LEGISLATIVE COUNCIL

Thursday, 10 September 2015

The PRESIDENT (Hon. R.P. Wortley) took the chair at 14:16 and read prayers.

Members

SENATE VACANCY

His Excellency the Governor, by message, informed the Legislative Council that the President of the Senate of the Commonwealth of Australia, in accordance with section 21 of the Commonwealth Constitution, has notified His Excellency that, in consequence of the resignation on 10 September 2015 of Senator Penny Wright, a vacancy has happened in the representation of this state in the Senate.

The Governor is advised that, by such vacancy having happened, the place of a senator has become vacant before the expiration of her term within the meaning of section 15 of the constitution and that such place must be filled by the houses of parliament sitting and voting together, choosing a person to hold it in accordance with the provisions of the said section.

The PRESIDENT: I would like to inform the Legislative Council that, having conferred, I have arranged to call a joint meeting of the two houses for the purpose of complying with section 15 of the Commonwealth of Australia Constitution Act on Tuesday 22 September 2015 at 10.30am. A formal notice will be distributed to all members of the parliament.

Ministerial Statement

SEXUAL ORIENTATION DISCRIMINATION

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (14:19): I table a copy of a ministerial statement relating to removing discrimination made earlier today in another place by my colleague the Premier.

SAMPSON FLAT BUSHFIRE

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (14:20): I table a copy of a ministerial statement relating to the Sampson Flat factual investigation report made earlier today in another place by my colleague the Minister for Emergency Services.

TIME ZONES

The Hon. K.J. MAHER (Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Aboriginal Affairs and Reconciliation) (14:20): I table a copy of a ministerial statement relating to time zones made earlier today in another place by my good mate, the well-regarded and debonair Minister for Investment and Trade.

Parliamentary Procedure

ANSWERS TABLED

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

Question Time

LOWER LIMESTONE COAST WATER ALLOCATION PLAN

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:21): I seek leave to make a brief explanation before asking the Minister for Sustainability, Environment and Conservation a question about Limestone Coast water allocations.

Leave granted.

The Hon. D.W. RIDGWAY: On 26—

The Hon. K.J. Maher interjecting:

The PRESIDENT: Order!

The Hon. D.W. RIDGWAY: Chuck him out, will you, Mr President? On 26 March this year, I asked the minister a question about a water licence in the Limestone Coast Water Allocation Plan where the delivery component had not been provided. We had quite a lengthy exchange, and I think you, Mr President, intervened at one stage: it had taken 11 or 12 minutes and the minister had really said nothing.

I noted in his response that he said, in relation to appeals, his own advice as of 18 March 2015 was that there had been six appeals lodged with the Environment, Resources and Development Court claiming that not all the water they were entitled to had been allocated and, in particular, a delivery supplement for flood irrigation, particularly in the Naracoorte district.

Recently, I think only at the beginning of September, the local member, (Mr Mitch Williams MP, member for MacKillop) was on radio, quite concerned that nothing had happened with those appeals, and I assume we are still talking about six appeals. He was quite concerned. I have a copy of an email sent to a DEWNR official from one of the irrigators which says:

> Further to meeting yourself and Minister Hunter at the Naracoorte Town Hall, and brief discussions that we had regarding my water licence and the reduction in the allocation for my flood irrigation.
>
> I am hopeful of a positive outcome of my appeal to yourself and the Minister to have my licence reviewed, due to your responses on the day. I felt that you were both listening to—

which I thought was a bit of an interesting observation of the minister but, nonetheless, she felt that they were both listening—

> and interested in my (and others in similar) predicament due to the reduction in my water allocation and am providing information of my current situation regarding my Water Licence.

Given that we are in the beginning of spring (and it is a beautiful spring day outside and expected to be 26º on Sunday) and, sadly, unlike the rest of the state, the South-East has missed out somewhat on the wonderful rains we have had elsewhere, my question to the minister is: why is it that these people still have no clarity and certainty about the delivery component of their licences that they believe they are entitled to, especially given that we could be facing predictions in the South-East and the Limestone Coast area, as a result of a potential El Nino, of diminished rainfall over the next few months? This delivery component is of the utmost importance and concern to them and vital to the survival of their farming operations.

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:24): I thank the honourable member for his most important question and his ongoing interest in this very important area. I also thank him for his compliments about how well I listen to constituents.

Members interjecting:

The Hon. I.K. HUNTER: Well, he was reflecting on the comments coming to him about how well I listen to constituents—

Members interjecting:

The PRESIDENT: Order! Allow the minister to finish his answer.

The Hon. I.K. HUNTER: —and take on board their interests, as I always do, of course. The water allocation plan provides, as you know, for the conversion of existing area-based water allocations to volumetric allocations. All licensees were written to in December of 2013 advising them of the implications of the plan and the key actions they may need to take to secure water entitlements, such as crop adjustments, delivery supplements and special production requirements. The period for applications closed on 26 May 2014.

Further media releases and direct engagement have also occurred with water users and commodity groups to ensure that licensees are informed and aware of any actions that may need to be taken as part of the implementation of the plan. All volumetric licences have been issued for all water users, including forestry and the South East Natural Resources Management Board, and Natural Resources South-East will continue to keep the community and stakeholders informed of the implications of the implementation of the plan.

They have worked with potato growers in the region, I am advised, to better understand implications for the potato industry, and have met with concerned irrigators to discuss strategies to meet the required water allocation reductions in the plan. I put that on the record again because it is very important that we have the facts before us. Otherwise—and I am not ascribing this to any particular member—some people may go out of their way to avoid mention of the ongoing communication that has been in place in that area for some time now. People have been communicated with regularly, frequently and reminded about the application process and what they need to do to navigate their way through that process.

To update the honourable member in terms of his information about appeals processes, I am advised that, as of 19 June 2015, there have now been 18 appeals lodged with the Environment, Resources and Development Court claiming that not all of the water that they are entitled to has been allocated. I am told the appellants either failed to apply within the prescribed time or did not apply for allocations they may have been entitled to. The Lower Limestone Coast Water Allocation Plan required irrigators to apply for a volume of water, known as a delivery supplement, for some irrigation types, including flood irrigation or a specialised production requirement for frost control in vines.

I am advised a letter and application forms were sent to the registered postal addresses for each licence holder, as held in the DEWNR water licensing system, on 6 December 2013. This was only 11 days after I adopted the Lower Limestone Coast Water Allocation Plan on 26 November 2013. Applications were due by 5pm on 26 May 2014, six months after the date of adoption. The department informs me that it is a condition on all licences that licensees notify it of any changes to contact details within 21 days. An investigation by DEWNR shows the letters were sent to the correct addresses.

In addition, irrigators were reminded of the need to apply for delivery supplements a number of times through:

- various meetings, workshops and the media throughout the development and implementation of the Lower Limestone Coast Water Allocation Plan, including letters posted to all irrigators on 6 December 2013 with the forms, and on the forms themselves;
- South East NRM Board consultation meetings during development and public consultation on the draft water allocation plan;
- irrigator walk-in events at Mount Gambier, Naracoorte and Kingston for advice on an individual's licensing requirements;
- various media releases;
- Natural Resources South-East newsletters to farmers (i.e. *From the Ground Up*);
- direct contact through phone calls and emails;
- public events, such as field days;
- industry group meetings and correspondence (i.e. to Dairy SA, potato growers, irrigation groups and vigneron groups); and
- various radio interviews given by Frank Brennan, the Presiding Member of the South East Natural Resources Management Board.

That outlines a comprehensive approach to communication but, having said that, there are times in individual's lives when things are happening for them, which means that they put to the back of the queue some of these bureaucratic application processes, because they have to do very important things in their lives. I won't go into some of the circumstances that have been raised with me because

they are very personal, but they do require, I believe, for the processes to be a little bit more flexible in how we approach this.

On 30 April 2015, the South East NRM Board wrote to me asking if the Lower Limestone Coast Water Allocation Plan could therefore be amended to allow a period for irrigators to apply for delivery supplements or specialised production requirements for those who missed out on the application period.

I understand that I will be receiving advice from my department on the suggested amendments to the Lower Limestone Coast Water Allocation Plan shortly, to help those people who for whatever reason were not able to avail themselves of the time period and the notifications that had been provided by the agency to meet the requirements for the allocation process and to provide further flexibility for them to do so into the future.

ENVIRONMENT, WATER AND NATURAL RESOURCES DEPARTMENT

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 regarding the DEWNR budget.

Leave granted.

The Hon. J.M.A. LENSINK: Earlier this year, it was revealed that senior government figures had spent a considerable amount of money at some of Adelaide's finest dining venues. This included a staff event from the minister's own department of DEWNR. As was reported, some 71 senior staff from his department spent $3,500 on a celebratory lunch at Ayers House at the same time as his department was undertaking a 40 per cent budget cut. My questions for the minister are:

1. Has he investigated this spending by his department?

2. Has he received an explanation regarding the expenditure?

3. Will he be taking any action on this particular issue?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:30): I would like to thank the member for her most important question. I advise her that I will take that on notice and come back with a response, should it be necessary.

REPATRIATION GENERAL HOSPITAL

The Hon. S.G. WADE (14:31): I seek leave to make a brief explanation before asking a question of the Minister for Sustainability, Environment and Conservation in relation to heritage at the Repatriation General Hospital.

Leave granted.

The Hon. S.G. WADE: On 21 April, the Minister for Veterans' Affairs launched a registration of interest process for organisations interested in redeveloping the Repatriation General Hospital. As part of this announcement, minister Hamilton-Smith acknowledged the presence of heritage-listed buildings on the Daw Park site and said:

> We will only consider options which would be in keeping with the history of the site and complement the services and historic buildings which remain.

Last month, the National Trust of South Australia published an article in its newsletter with the title 'Heritage at risk: Repatriation General Hospital Daw Park'. The article notes that while a few buildings on the Daw Park site were listed as local heritage places in 2005, the SA Heritage Council in 2013 confirmed three consolidated sections of the site as a state heritage place. The article continues:

> Items include the four Central Administration Buildings at the Daws Road entrance, Wards 1 to 4, the SPF Hall, the Chapel, Peace Garden, former mortuary (now the Museum) and former post office.

