplained Wealth Act.

This legislative amendment provides authority for the South Australian Police to use such information (lawfully obtained under other powers) for the purposes of the Unexplained Wealth Act.

The Government believes that a constraint on the use of information that has been lawfully obtained under another Act or law is unreasonable in the context of applications under the Unexplained Wealth Act. Further, a similar provision to the proposed amendment is already included in the *Serious and Organised Crime (Control) Act 2008* at section 39Y(1).

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 *Serious and Organised Crime (Control) Act 2008*

4—Amendment of section 3—Interpretation

This clause amends section 3 to remove the definition of *eligible Judge* in addition to other definitions used in connection with provisions relating to eligible Judges.

5—Amendment of section 5A—Criminal intelligence

This clause deletes a provision of section 5A that is relevant only to proceedings before eligible Judges.

6—Repeal of section 8

Section 8, providing for the appointment of eligible Judges, is repealed by this clause.

7—Amendment of section 9—Commissioner may apply for declaration

Section 9 provides for applications for declarations to be made to eligible Judges. Under the section as amended by this clause, applications are to be made by the Commissioner of Police to the Supreme Court. A number of consequential amendments are made to the section, including the replacement of 'statutory declaration' with 'affidavit'.

The section as amended will also include a new requirement for the Commissioner to make a copy of an application available for inspection by a person whom the Court considers should be provided with an opportunity to inspect the application.

8—Amendment of section 10—Publication of notice of application

The amendments made to section 10 by this clause are consequential on the fact that applications are to be made to the Supreme Court rather than to an eligible Judge. Notice of an application is to advise interested parties of their rights in relation to making or providing submissions to the Court at the hearing of an application.

9—Amendment of section 11—Court may make declaration

Section 11 currently provides that an eligible Judge may make a declaration on an application under Part 2. This clause amends the section to replace references to eligible Judges with references to the Court.

10—Amendment of section 12—Notice of declaration

Section 12 provides that a declaration is of no effect until notice of it is published as required in the Gazette and in a newspaper circulating generally throughout the State. Under the section as amended, the notice will be of no effect until published as required unless the Court otherwise directs.

11—Amendment of section 14—Revocation of declaration

Section 14 provides for the revocation of declarations on application by the Commissioner or a person or organisation of a kind specified in subsection (1). As amended by this clause, the list of persons who can make applications will include persons whom the Court considers should be entitled to make an application in the interests of justice.

12—Substitution of section 15

This clause repeals section 15 and substitutes a new section.

15—Procedure at hearings

The proposed new section provides that the following are entitled to make oral submissions at the hearing of an application under Part 2:

- the Commissioner;
- the organisation to which the application relates;
- any person who is alleged in an affidavit supporting the application to be a member or former member of the organisation;
- any person who is a member or former member of the organisation or other person who may be directly affected (whether or not adversely) by the outcome of the application;
- any other person whom the Court considers should, in the interests of justice, be entitled to make submissions.

A party referred to above (an *interested party*) may also, with the permission of the Court, provide written submissions.

If an interested party is not the applicant, he or she may file affidavits in response to the application, and the applicant may file affidavits in response to any affidavit filed by an interested party. At the hearing, the applicant or an interested party may adduce oral evidence or cross-examine a person who has given evidence or provided an affidavit if the Court considers that it is in the interests of justice to permit the evidence or cross-examination. The Court may require a person who applies to adduce evidence or cross-examine another party to file a notice of contention specifying the grounds on which the application is made.

13—Repeal of section 16

Section 16, which requires an eligible Judge to make reasons for a declaration or decision available, and to ensure that the reasons are published in the Gazette, is repealed by this clause.

14—Amendment of section 18—Practice and procedure

Section 18 as amended by this clause will provide that, in proceedings in relation to applications under Part 2, the Court is not bound by the rules of evidence but may inform itself on any matter as it thinks fit. The Court must act according to equity, good conscience and the substantial merits of the case without regard to technicalities and legal forms.

15—Substitution of section 19

Section 19 is repealed as the regulation making power provided by the section is no longer required. A new section, providing that the commencement of an appeal against a declaration does not affect the operation of the declaration, is substituted.