The article concludes:

> …in its plans for redevelopment of the site, the state government has only promised to retain the chapel, museum and the Peace Garden. This puts into question the permanence of State Heritage Places. It seems that

legislation we thought was designed to protect State Heritage Places in perpetuity isn't as watertight as we are led to believe.

My question to the minister is: can the minister assure the council that the government will only consider proposals to redevelop the Repatriation General Hospital precinct that respect the permanence of state heritage places on the Daw Park site?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:32): I am very happy to reassure the council that in fact the state government will take into consideration all heritage matters in our plan for the Repatriation site at Daw Park. What the honourable member needs to understand, if he does not already, is that this is always a balancing proposition.

We balance, when we are making our decisions, whether it has been minister Rau in his responses for local heritage or for processes under the Local Development Act, for example, or myself with responsibility for state heritage under the Heritage Places Act. We have put in place decision-making processes which will regard the merits of proposals in terms of public interest and whether in fact the state heritage can be outweighed in some instances by the proposals that come forward to government.

This is always a balancing act. Of course, we are cognisant of the importance that heritage plays in our state, particularly in terms of our cultural values but also in terms of tourism, for example. At the same time, these are not situations which are black and white. It always requires government to consider the options and make a decision based on the merits of the proposal.

REPATRIATION GENERAL HOSPITAL

The Hon. S.G. WADE (14:34): In that case, what processes did the government go through to exclude the chapel, the peace garden and the museum and decide that it was not going to provide a similar guarantee for the SPF hall, which, by the way, was funded by children through fundraising in World War II?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:34): I will have to take further advice on that matter and bring back a cross-government response for the honourable member.

CEDUNA

The Hon. G.A. KANDELAARS (14:34): I seek leave to make a brief explanation before asking the Minister for Employment, Higher Education and Skills a question about her recent visit to Ceduna.

Leave granted.

The Hon. G.A. KANDELAARS: Regional South Australia is doing it tough. It is our job as members of this place to connect with people in rural areas and hear directly from them. Can the minister inform the house about her recent visit to Ceduna and her experiences while there?

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (14:35): I thank the honourable member for his question. As members of the Legislative Council are aware, it is most important that members directly hear from regional community members.

Just last month, I visited Ceduna to meet directly with community leaders, service providers and program participants. Whilst there, I visited Thevenard Fish Processors, Crossways Lutheran School, Ceduna Area School, Bernadette's Place café, Eyre Futures, TAFE SA, Ceduna campus and Koonibba Aboriginal community. I was very pleased to see that passion with which the community leaders engage with the community to develop solutions to complex issues in the local area.

Thevenard Fish Processors is a small family-owned and operated seafood processing place. They supply business with wholesale. With over 20 years of operations, they are well connected and

very active in the community. Thevenard works with about 10 permanent commercial fishers and suppliers and also supplies the Adelaide markets and outlets, including Barnacle Bill and most restaurants from Ceduna to Port Lincoln.

Crossways Lutheran School was a very impressive place. It provides education from reception to year 10. Aboriginal children make up the vast majority of students there, and it was a great pleasure to see so many dedicated teachers at the school. Crossways has previously hosted two Indigenous trainees through a 12-month traineeship program and are keen to increase the delivery of VET at their school.

I spoke with Crossways Lutheran School in relation to their ongoing discussions with TAFE about using the TAFE SA facilities at Ceduna. I am pleased to report that TAFE SA have entered into an arrangement with Crossways so that Crossways can use the facilities to deliver woodwork to their year 8, 9 and 10 students. In relation to the two trainees, both trainees successfully completed Certificate III in Education Support and performed a pivotal role as Indigenous mentors to current students.

I was pleased to tour the Trade Training Centre at the Ceduna Area School which provides students with the opportunity to gain practical skills by completing VET competencies in aquaculture an industry of significance to the Ceduna area. Students attending the Trade Training Centre build employability skills that transfer successfully into the workplace. Students from years 10 to 12 have been involved in water quality testing, feeding fish and cleaning tanks. They have also graded the fish by weighing and measuring them and recording data. It is a great program.

To support young people to develop pre-employment skills and access accredited training, the Ceduna Arts and Cultural Centre, Eyre Futures and Complete Personnel established Bernadette's Place training café. I was extremely pleased to be able to visit the café and hear from both the staff of partner agencies and also a young woman who was volunteering in the café whilst undertaking training in safe food handling, barista and customer service.

Some of the young women who have volunteered in the café have gone on to secure employment in the local area. This is a great example of community groups coming together to support local young people, in particular, to develop the skills they need to successfully transition to employment. There were great Aboriginal artworks in there as well, with the work of some magnificent local artists.

I also met the staff of Eyre Futures Incorporated. They work closely with schools, businesses and communities across South Australia to provide services to young people and their families. In 2015-16, Eyre Futures will receive $75,000 in funding through the Adult Community Education (ACE) program to deliver foundation skills and accredited and non-accredited training to an estimated 120 participants in the Ceduna and Port Lincoln area.

The TAFE Ceduna campus has over 500 students in a range of courses, including short courses, certificate courses and diplomas. The majority of staff based at the Ceduna campus are from TAFE SA's Aboriginal Access Centre. Significant numbers of students in the regions access TAFE courses through e-learning or by undertaking training off site in industry or community facilities. Children's services training is being undertaken from the nearby Koonibba and Foundation Skills Training and delivered in both Yalata and Oak Valley communities. I thank the member for his question.

STOLEN GENERATIONS COMPENSATION

The Hon. T.A. FRANKS (14:40): I seek leave to make a brief explanation before addressing a question to the Minister for Aboriginal Affairs and Reconciliation on the topic of stolen generations compensation scheme.

Leave granted.

The Hon. T.A. FRANKS: As the minister would be aware, before this chamber we have had many debates on an Aboriginal stolen generations reparations or compensation scheme. We have seen two bills brought to this place: one the subject of an inquiry, the second passed by this chamber over a year ago. In recent days, the Leader of the Opposition has reintroduced the bill that passed in this chamber into the lower house.

I note that in comments in InDaily a Labor caucus senior figure was quoted as saying that the party is right to take the view that a compensation scheme would open the floodgates for further claims and that 'there are no votes in it'. I ask the minister: does he agree with this view that there are no votes in a stolen generations compensation scheme, and will we soon see the government act on this issue?

The Hon. K.J. MAHER (Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Aboriginal Affairs and Reconciliation) (14:41): I thank the honourable member for her question and her ongoing and considerable interest in this matter. I know she has discussed this with me on quite a number of times, and I appreciate that. I am not going to comment on unidentified sources purporting to hold views; it's not something I'm going to do. What I will do is again place on the record that this a very important issue and one that a great deal of work has been done on by members opposite and by crossbenchers.

I know yesterday on the ABC, and today in InDaily, the Premier indicated that our policy work on this issue as a government is well advanced, and I am pleased that I continue to meet with and discuss these issues with both of those affected by past actions, and I have had a number of very productive meetings with the shadow minister in relation to this matter. The Premier has indicated that the government policy on this will be a package which is beyond just individual compensation but also, importantly, deals with community reparations.

Yesterday, the Premier's comments were echoed by the Deputy Premier, who also said in relation to the stolen generations compensation and reparations, 'We're really down to the point where we're discussing what the fine-grain detail of that solution looks like and how it can be implemented in a way that's not unnecessarily burdensome or legalistic.' This is an important policy that builds on work that's already being done, and I acknowledge that this parliament led by, I think, premier Dean Brown at the time was the first state government to apologise in 1997, and in 2008 the federal parliament similarly apologised.

An honourable member: The premier was John Olsen.

The Hon. K.J. MAHER: Was it? Are you sure?

The Hon. R.I. Lucas interjecting:

The Hon. K.J. MAHER: In 1997, as the Hon. Rob Lucas points out, the premier was John Olsen and the relevant minister was Dean Brown. In any event, I applaud the former Liberal government for taking that stand, as the former Labor federal government has done also. I know that there are numerous views throughout the community, and those directly affected, on the most appropriate ways these past injustices can be rectified. As I have said before in this place, I have appreciated the number of conversations that I have had and the ones that I am continuing to have as we bring together that policy work.

As I said, I have met with the shadow minister a number of times on this and I continue to work through some of the issues in coming to a final policy on exactly how a scheme might work, and I thank the shadow minister for taking a bipartisan role in this. Regardless of what others choose to do, this is certainly not an issue I am going to play politics on: it is far too important for that. I will continue to work collaboratively to make sure that we have the best possible policy response to these issues.

SUICIDE PREVENTION

The Hon. J.S.L. DAWKINS (14:45): I seek leave to make a brief explanation before asking the Minister for Manufacturing and Innovation, representing the Minister for Transport and Infrastructure, a question regarding suicide awareness training for front-line public transport employees.

Leave granted.

The Hon. J.S.L. DAWKINS: With your indulgence, Mr President, I would firstly like to recognise that today is World Suicide Prevention Day and this year we are also recognising R U OK Day on the same day. It is a time to remind the South Australian community to ask their friends and

loved ones the simple question 'Are you okay?' because those three simple words could potentially save a life.

Recently a member of my staff accompanied me in attending a national suicide prevention conference hosted by Suicide Prevention Australia in Hobart. The conference was attended by 400 people, including professionals and community members from across the country and beyond, and was an excellent opportunity to find out about suicide prevention initiatives that both the public and private sectors are delivering around Australia.

In a presentation by the Mental Health Commission of New South Wales, we were advised that Sydney Trains and NSW TrainLink are providing suicide awareness training to front-line employees commencing in August this year and continuing during this month and into the future. As these individuals deal with a large section of the community they are often well placed to observe signs of someone contemplating suicide, and often face difficult situations where suicide prevention first aid skills could be potentially be life-saving. My questions are:

1. Will the minister indicate whether such training is being conducted for South Australian front-line public transport employees, either state Public Service employees or employees of private sector companies that are providing contract services on behalf of the state government?

2. If not, will the minister commit to investigate the implementation of such training programs across all front-line staff working in the provision of public transport services?

The Hon. K.J. MAHER (Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Aboriginal Affairs and Reconciliation) (14:47): I thank the honourable member for his question, and again for his very long and consistent advocacy on this issue. I will take those questions to the minister in the other place and bring back a reply on his behalf.

WASTE MANAGEMENT

The Hon. T.T. NGO (14:48): I have a question for the Minister for Sustainability, Environment and Conservation. Can the minister tell the chamber how the state government is working towards reforming the waste sector for the benefit of the waste industry and the environment?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:48): I would like to thank the member for his most important question. The waste industry is one of the fastest growing manufacturing sectors in the country, and here in South Australia the state government has been actively working with industry and the community to ensure that both the policy settings and our regulations support the industry to grow and expand.

For example, we have transformed Zero Waste SA into Green Industries SA in order to support the industry to grow and expand into new markets, and benefits are already being felt. I am advised that this was evident during the recent state government trade mission to India, where talks began about the exporting of South Australian waste management expertise.

We are working to reduce red tape and allow industry to work more efficiently. An example of this is Waste Tracker, the EPA's online system for tracking hazardous waste. This new system is designed to simplify and speed up the process by offering an online presence in a real-time tracking service. Waste Tracker began operating in March 2015 and around 30 per cent of licences, I am advised, are now using the system online.

The number of users of the system is steadily increasing and the feedback from the industry has been highly positive, I have been told. As a result of these and many other measures, the South Australian waste sector has grown into a billion dollar industry that contributes more than $500 million a year to our GSP and employs almost 5,000 South Australians and, of course, the resulting environmental benefits are also very welcome. South Australia, for example, has one of the world's best recycling rates. We recover about 80 per cent of our waste, I am advised, which has the equivalent environmental benefit (if you like to do these sorts of sums) of taking approximately 256,900 passenger cars off the road.

The economic benefits to our state are just as notable. Access Economics has estimated, in a report released in 2009, that recycling creates over three times the number of jobs compared to sending waste to landfill. Given these enormous benefits, we want to work with industry to ensure that South Australia realises the full potential of the green economy. This is partly why we have recently released the Reforming Waste Management discussion paper to encourage public comment. I am seeking feedback to understand how we can improve our regulatory settings, to help drive the next phase of growth for this sector.

As part of this consultation process, we will be holding a series of public information sessions, including in regional areas of the state, and targeted stakeholder meetings. I would like to encourage everyone to take a look at the discussion paper and make a submission, which I understand closes on 2 October of this year, or join the online discussion on waste reform in South Australia on the government's YourSAy website.

We have some of Australia's best recycling and waste recovery rates; that is true. This has created economic opportunities for our state, while at the same time protecting our great environment. I am committed, however, to work even further with the sector to explore ways to create more jobs in this industry and support the industry growing into the future and capitalising on our know-how and expertise and see if we can't encourage the private sector to export that overseas and create even more jobs for South Australians.

SHACK SITES

The Hon. J.A. DARLEY (14:52): I seek leave to make a brief explanation before asking the Minister for Sustainability, Environment and Conservation a question concerning crown shack site valuations.

Leave granted.

The Hon. J.A. DARLEY: Yesterday, I asked questions with regard to the use of private valuers by the department to determine the unimproved values for shack sites on crown land. Specifically, I asked for information on how many valuations have been conducted by private valuers, what the cost is and why the department is not utilising the Valuer-General for this purpose. In the minister's response yesterday, he stated that he had answered my question and advised me to review *Hansard*. As a matter of fact, I listened intently to the question and I've now read *Hansard* and none of my questions have been answered, so I ask again for the third time:

1. Why does your department waste money engaging valuers from the private sector when the Valuer-General already determines land values for all crown shack sites on an annual basis for other government purposes?

2. Can the minister advise the total number of valuations and the amount of money spent on private sector valuations used for the purposes of reviewing rents on crown land shack sites for each of the past four financial years?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:53): I thank the honourable member for his follow-up question from earlier in the week. I say at the outset that I reject outright the premise of his question. He is just wrong in that matter. Let me try to give him a little further information to put his mind at rest in this regard.

Further to the information I have given previously—and I won't repeat that and read that back into *Hansard* even though it does give some continuity in terms of the argument but I am quite sure that members who have an interest can go and read that from I think it was Tuesday—I am informed that up until December 2010 most shack rentals were determined as market rental, without a rate of return applied.

This involved direct comparison with market rentals, having regard to variations on lease terms and locational factors. This valuation was carried out by an independent valuer in private practice. In 2010, the former minister agreed to seek independent advice from another jurisdiction regarding the rent setting method. The New South Wales Valuer-General and a New South Wales valuer in private practice provided this advice, which specified a need to apply a rate of return.

This led to the adoption of the current rent-setting policy which is to obtain an unencumbered market value from a valuer in private practice and apply a rate of return to calculate the rent. The initial rate of return, as I mentioned earlier, was set at 4 per cent. I have previously advised that DEWNR provides private valuers with a valuation brief for the purposes of determining rent. I think I mentioned that in previous answers given earlier in the year.

This valuation brief does not define unimproved land value per se, rather it provides the following instructions for the basis of the valuation.

> Valuation basis: the Crown's interest is the land, excluding any work carried out by the lessee in relation to the land or any improvements on the land which do not belong to the Crown.

Rent-setting for all crown land leases is based on the market value being obtained for the exclusive use of state land. That seems fundamentally quite reasonable, I think.

As to the honourable member's further question, I understand that the Valuer-General currently provides figures for rating and taxing purposes that use mass appraisal techniques set out in the definitions of the Valuation of Land Act 1971. That is obviously going to mean a lot more to the honourable member than it does to me given his previous career. In comparison, the unencumbered market value of a shack site is prepared using a different approach which, I am advised, has reference to current market conditions and provides greater scrutiny of the property concerned.

I am advised that in the 2014-15 financial year a total of 239 valuations were carried out by the independent valuers in private practice to determine the unimproved market value of the shack sites. I am further advised that these 239 valuations cost approximately $46,000, inclusive of GST. A summary of the number of valuations carried out will be provided to me, as is normal, and if the honourable member wishes it I will provide it to him when it is given to me.

In essence, that should give him comfort in relation to further information about the answer I gave early in the week. There is no question of being money wasted; it is actually to get to a valuation of a property that is real, that represents market value which is assessed, as I understand it, somewhat differently from the process the Valuer-General utilises.

SHACK SITES

The Hon. J.A. DARLEY (14:57): I have a supplementary question. Can the minister explain why there are only 239 valuations when there are 450 shack sites, and the cost was only $36,000?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:57): The cost wasn't only $36,000. The cost, as I mentioned a few moments ago, was $46,000 GST inclusive for the 239 valuations. That's what I am advised happened in the year 2014-15. That was the information I gave to the chamber. I can only surmise that some may not have had valuations done or they were done at an earlier time. Again, go back and read the *Hansard*, the Hon. Mr Darley, where I said:

> I am advised that in the 2014-15 financial year a total of 239 valuations were carried out by independent valuers in private practice to determine the unimproved market value of these shack sites.

I went on further to say:

> I am further advised that these 239 valuations cost approximately $46,000 inclusive of the GST.

SHACK SITES

The Hon. J.A. DARLEY (14:58): I have a further supplementary. Is the minister saying that there were no valuations carried out before the 2014-15 financial year, because I asked for the last four financial years?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:58): No.

UNEMPLOYMENT FIGURES

The Hon. R.I. LUCAS (14:58): My question is to the Leader of the Government. Given that today's unemployment figures for South Australia show that the trend unemployment rate jumped significantly from 7.9 per cent last month to 8.1 per cent this month, how does the minister defend

her public statement reported on radio FIVEaa and other radio stations that 'some of the trend data is looking fairly solid with a general but slow improvement'.

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (14:59): I thank the honourable member for his question, and the opportunity to talk about some of what is happening in terms of our employment opportunities. Today the unemployment figures for August were released and the headline figures came in at 7.9 per cent, which is steady as she goes.

It is the same figure as for the month before and, as I said, we can take some comfort that the figures had not deteriorated for August but, obviously, there is still a great deal of work to do. It is interesting that the opposition wouldn't seek to choose to use seasonally adjusted data whereas they would be well aware that the custom and practice is to report on headline rates, and that is referred to generally throughout the media.

The Hon. R.I. Lucas: That doesn't make sense, that sentence.

The Hon. G.E. GAGO: Well, go and read it back in *Hansard*. It makes perfect sense. I am saying that the media and other analysts, in terms of assessing and trending unemployment data, would generally use headline figures, seasonally adjusted figures, and that is not the figure that the opposition is choosing to use, which are not generally the figures referred to.

The Hon. R.I. Lucas: I asked you about the trend figures.

The Hon. G.E. GAGO: I am referring to the figures that are generally reported and they are headline figures and they came in at 7.9 per cent for August and they are exactly the same as the figures for the previous month, so South Australia is showing a steady-as-she-goes trend.

I also indicated that the total employment for South Australia has been increasing for eight consecutive months and 7,300 more people have joined the workforce in the past eight months. That is the trend figure that I was referring to in the media that showed a solid trend performance, the fact that South Australia was continuing to increase its total employment for eight consecutive months. Also, other strong trend data is around our participation rates.

Our participation rate is at the highest level in two years, which means that more people are optimistic about finding work. Again, they are two areas of reported figures that show solid trend results. Nevertheless, I made it very clear that we had a great deal of work to continue to do to bring down unemployment. The state government continues to work extremely hard to secure employment and investment opportunities here in this state. We are very focused on the implementation of our 10 economic priorities to assist South Australia's transition from the old economy to the new economy.

There are a number of initiatives that we have put in place to assist workers and businesses in particular. We have developed detailed plans for helping businesses grow through payroll tax concessions, reforming WorkCover, and also, more recently, we announced a series of major tax reforms—a tax reform package of almost $670 million to help businesses invest and grow. Also, our most recent budget delivered a $985 million package to help grow jobs, and that includes major tax reforms and also targeted investment.