16—Amendment of section 22—Court may make control order

Section 22 as amended by this clause will require the Court, in determining an application for a control order, to have regard to the reasons given by the Court for making any relevant declaration.

17—Amendment of section 22A—Interim control orders

Under section 22A as amended by this clause, the Court may make an interim control order if satisfied that it is appropriate to make the order in all of the circumstances.

18—Amendment of section 22C—Variation or revocation

Under section 22C, an application for the variation or revocation of a control order can only be made by the respondent with the permission of the Court. The section currently provides that permission may only be granted if the Court is satisfied that there has been a substantial change in the relevant circumstances since the control order was made or last varied. Under the section as amended, the giving of permission to make an application is entirely at the discretion of the Court.

19—Amendment of section 22D—Right to object if interim order made ex parte

Section 22D currently requires that a copy of a notice of objection be served on the Commissioner of Police by registered post at least 21 days before the day appointed for hearing of the notice. As amended, the section will simply require that a copy of the notice be served on the Commissioner by registered post.

20—Amendment of section 39U—Representation of unincorporated group

The amendment made by this clause is consequential.

21—Amendment of section 39W—Costs

The amendments made by this clause are consequential.

22—Amendment of section 39Y—Use of evidence or information for purposes of Act

This clause amends section 39Y to make it clear that information properly classified as criminal intelligence may be used by law enforcement and prosecution authorities for the purposes of the Act and may be admitted in evidence or otherwise used in proceedings under the Act.

Schedule 1—Related amendment of *Serious and Organised Crime (Unexplained Wealth) Act 2009*

1—Insertion of section 43A

This clause amends the *Serious and Organised Crime (Unexplained Wealth) Act 2009* by inserting a new section based on section 39Y(1) of the *Serious and Organised Crime (Control) Act 2008*. The section provides that evidence or information obtained by the lawful exercise of powers under an Act or law may be used by law enforcement and prosecution authorities for the purposes of the Act and is not inadmissible merely because it was not obtained for the purposes of the Act.

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

ELECTORAL (MISCELLANEOUS) AMENDMENT BILL

The House of Assembly agreed to amendments Nos 2 and 3, 8 to 10, and 13 without any amendment; disagreed to amendments Nos 4 to 6, 11, 12 and 14; and disagreed to amendments Nos 1, 7 and 15 and made alternative amendments in lieu thereof as indicated in the following schedule:

No. 1. Clause 4, page 3, after line 10—After the present contents of clause 4 (now to be designated as subclause (1)) insert:

(2) Section 4(1), definition of *how-to-vote card*—delete 'a particular candidate or group of candidates suggests that'

No. 7. Clause 17—

Page 8, line 15 [clause 17, inserted section 74A(1)]—After '(an *application form*)' insert:

except in accordance with subsection (1a)

Page 8, after line 16 [clause 17, inserted section 74A]—After subsection (1) insert:

(1a) Despite subsection (1), a person may on receipt of an unsolicited request for an application form from another person (an *applicant*), distribute, or cause or permit to be distributed, an application form to the applicant, provided that the application form is an official faun published under the authority of the Electoral Commissioner.

No. 15. New clause, page 10, after line 40—Insert:

25—Amendment of section 126—Prohibition of advocacy of forms of voting inconsistent with Act

Section 126(2)—delete 'marked so as to indicate a valid vote in the manner prescribed in section 76(1) or (2).' and substitute:

—

(a) marked so as to indicate a valid vote in the manner prescribed in section 76(1) or (2); or

(b) identical to a card submitted for inclusion in posters under section 66.

STATUTES AMENDMENT (ATTORNEY-GENERAL'S PORTFOLIO) (NO. 3) BILL

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

STATUTES AMENDMENT (FINES ENFORCEMENT AND RECOVERY) BILL

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

MOTOR VEHICLES (PERIODIC PAYMENTS) AMENDMENT BILL

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

At 21:53 the council adjourned until Wednesday 24 July 2013 at 10:30.