We are looking at injecting a further $315 million over four years to target infrastructure projects and we have injected new money into a number of initiatives to help drive the economy, particularly, two potential growth areas such as tourism and international education. Some additional funds were made available to increase marketing opportunities for international visitors and international students.

As I said, we have a series of initiatives and programs that we continue to roll out to help build a strong economy here in South Australia, to help build business confidence, to encourage investment and to encourage job growth.

UNEMPLOYMENT FIGURES

The Hon. R.I. LUCAS (15:04): Supplementary arising out of the answer: does the minister accept that there is at least some responsibility on the state government for the fact that the unemployment figures show that, of the two major automotive manufacturing states (South Australia and Victoria), South Australia's unemployment figure is significantly higher than the 6.2 per cent figure in Victoria?

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (15:04): What a hypocrite!

Members interjecting:

The PRESIDENT: Order!

The Hon. G.E. GAGO: What an absolute hypocrite!

Members interjecting:

The PRESIDENT: Order!

The Hon. G.E. GAGO: The audacity of the Hon. Rob Lucas to come into this place—

Members interjecting:

The PRESIDENT: Order!

The Hon. G.E. GAGO: —and refer to the automotive industry when he and his federal Liberal mates have torn the heart out of our automotive industry. What has the Liberal Party here in South Australia done? Nothing, absolutely nothing. He has sat there on his hands and done absolutely nothing as the federal Liberal government ripped the guts out of our automotive industry and left us high and dry. What about our submarines? A promise by the federal Liberal government to build their submarines here reneged, and what has the state Liberal Party done about that? Nothing, complete silence—the absolute audacity of the Hon. Rob Lucas coming into this place and mentioning the automotive industry.

If the Hon. Rob Lucas is genuine about wanting to grow and drive jobs here, he would be lobbying his federal Liberal mates to support the transition of our automotive industry, to build our submarines here and to replace those hundreds of millions of dollars that have been ripped out of federal funding from our health, our schools and our VET systems.

UNEMPLOYMENT FIGURES

The Hon. R.I. LUCAS (15:06): Supplementary question arising out of the minister's answer: why is Victoria's unemployment rate nearly two percentage points below South Australia's?

The Hon. I.K. Hunter: Retreating now and not mentioning the automotive industry.

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (15:06): Yes, that's right. Now he is too ashamed to refer to the automotive industry. As I said, what an absolute hypocrite he is to come into this place and mention our automotive industry when it was the federal Liberal government that ripped the guts out of our manufacturing sector, reneged on our submarines and ripped hundreds of millions of dollars of federal funding out of health, schools and VET.

The Hon. Rob Lucas knows only too well that the South Australian economy—he is a former failed treasurer, I guess, so he probably doesn't know; he probably never got it. He knows that there are a number of economic factors that have operated here in South Australia have taken up a far more significant part of our economy. He knows that South Australia's economy has been far more heavily reliant on traditional manufacturing than Victoria's economy. He should know that but, as I said, he is a former failed treasurer, so it is not surprising he doesn't get it. He also knows, for instance, that the commodity prices have significantly impacted on South Australia because of the

heavy reliance of this economy on those elements. But, as I said, I am not surprised that he doesn't get it.

MANUFACTURING INDUSTRIES

The Hon. J.M. GAZZOLA (15:08): My question is to the Minister for Manufacturing and Innovation. How will the landmark agreement between Trajan Scientific and Medical and the University of Adelaide create advanced research development and manufacturing opportunities in Adelaide?

The Hon. K.J. MAHER (Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Aboriginal Affairs and Reconciliation) (15:08): I thank the honourable member for his fantastic question and, as coincidence would have it, I know a little bit about this area.

The Hon. J.M.A. Lensink: I doubt that.

The Hon. K.J. MAHER: I do.

Members interjecting:

The PRESIDENT: Order! The minister has the floor. The minister.

The Hon. D.W. Ridgway: He's tearing his hair out, this minister; you can tell.

The Hon. K.J. MAHER: The Hon. David Ridgway very bravely ventures into the area of missing hair, but I think we will leave that there. Today, I had the opportunity to jointly announce, with representatives from the University of Adelaide and Trajan Scientific and Medical, a new research development and manufacturing hub based on a new generation of specialty glass products. Trajan is a world leader in the manufacture of scientific and medical analysis systems and supplies many major global medical technology manufacturers. The company, based in Melbourne, currently employs around 300 staff in more than 100 countries and boasts an annual turnover of approximately $55 million.

Earlier this year, I had the opportunity to meet with Trajan's global leadership group at their annual general meeting in Adelaide to discuss the company's future growth plans and the real opportunity that Adelaide presented in this area. Through the support of the South Australian government's Photonics Catalyst Program, Trajan has been working with the Institute of Photonics and Advanced Sensing at Adelaide University to fabricate novel ion transfer tubes for mass spectronomy that are then used to undertake chemical analysis in the medical industry.

As a result, Trajan has committed to entering into a strategic alliance with the Institute of Photonics and Advanced Sensing at Adelaide Uni that will initially result in the establishment of a new office within the Institute of Photonics and Advanced Sensing and a number of new staff. I understand that they are also investigating the possibility of undertaking larger scale operations in South Australia, which may include a transfer of some of their operations that are currently undertaken elsewhere.

The strategic alliance between the institute and Trajan will assist scientists to commercialise their research into marketable products that will benefit the health and wellbeing not just of people in South Australia but of people across the world. I understand that this collaboration may lead to the establishment of other opportunities, such as spin-off companies to commercialise particular technologies, and the genuine opportunity to accelerate the development of a sizeable cluster of photonics companies in South Australia. Trajan's goal is for Adelaide to become its global centre for excellence for advanced photonics technologies, which aligns with the government's agenda to establish Adelaide as a hub of excellence for photonics.

The state government has provided almost $350,000 in support to establish the new facility which will see Trajan Scientific Australia enter into a strategic alliance agreement with the Institute of Photonics and Advanced Sensing. Photonics continues to be a key enabling technology, the uptake of which is growing, through the efforts of our manufacturing work strategy. Local manufacturers are being encouraged to adopt technologies, which is leading to improved competitiveness. Technologies like photonics present a significant opportunity to firms to enhance

their capacity to innovate with their products, manufacturing processes, capital equipment and engineering systems.

South Australia is well poised to take advantage of significant opportunities through innovation in the emerging health and medical devices sector. This morning, I also had the opportunity to open the US Ambassador's Innovation Roundtable event held at Tonsley. This event focused on opportunities in health technology innovation in particular, highlighting the successful Australian-US collaborations in this space, and it will provide great opportunities for students of all levels to learn more about pathways into careers related to health technology innovation.

The announcement today at Adelaide Uni was a very exciting announcement, and the significant contribution Trajan will make to achieving the goal of developing South Australia as a global centre of excellence for advanced photonic technologies is very welcome. We welcome the investment Trajan has made in this state, an investment that is sure to stimulate significant economic growth for the future. I wish Trajan and the university every success as they embark on this new phase of developing and commercialising their emerging technology in this state.

AUTOMOTIVE INDUSTRY

The Hon. D.G.E. HOOD (15:14): I seek leave to make a brief explanation before asking the Minister for Manufacturing and Innovation, and the Minister for Automotive Transformation, a question about component manufacturers in South Australia.

Leave granted.

The Hon. D.G.E. HOOD: With the looming closure of Holden, it has been well documented that South Australian component manufacturers face an uncertain future. The only certainty is the challenge ahead. The Asian automotive economy, of course, is highly efficient both in terms of labour costs and production times, and some claim this means that South Australian component manufacturers are unlikely to be able to offer competitive tenders to break into the various markets overseas.

Greg Combet of the Automotive Transformation Taskforce was quoted in April as saying that the reality is that much of the rest of the industry is going to close down. South Australia is facing significant job losses not only from Holden's closure but also from the component manufacturing system that supplies Holden and other manufacturers it seems. My questions to the minister are:

1. How is the government working with these component manufacturers, in particular to help them deliver business plans and to ensure they know of any relevant grants or government assistance available to them?

2. What is the government doing to assist component manufacturers to diversify to ensure they stay in business and, importantly, employ many South Australians?

The Hon. K.J. MAHER (Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Aboriginal Affairs and Reconciliation) (15:15): I thank the honourable member for his very important question. It is a difficult time in the automotive labour manufacturing sector in South Australia. With the closure of Holden by the end of 2017 after the withdrawal of federal government support for the industry, there are other manufacturers that will be adversely affected.

There are approximately 33 tier 1 component manufacturers here in Adelaide whose businesses are very largely reliant not just on Holden, but also on Ford and Toyota. I have visited many of the workplaces, most recently in the last couple of weeks Hirotec and Futuris near the Holden plant in the north.

There are a number of manufacturers who for a number of reasons will not be manufacturing after the closure of Holden by the end of 2017. A number of our tier 1 manufacturers are multinational companies that have operations in many other countries around the world that, with the demise of the Australian automotive industry, will produce in other countries, but not in Australia any more.

There are some other companies that have specialised to such a degree that they have been quite honest and said that they do not see themselves as diversifying, but there are some component manufacturing companies that are interested and have done a lot to diversify what they do.

I mentioned earlier this week, through the state government's Automotive Supplier Diversification Program, three recent government grants to ZF Lemforder, Trident Plastics and to one other company to help them diversify into other areas. Some of the manufacturers are metal fabrication or plastics that can look to other areas.

Our automotive transformation team has visited all of the tier 1 suppliers at least once to talk to them directly about what they see themselves doing and if there is any way that they could look to diversify out of auto manufacturing. Some of those are taking up some of the suggestions by government which has led to some of the grants that have already been made. There is still money in that fund.

We recognise, as we come closer to the end of 2017, that there will be future calls and there will be more that a government needs to do. Certainly, we are now focusing on those tier 2 supply companies that supply things to the supply chain, but are not quite as reliant in as high a proportion to automotive manufacturing. We are looking to see how we could support those companies.

I know in a number of these programs that as we go along we are readjusting what we do. I do not have the figures in front of me. We have reduced the percentage of exposure that a company has to have to the auto industry to be eligible for some of these grants so that we can cover more companies. We will keep responding as a government as we understand the changing needs of many automotive supplier companies, but the automotive transformation people within government have been out to see all of the tier 1 companies and we are working through seeing many of the major tier 2 companies.

SKILL SHORTAGES

The Hon. J.S. LEE (15:18): I seek leave to make a brief explanation before asking the Minister for Employment, Higher Education and Skills a question about skill shortages.

Leave granted.

The Hon. J.S. LEE: The federal government released the Skill Shortage List for South Australia earlier this month. This document gave an overview of all the occupations that are experiencing large numbers of skill shortages in metropolitan Adelaide and regional South Australia. A number of these jobs are within the health, construction and telecommunication fields and many of these fields are considered to be statewide shortages. For instance, in the occupation of fitter, the findings reported that:

> Despite attracting large amounts of qualified applicants, most do not possess the specific skills that employers require or are not familiar with the particular types of machinery, specialised diagnostic and testing equipment used.

It was further reported in the Adelaide University survey that thousands of jobs are on offer in Adelaide's northern suburbs but employers cannot find suitably skilled workers and are constantly having to retrain their employees. My questions are:

1. What measures and strategies has the minister put in place to ensure that the courses offered through WorkReady are meeting the specific skills shortages employers are experiencing?

2. What evaluation process has the minister put in place to monitor the specific skills shortages required by industries in South Australia?

3. What action plans will the minister introduce to ensure training is appropriate to address the problems of skills shortages within the subsidised courses offered by WorkReady?

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (15:20): I thank the honourable member for her most important question. There are a number of things that we have been doing in this place to assist in ensuring that we meet labour force and the needs, and I just can't put my hand on the particular report at the moment, but we've been conducting a series of reviews of particular course outcomes and I think we've done about four or five of those reviews now.

A survey of students, and also employers, was carried out to determine the level of satisfaction that students have, but also the level of the adequacy of the fit of the qualification to industry needs. For instance, it asks the questions around: did employees who completed that particular qualification have the appropriate skill sets and competencies for that particular job? As I said, there are quite detailed reports on a number of particular qualifications and we are slowly working through a whole series of them, and I can't put my hand on that particular report here with me today, but I'm happy to provide the details of the outcomes of those studies.

Overall, generally the outcome of these surveys and that analysis has been fairly positive. It has found deficits in some areas, however, in terms of inadequate competency skill sets and we have worked with giving feedback to RTOs from industry to help improve the content of the particular qualification. So, there is that level that we have been working on and, of course, TASC, our Training and Skills Commission, assists in the spaces well. It engages with industry and RTO providers and also businesses that employ graduates from the VET sector.

Independent validation assessment data—that's what I've been trying to get my head around. Thank you for that. We've done them in the area of aged care, the Certificate III in Aged Care, and, of course, a lot of students go through that particular qualification. There is the Certificate III in Children's Services, a Diploma of Children's Services, and also the Certificate III in Disability—and we are continuing to do those.

As I said, generally, the data is pretty good, but it has found some areas that we have used to help produce improvements in those particular qualifications. As I said, TASC also assists in this space in ensuring that we have a good alignment with training outcomes and industry needs.

Bills

HEALTH CARE (ADMINISTRATION) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 8 September 2015.)

The Hon. J.A. DARLEY (15:24): I rise to speak very briefly on the Health Care (Administration) Amendment Bill, and to echo some of the comments of other honourable members. As has been noted, this is the third time we have had this bill before this parliament, and I have to agree with my colleague the Hon. Dennis Hood that it is certainly a good example of why we do not need such frequent prorogations.

In the main, the bill deals with fees for services provided by the SA Ambulance Service that do not involve ambulance transport and employment arrangements for doctors, nurses and midwives within the Department for Health and Ageing. There are, of course, some other technical amendments incorporated into the bill, but it is these two aspects in particular that have been the focus of most attention. I certainly share the concerns raised by other honourable members in relation to these two aspects of the bill, and, in particular, concerns about the potential for increased costs to rural patients as result of changes to fees.

For the record, whilst I support the second reading of the bill I will certainly be paying attention to the explanations provided by the government on these issues, and also to the responses by the government on specific issues and questions raised by the Hon. Stephen Wade.

The Hon. G.A. KANDELAARS (15:26): I rise in support of this bill, and in doing so will address the benefits for the community of incidental services, usually called Treat no Transport services, provided by the SA Ambulance Service.

The purpose of the proposed change is to simplify the mechanism for setting fees for Treat no Transport services provided by the SA Ambulance Service, one of which will align with the current mechanism for setting fees and charges within the Health Care Act 2008 for both hospital services and ambulance services. Apart from the fee for Treat no Transport services, all other ambulance fees are covered by section 59 in the act.

Under the current regulations and the proposed amendment in the bill, an incidental SAAS service is provided if:

- a member of the staff of SAAS attends at a place in response to a request for medical assistance, whether made by a 000 emergency telephone call or other means, for a person who may have an injury or illness requiring immediate medical attention in order to maintain life or to alleviate suffering; and
- the SAAS staff member assesses or treats the person; but
- the person is not transported by ambulance.

Section 59 allows the minister to fix fees for ambulance services from time to time in the *Gazette*. Ambulance services are defined under section 3 of the Health Care Act 2008 as follows:

'Ambulance service' means the service of transporting by the use of an ambulance a person to a hospital or other place to receive medical treatment or from a hospital or other place at which the person has received medical treatment.

This definition reflected a traditional ambulance model and did not take into account incidental services that do not involve transport. Consequently, the Fees Regulations (Incidental SAAS Services) Regulations 2009 were made under the Fees Regulations Act 1927 to provide for incidental services' fees as an interim measure. It was intended to fix this anomaly at the first available opportunity so that all fees were in one place, namely the Health Care Act 2008.

Clause 7 of the bill, which will amend section 59(1) of the Health Care Act 2008, will allow the charging of fees for incidental services—that is, the Treat no Transport services—but it will also allow for other matters to be prescribed by the regulations. This additional provision will give greater flexibility to the SA Ambulance Service for fee setting into the future should new models of service provision develop. New technologies are already emerging that may transform the way ambulance services, as first responders, respond to patients' future needs.

The amendment is an administrative change only. It does not affect or make any changes to current SA Ambulance Service practices or services. It will have no impact on the services provided to the public by the SA Ambulance Service. The amendment merely switches the legislative mechanism for the setting of a fee for incidental services from the Fees Regulations (Incidental SAAS Services) Regulations 2009 to the Health Care Act 2008.

The current regulations make it a requirement that the SA Ambulance Service will provide a service consequent to a 000 emergency telephone call or other means for a person who may have an injury or illness requiring immediate medical attention in order to maintain life or to alleviate suffering. This requirement will continue. A decision treat at the patient's residence and not transport, or to treat and transport to a hospital emergency department will always be based on the patient's medical needs as determined by the attending SA Ambulance Service clinicians.

There has been a positive impact on the community in having different ambulance service options available, including the Treat no Transport service. These treatment options ensure better care for the community and greater efficiency and effectiveness of ambulance services. For example, providing care for and treating people in residential aged care has been shown to provide better health outcomes.

Unless hospital care is needed, treating people in their residential aged-care home and keeping them out of hospital is often a much better option because it means less disruption, less patient confusion and earlier return to normal health in familiar, supportive and comfortable surroundings. Patients can also receive more tailored care and, if needed, this care can be managed in collaboration with other health professionals.

Significant changes to the scope of work and practice of ambulance services are occurring in SAAS. The SAAS Strategic Plan outlines various strategies to better use the skills of paramedics and ambulance services. For example, one area of focus is integrating ambulance services within the broader health system by developing better strategies for managing health care needs of people who do not need emergency transport to a hospital but who do need care.

Another strategy is to increase capacity to respond quickly and at greater speed. The SA Ambulance Service has introduced ambulance single responders in cars, motor bikes and bicycles so that treatment can be instigated sooner and faster in any given conditions. Earlier intervention can reduce the extent of damage caused by injury or illness and can also facilitate faster recovery, reducing hospital length of stay.

The extended care paramedic (ECP) service allows patients to be treated at home or in their home surrounds, without being transported to a hospital emergency department if it is not necessary. An ECP is an SA Ambulance Service intensive care paramedic who has undergone intensive skills enhancement and training. ECPs can treat patients for a range of common medical issues and refer them to other health providers such as GPs, if necessary. The Treat no Transport fee is a low cost, affordable fee for a service that can give peace of mind to the community and achieve better outcomes, especially for seniors.

As of 1 July 2015, the incidental SAAS fee—the Treat no Transport fee—is a flat rate fee of $200, and for holders of a valid prescribed card the fee is $101. I understand that people who subscribe to the SA Ambulance Service's cover product are covered for the cost of all ambulance services provided by the SA Ambulance Service, including Treat no Transport services. Subscribing to the SA Ambulance Service's ambulance cover product is something that every person should consider given its low cost and good value.

Whilst this amendment is administrative, it signifies the potential for further innovation in line with emerging international trends for ambulance service delivery to provide the right care in the right time. I commend the bill to the chamber.

The Hon. T.T. NGO (15:36): I also rise to speak in support of the Health Care (Administration) Amendment Bill 2015. This bill will make technical amendments to the Health Care Act 2008. I would like to focus on staffing arrangements for medical officers, nurses and midwives within the South Australian Department for Health and Ageing or SA Health Central Office. The bill inserts a new section into the Health Care Act 2008, namely, section 89—Other Staffing Arrangements. The intention of this section is to remedy a longstanding technical issue that was largely an unintentional consequence of the passage of the Health Care Act 2008.

The Health Care Act 2008 repealed the South Australian Health Commission Act 1976. Under the South Australian Health Commission Act 1976, the administration and management of all health services, including the employment of all staff within the state, was undertaken by the statutory authority. When the Health Care Act 2008 came into effect, administrative and allied health professionals working in the department came under the employment arrangements of the Public Sector Act 2009.

In establishing the mechanisms for employment of staff under the act, it was thought at the time that medical, nursing and midwifery officers would be employed in the department pursuant to the professional awards under section 34 of the Health Care Act 2008. Section 34 is under part 5 of the act which deals with the incorporated hospitals and their management arrangements. I understand that the purpose of engagement of staff under section 34 was to facilitate the functions of an incorporated hospital. However, the department is an administrative unit for the purposes of the Public Sector Act 2009 and therefore medical officers, nurses and midwives would need to be employment under this latter act.

The department employs medical officers who may be employed as public health medical practitioners or medical administrators. It also employs nurses and midwives who may undertake public health and nursing administrative roles. All clinicians undertake profession-related clinical advisory functions which are essential to the department's role in the state public health protection and health service provision. For example, nurses are employed in overseeing the management of vaccine services across the state. They also provide advice to community-based general practitioners, community immunisation nurses, as well as other health professionals on the National Immunisation Program schedule.

They also provide advice on the *Australian Immunisation Handbook* which outlines standards for safe and effective use of vaccines. These nurses are responsible for the state's immunisation program and making sure vaccine is distributed where it is needed. They also support the rollout of

vaccination programs in schools as well as ensuring consistent and appropriate vaccine practices across public and private health systems.

Medical officers and nurses are employed in communicable disease control. These clinicians ensure the public health protection requirements, set out in the South Australian Public Health Act 2011, regarding notifiable and controlled notifiable conditions are met. They monitor and respond to any notifiable conditions that are reported to ensure that timely intervention is provided to protect public health.

I understand there were two options for establishing an appropriate employment arrangement under the act for medical officers, nurses and midwives. One option was to bring them under the Public Sector Act 2009 and its associated instruments, such as the South Australian Public Sector Salaried Interim Award and the South Australian Public Sector Wages Parity Enterprise Agreement: Salaried 2014, none of which recognises the qualifications, entitlements and continuing professional development requirements for clinicians. Whilst it was possible to employ clinicians under the Public Sector Act 2009, it would have meant there would have been some delays and difficulties in enabling the accreditation, registration and continuing education requirements that their current awards enshrine.

The second, preferred approach, which is the one before us in the bill, is the proposed insertion of section 89 into the Health Care Act 2008 contained in clause 8 of the bill. This preferred approach is similar to the mechanisms used by the Department for Education and Child Development to employ teachers within that department pursuant to their professional award under section 101B of the Education Act 1972.

This better mechanism enables clinicians to be employed within the Department for Health and Ageing under their professional awards. It ensures all professional requirements, such as recognition of qualifications for registration under the National Health Practitioner Regulation National Law (South Australia) Act 2010, continuing professional development and other requirements for clinicians, are appropriately recognised and assured just as they are for clinicians employed in our hospitals and other health services. There are no changes to the conditions of employment and all entitlements will continue unchanged.

It will be important to note that clause 89(1) sets out that the employing authority may appoint such other officers or employees who have skills or experience in connection with the provision of health services and who can assist the chief executive and the department in the performance of their respective functions. The term 'health services' used within this clause is defined under the Health Care Act 2008. The term 'health services' pertains to this definition and has no other intent but to describe where persons may work. It does not capture other types of employees under section 89. All other professions, such as allied health staff employed within the department, are employed under the Public Sector Act 2009 and are, therefore, unaffected by this new clause.

I understand that the representatives of medical officers, nurses and midwives, namely, the South Australian Salaried Medical Officers Association (SASMOA) and the Australian Nursing and Midwifery Federation (SA Branch) (ANMF) were consulted about this proposed change. They indicted that, provided there were no changes to the conditions of employment, the amendments were supported. As I understand it, this is simply a technical matter and there is no likelihood that any employee's conditions would be affected by these amendments. Indeed, it gives full recognition to the conditions of employment under their awards. I commend this bill to the house.

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (15:44): I apologise for being so slow to rise to my feet, but I have been mesmerised by the contributions from the Hon. Mr Kandelaars and the Hon. Mr Ngo. The depth of understanding evinced by their contributions, the remarkable clarity and the comprehensive nature of their understanding of this legislation really has encompassed a lot of the questions that were put on the record to be answered during the second reading closing speech. I will, however, soldier on to give the ministerial imprimatur to the explanations in a somewhat more brief way than we have just heard. Again, the depth of understanding is incredibly commendable and I commend both honourable members for their contributions.

The Health Care (Administration) Amendment Bill 2015 makes a number of technical amendments to the Health Care Act 2008. They include provisions which will allow the following:

- Fees for services provided by the SA Ambulance Service that do not involve transportation in an ambulance—that is, the Treat no Transport services—to be set through the Health Care Act rather than the Fees Regulation Act.
- Provide a mechanism for the employment of medical practitioners, nurses and midwives in the Department for Health and Ageing (i.e. the central office).
- Dissolution of three non-operational incorporated associations and the formal transfer of their assets to the appropriate health advisory council. This is a longstanding issue that requires resolution, I am advised.
- Amendments to be made to section 29(1)(b) of the Health Care Act 2008 so that it is clear that a specified person or body does not need to be providing services and facilities to an incorporated hospital for the business or operations of that body to be transferred to that incorporated hospital.
- The Governor, on application from the minister, to make a proclamation to transfer the assets, the liabilities and the undertakings from one incorporated hospital to another without the incorporated hospital to which these first belonged having to be dissolved, which I understand is the current requirement.
- Removing section 49(5) of the act that allows the minister to determine the constitution for the SA Ambulance Service. The functions and powers of the SA Ambulance Service are already set out in the act, I am advised. I am also advised that a constitution has never been determined and so is not required for the effective functioning of the SAAS.
- An amendment to ensure the SAAS staff and medical practitioners, nurses and midwives to be employed under the new section 89 are covered by the conflict of interest provisions.
- An amendment to clarify terminology used in section 93(3) of the act so as to limit disclosures of information required under this section to disclosures that are required or authorised by, or under law to reflect more accurately when and how legal disclosures of information may be made.
- An amendment to add the term 'substitute decision maker' to their list of persons who may request or provide consent for information about a person to be released so that the wording aligns with the provisions of the Advance Care Directives Act 2013.
- Transitional provisions regarding the continuity of employment and conditions of employment of medical practitioners, nurses and midwives into the central office.
- Transitional provisions regarding the cancellation of the incorporation of certain associations.

I am advised that these are technical issues that will improve the operation of the act. Turning to the questions of the Hon. Mr Wade, I note his concerns about the slight wording change in the bill of the definition of 'incidental services' from that which is in the Fees Regulation (Incidental SAAS Services) Regulations 2009. My advice is this: the wording change primarily concerns the inclusion of the words 'attends at a place in response to a request for medical assistance' instead of 'responds to a request for medical assistance', as is currently set out in the Fees Regulation (Incidental SAAS Services) Regulations 2009.

The words set out in the bill as such make it clear that it would exclude a service that may involve telephone advice or a person receiving treatment at a community event, for example, where SAAS might be in attendance already. It makes it clear that there must be a physical attendance at another place; that is the intent behind the slight change.

In relation to the inclusion of a regulation-making power, this provides the minister with a flexibility to introduce a new fee, should this be needed, for example, if a new service model was

developed and it needed a specific fee to be established. If a new fee were to be introduced, this fee, of course, would be disallowed should the parliament find it unnecessary or unconscionable, as is general practice now.

The honourable member also indicated a concern about the breadth of the wording in clause 8, proposing a new section 89. My advice is that this wording is consistent with the definition of health services within the act and the range of activities that may be undertaken by the professionals concerned.

There was a further query as to whether the professional skills would necessarily be used by staff in all of the areas listed on the table. My advice is that that is not the case. Hospitals and health services are complex systems, of course, and professional skills include both clinical skills for direct service delivery and knowledge about clinical service structures and systems that are needed for delivering and improving health care. Areas such as information systems and industrial issues, for example, also require professional knowledge.

The other, and I think final, question was whether the individuals identified in the table would be impacted by these changes. My advice is that they will not be impacted at all. Their conditions and entitlements continue and the bill ensures this through the transitional provisions.

The Hon. Dennis Hood and, I think, the Hon. John Darley in his contribution, indicated their concern about the possible costs for rural patients using the ambulance services under this bill. Again, I think the Hon. Mr Kandelaars addressed this quite comprehensively. In the case of the treat no transport ambulance fees, there will be no effect, is my advice.

Firstly, the bill will simply change the legal mechanism for enabling these fees to be set to one that is aligned with the setting of all other fees under the Health Care Act 2008. Secondly, the treat no transport service potentially increases access to more treatment options for rural patients, while reducing costs if transport is not needed.

For example—and I think again the Hon. Mr Kandelaars went into this detail—the fee for an ambulance emergency callout requiring transport is $918 currently and there is a mileage cost that is additional to this. However, the flat fare for no transport attendance is $200 and so it can be seen that there is a clear advantage for rural patients in being able to access these services in rural areas, not discounting the benefits of not suffering the disruption to their lives from having to go elsewhere for treatment and care.

The SA Ambulance Service's Strategic Plan, Defining the Road Ahead, outlines a framework for service delivery models that aims to meet increasing demand for ambulance services as well as the changing needs of the community. Providing alternative tailored health service options with a better capacity to treat more patients in their own home and the near surrounds in addition to the traditional ambulance model where patients must be transported to a hospital emergency service or department means extraordinary service gains for the patients, the community and for the SA Ambulance Service.

I am deeply appreciative of the indications of support for the bill by the Hon. Mr Wade, the Hon. Dennis Hood, the Hon. Kelly Vincent, the Hon. John Darley and the Hon. Tammy Franks, especially since, as the Hon. Tammy Franks mentioned in her contribution, this bill has been in the unfortunate position of having been prorogued twice. I endorse Ms Franks' hopes and aspirations that this third time will be a charm. I commend the bill.

Bill read a second time.

Committee Stage

In committee.

Clause 1.

The Hon. S.G. WADE: I was hoping to ask some questions at clause 1. I would like to thank the minister for the responses to questions provided. In terms of the flexibility for a new fee that he refers to that is in relation to the proposed section 59(1)(c), is the government or the South Australian Ambulance Service currently considering any proposal which would involve a new fee?

The Hon. I.K. HUNTER: My advice is no.

The Hon. S.G. WADE: I would like to turn now to the table which I inserted into *Hansard* which was provided to me following a briefing. Before I do so, I might apologise for my mathematics on the run where I think I suggested that in terms of volume and billing value that the increase had been about 20-fold when, in fact, having employed the services of a calculator, I can clarify that what the briefing suggests is that in the last five full calendar years the increase in volume of incidental services has been 15-fold.

The Hon. I.K. Hunter interjecting:

The Hon. S.G. WADE: You will never be Treasurer because that was volume, not value. Let's turn to value so the minister can try his luck at being Treasurer.

The ACTING CHAIR (Hon. J.S.L. Dawkins): Surely, the honourable member will be uninterrupted by the minister.

The Hon. S.G. WADE: In relation to billing value—and this is where the dollar signs come in, minister—there is a 19-fold increase in billing value and he may well speculate that that is an increase in nominal terms, but that is not really my point. My point is: whether it is 15-fold or 19-fold, in five years that is a very significant increase. Can the minister please explain why there has been such a large increase in incidental services in the last five calendar years?

The Hon. I.K. HUNTER: To boil down the answer into simple terms so that I can understand it, my understanding is that this is a response to volume and demand. So, rather than services themselves increasing in the order the honourable member has indicated, it is actually a volumetric approach that more people are demanding these services—for example, extended care programs and ambulance programs. If you look at it from a helicopter view, providing further services in these areas means that overall for health services there will be significant, hopefully, savings and the costs to the system overall will be somewhat less.

The Hon. S.G. WADE: Is the minister suggesting that demand for SAAS services beyond the incidental area would have increased by a similar amount? Are we talking about service-wide demand increases and, if we are not, why has this area increased in a way that the rest of the service has not?

The Hon. I.K. HUNTER: My advice is that demand for overall services has increased generally, although I do not have the figures before me to be able to break that down in terms of different areas of the health service, but the service provision has been increasing as well and it is a function, as I mentioned earlier, of overall demand in terms of volume. This is, in particular, a niche service for out-of-hospital care and particularly in relation to home or, indeed, even possibly a nursing home or residential care of some sort, so the demand on this has been significantly higher, but, as I said, I don't have the figures in front of me to confirm the honourable member's expected increase.

The Hon. S.G. WADE: Considering that in the five calendar years that we are looking at we had things like the Monaghan review on emergency ramping at the Flinders Medical Centre—that was four years ago, so it is very much part of this same period—can the minister assure the house that part of the increase in the demand is not the ambulance service responding to stress at emergency departments by providing services in place because of a lack of capacity in the emergency departments?

The Hon. I.K. HUNTER: My advice is there is no substitution of services here in this issue. All decisions are taken based on the medical and clinical assessment needs of the patient, and it would be inappropriate to make a determination to substitute services not in the interests of the patient. I am further advised that the triaging processes are very clear and applied with the appropriate oversight so that there is no substitution of services—I think the member was alluding to ambulance services, i.e. ramping vis-a-vis other services—in the interior of the hospital.

The Hon. S.G. WADE: If I could go back to the table and the use of the column called Volume, I am presuming that 'volume' refers to the number of individual services delivered. Could the minister confirm that?

The Hon. I.K. HUNTER: My advice is that it is in direct response to the volume of staff. As the extended care paramedic program has grown over this period, so the number of paramedic or staff employed has extended to care paramedics, and that is the nature of the expansion.

The Hon. S.G. WADE: I am sorry, minister, I obviously have not made myself clear enough. Perhaps I could ask my two questions and then it might be clearer. I do not know whether 'volume' refers to the number of patients who receive services, and therefore every episode of Treat no Transport is one patient one incident, or whether one call-out for a Treat no Transport from an ambulance might actually lead to two or three services; therefore, I hope that question is clearer.

The Hon. I.K. HUNTER: My advice is (and this is a surprisingly difficult question) that the table that was applied was based on the understanding of the Hon. Mr Wade's original question. Should he want to interrogate that further by getting clarity about whether it is actually the number of patients or number of call outs versus number of services, that data will have to be interrogated again. We have no problem with doing that for the honourable member, but I will not be able to supply the information today.

The Hon. S.G. WADE: I thank the minister for his undertaking to take that on notice, and I would be happy to do that post the progress of the bill.

Clause passed.

Remaining clauses (2 to10), schedule and title passed.

Bill reported without amendment.

Third Reading

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (16:06): I move:

That this bill be now read a third time.

Bill read a third time and passed.

CRIMINAL ASSETS CONFISCATION (PRESCRIBED DRUG OFFENDERS) AMENDMENT BILL

Committee Stage

In committee.

Clause 1.

The Hon. A.L. McLACHLAN: I would like to make a few comments and set out the Liberal Party's position in relation to the amendment, as well as those of the Hon. Mr Darley. The Liberal Party's position was obviously set out at the second reading.

We understand that there are compelling social reasons for acting against serious criminals and the drug trade, and the Liberal Party agrees that it is important to deprive criminals of the benefits from engaging in crime, which assists to incapacitate and disrupt criminal activity by targeting their economic base and eradicating working capital. That is why the Liberal Party is supporting these legislative amendments. However, any regime must be targeted and not be indiscriminate. We are concerned, as a party, that these amendments will produce legislation that may have unintended consequences for innocent third parties and we have drafted our amendments from this perspective.

There are already comprehensive laws in place for the forfeiture of property. One question we would ask the government as a matter of courtesy at clause 1 is: how many applications have been made under the extant act, the Criminal Assets Confiscation Act, since its inception, and broken down by year? We do not see the government's amendments as necessarily advancing the forfeiture regime, thus the nature of our question. Nevertheless, as I have indicated, we will support the government bill and seek some technical amendments.

It is our view that we must weigh up the social benefits of confiscation with the implications on third parties, including those related to the defendants, who may well be blameless. We must always remind ourselves that the provisions of this act, and the bill that seeks to amend, effectively impose an additional punishment when there is no specific allegation of wrongdoing in relation to

that property. Nothing must be proved. There are specific provisions that provide for confiscation. That cannot mean that the assets confiscated cannot be considered part of a person's sentence for a particular crime.

In essence, academics have argued that it is almost a form of taxation. It has also been argued that this approach is not consistent with longstanding legal traditions in this state or, indeed, the country. The Attorney-General has written to the Liberal Party in relation to its amendments and has advised that he does not support the amendments. We do not find the reasons for his lack of support, other than in relation to providing a review—the proposed report to parliament is also opposed, I should clarify—we do not find the reasons stated particularly persuasive and we will be continuing to pursue our amendments.

As to the Liberal Party amendments standing in my name, I point out to members of the council that my amendments Nos 1, 2, 3 and part of 4 (the insertion of a new clause 26—Review of Act), are identical to those amendments put forward by the Hon. Mr Darley. Mr Darley is also seeking additional amendments, in particular in relation to cannabis oil. By way of clarification to the chamber, whilst I will not be withdrawing amendment Nos 1, 2 and 3, we will be supporting the identical amendments as put forward by Mr Darley. Our reason for doing so is that these are longstanding views of Mr Darley's and we, as a matter of courtesy and respect to Mr Darley, are supporting the identical amendments as put forward and moved by him.

That means that when we come to amendment No. 4 standing in my name, we will be seeking that the particular provisions sought to be inserted (that is, 229A, 229B) be separately put to the chamber, as I understand that some members of the crossbenches wish to vote independently on each of those sections. Can I also indicate that the Liberal Party will not be supporting the remainder of Mr Darley's amendments, particularly those concerning cannabis oil. We have expressed, as a party, some support for trials in relation to cannabis oil and the party will use the outcomes of those trials, particularly from interstate, to inform its view. On that, I will conclude my remarks at clause 1.

The Hon. M.C. PARNELL: Just for the benefit of the house I will put the Greens' position on all of these issues to help us get through this. No surprise to members that we are opposing the bill. We take the same position on this as the Law Society. They say it is unjust and unfair and ought not pass and that is the position that we have taken.

However, again, a typical approach that the Greens take is that even if there is a bill that we do not believe should pass, if amendments are before the house that make it less offensive we will support those amendments. So we will be supporting the amendments to be moved by the Hon. Andrew McLachlan, and we will be supporting all of the amendments of the Hon. John Darley, including the ones that the opposition are not supporting. We will be supporting all of the amendments but I just want to say for the record that regardless of the fate of those amendments, we will be opposing the whole bill.

The Hon. J.A. DARLEY: In respect of the Hon. Mr McLachlan's amendment No. 4, I can indicate that I will be supporting those parts that deal with confiscation guidelines and annual reporting but I will not be supporting the additional appeal provisions—but I do support splitting the amendment.

The Hon. G.E. GAGO: In response to the Hon. Andrew McLachlan's question about the number of applications for confiscation, I am advised that there is currently a review being undertaken that will look into this and we will have to take it on notice and bring that figure back.

Clause passed.

Clauses 2 to 4 passed.

Clause 5.

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

Amendment No 1 [Darley–1]—

Page 3, line 30 [clause 5(5), inserted paragraph (d)]—Delete 'would' and substitute 'could'

Members will no doubt be aware by now that amendment No. 1 intends to mirror those moved during the previous debate on this bill in the last session of parliament. Amendment No. 1 is the first of a series of amendments, the aim of which is to provide the courts with discretionary powers when considering whether or not a person is to be declared a prescribed drug offender in instances where the conviction in question involves cannabis oil and the offending was committed for the purpose of treating a medical condition.

At the risk of repeating what I have said on this issue previously, the amendments will enable a court to take into account all of the circumstances surrounding the nature of the supply and the conviction itself. Where the court is not satisfied that genuine medical grounds exist, it can refuse to exercise its discretion. The point is that the courts are best placed to make these determinations and we should give them the flexibility to do so.

As I have said previously, I am all for a zero tolerance approach towards the Mr Bigs of this world for their part in the manufacturing and supply of drugs that wreak havoc on our communities. These amendments do not detract from that. Parents of sick kids who are at their wits' end or ill patients who are crippled with pain are not the drug peddlers that we need to be making an example of. With that, I urge all honourable members to support this amendment.

The Hon. G.E. GAGO: The government rises to oppose this amendment and to use this as a test clause for a number of other amendments. Basically this amendment simply wants to delete the word 'would' and substitute it with 'could'. Given that we oppose the further amendments relating to the ability to be able to exempt cannabis oil, of course, our position is that we do not believe cannabis oil should be exempted. Therefore, if we accept the substitution word 'could' that would give the discretionary power for future exemption and, on those grounds, we oppose this particular amendment.

Generally, in terms of the issue of the exemption of cannabis oil, I would want to put on the record that we are mindful that the public debate is occurring around medicinal cannabis. It is a complex issue. However, it is the government's position that such debate should occur through the front door not the back door. Any debate regarding the use or possession of medicinal cannabis should be carefully considered and had in the context of whether it should be legalised, and amendments to this bill are neither the time nor the place to further that particular debate.

The Hon. A.L. McLACHLAN: I indicate to the chamber that we will be joining the government in opposing that amendment.

Amendment negatived; clause passed.

Clause 6.

The ACTING CHAIR (Hon. J.S.L. Dawkins): We now move to Amendment No. 2 [Darley 1] which is clause 6, page 4, line 4.

The Hon. J.A. DARLEY: This is a consequential amendment.

The ACTING CHAIR (Hon. J.S.L. Dawkins): Further into clause 6, we have Amendment No. 3 [Darley 1]. Are you happy that that is consequential?

The Hon. J.A. DARLEY: Yes.

Clause passed.

The ACTING CHAIR (Hon. J.S.L. Dawkins): We will deal with clauses 7 and 8 first: is it agreed they are consequential?

The Hon. J.A. DARLEY: Yes.

Clauses 7 to 19 passed.

Clause 20.

The ACTING CHAIR (Hon. J.S.L. Dawkins): We have Amendment No. 1 [McLachlan 1].

The Hon. A.L. McLACHLAN: As indicated in clause 1, this is identical to the Hon. Mr Darley's No. 7 and, out of courtesy to him, I will not be moving this and I am allowing the Hon. Mr Darley to move his Amendment No. 7.

The ACTING CHAIR (Hon. J.S.L. Dawkins): It is an indication of opposition. You do not have to move it. You are opposing the clause; is that right?

The Hon. J.A. DARLEY: Yes.

The Hon. G.E. GAGO: I will speak to this because this is a slightly different issue. The government rises to oppose the Hon. Mr Darley's Amendment No. 7. The honourable member proposes to oppose clauses 20 and 22 of the bill and to amend clause 21 to remove the justice resources fund proposed by the government because of some belief that the victims will lose.

The Attorney-General has made it clear in another place that victims will not lose from these funds because they simply never had them. This bill will raise new money which never went to the Victims of Crime Fund and which can be used to fund a number of very worthwhile and valuable initiatives, including programs and facilities for dealing with drug and alcohol-related crime. It is unhelpful and prescriptive to seek to dictate the use of any funds forfeited under the bill, as these amendments seek to do. The government opposes this amendment and the related amendments proposed by the honourable member.

Clause negatived.

Clause 21.

The ACTING CHAIR (Hon. J.S.L. Dawkins): We move to clause 21 [McLachlan-1] 2, which is in the same vein, and the Hon. Mr Darley can speak if he wishes.

The Hon. A.L. McLACHLAN: It is identical. I move:

Amendment No 2 [McLachlan–1]—

Page 9, lines 29 to 31—Delete clause 21 and substitute:

21—Amendment of section 209—Credits to the Victims of Crime Fund

(1) Section 209(1)—after 'Subject to' insert:

subsection (1a) and

(2) Section 209—after subsection (1) insert:

(1a) The Attorney-General must ensure that in each financial year an amount equal to 50% of the proceeds of confiscated assets of prescribed drug offenders for the preceding financial year is, instead of being paid into the Victims of Crime Fund under subsection (1), applied as additional government funding for drug rehabilitation programs (and such money may be applied without further appropriation than this subsection).

The Hon. J.A. DARLEY: At the outset, I would like to thank the Hon. Andrew McLachlan and the Hon. Stephen Wade on behalf of the opposition for their party's support on this very important amendment, and I commend the opposition for their very strong stance on the rights of victims with respect to this bill. Members will note that the Hon. Andrew McLachlan and I have identical amendments when it comes to ensuring that the proceeds of assets seized go towards victims of crime and drug rehabilitation.

Once again, for the record, I do not support the government's proposal to establish a new fund that would see money diverted away from the Victims of Crime Fund. I also maintain my position that more money needs to be directed towards appropriate drug rehabilitation programs. During the previous debate on this issue I made a lengthy contribution about the lack of adequate funding towards such programs. I will not repeat what I have said on the record previously, other than to say that, if we are serious about tackling the drugs issue, then this needs to be approached holistically and backed by good policy. If we are going to go down the path of seizing assets, irrespective of how they are obtained, then let's ensure that the funds from those assets go towards something worthwhile.

We are in the grip of a drug pandemic in this country, particularly when it comes to methamphetamines and ice in particular. The sooner this government realises that we need to tackle

this issue with effective drug rehabilitation the better. The government needs to put its money where its mouth is and get cracking on some meaningful reforms. I am willing to hold this bill up for as long as possible if that is what it takes to get the government's attention. With that, I urge honourable members to support this amendment.

Amendment carried; clause as amended passed.

Clause 22.

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

Amendment No 9 [Darley–1]—

Clause 22—This clause will be opposed

Clause negatived.

Clause 23 passed.

New clauses 24 and 25.

The Hon. A.L. McLACHLAN: I move:

Amendment No 4 [McLachlan–1]—

New clauses, page 11, after line 4—After clause 23 insert:

24—Amendment of section 226—Appeals

Section 226—after subsection (3) insert:

(3a) On an appeal under this section the court may discharge or vary the order if satisfied that it is in the interests of justice to do so (and may do so regardless of whether this Act authorised or required the order to be made).

25—Insertion of sections 229A and 229B

After section 229 insert:

229A—Confiscation guidelines relating to prescribed drug offenders

Property may not be the subject of an application under this Act on the basis that the property is owned by or subject to the effective control of—

(a) a prescribed drug offender; or

(b) a person who has been charged with, or is suspected on reasonable grounds of having committed, an offence that will, if he or she is convicted of the offence, result in him or her becoming a prescribed drug offender,

unless the DPP has published in the Gazette guidelines setting out policies applied by the DPP in relation to the making of such applications.

229B—Annual report relating to prescribed drug offenders

(1) The Attorney-General must, on or before 30 September in each year, lay before both Houses of Parliament a report on the operation of the amendments enacted by the *Criminal Assets Confiscation (Prescribed Drug Offenders) Amendment Act 2015* during the financial year ending on the preceding 30 June.

(2) A report under this section must include the following information for the financial year to which the report relates:

(a) the number of restraining orders and forfeiture orders made in relation to property owned by, or subject to the effective control of—

(i) prescribed drug offenders; and

(ii) persons who have been charged with, or are suspected on reasonable grounds of having committed, an offence that will, if the person is convicted of the offence, result in him or her becoming a prescribed drug offender;

(b) details of property forfeited under this Act that was, immediately before such forfeiture, owned by, or subject to the effective control of, a prescribed drug offender.

(3) A report required under this section may be incorporated into any other report required to be laid before both Houses of Parliament by the Attorney-General.

This amendment seeks to insert a number of clauses. Even though it comes under one amendment, I would ask that each section, if possible, could be put to the chamber. The proposed insertion of clause 24 regards a general appeal and, as outlined at the second reading, we believe that this provides added protection for unintended consequences where assets may be confiscated or forfeited and there needs to be a judicial oversight in exceptional circumstances.

We are also seeking to insert section 229A, which relates to guidelines to be provided in relation to the application of these amendments. As I have indicated, we have the support of the Hon. Mr Darley and certain members of the crossbenches. Then we have section 229B. It is our view that an annual report should be prepared. We are particularly mindful of certain committee work in relation to this space, one of which I am a member of and that is the Crime and Public Integrity Committee.

We are also seeking to insert clause 26—Review of the Act, but we will not be moving that, because that is identical to Mr Darley's amendment, which we will be supporting.

The Hon. M.C. PARNELL: I will speak to the first part, because we are going to vote on them separately. This, as I understand it, is a live issue, because I think the Hon. Mr Darley said that he would not be supporting the insertion of the new clause 24. I just want to briefly say why the Greens do support the insertion of that clause.

At the heart of this, even though, as I have said, we are against the entire legislation, this is one of the most important of the provisions that make a bad law better. It basically provides that an appeal can be made against the order, but the ability of the court to vary or discharge an order is limited to a particular set of circumstances, and that is that the interests of justice require it

You just have to think through: if we do not support this clause, what we are effectively saying is that we do not care about justice. The only reason that an appeal would be successful is if the interests of justice require it. Unless you put a clause in saying, yes, justice is an important consideration, it ties the hands of the courts; in fact, it does not even allow the courts to consider the matter. So by definition we are entrenching an unjust situation.

The example that I have given before would be mum or dad the drug dealer is sent to gaol for a very long period of time. Their children remain in the house. Under this legislation, the government takes the house. The government makes the children of the drug dealers homeless. What a brilliant situation for improving social situations of people who have already suffered having their parents locked up, presumably for a very long period of time in gaol.

That is the sort of example I would have thought, under an appeal, would go to the court. The court, if satisfied that in the interests of justice to do so it should discharge or vary the order, can make that decision. It seems to me entirely unremarkable in a fairly draconian piece of legislation like this that you would at least have a reference to the interests of justice. If this gets in it will be the only reference in the entire legislation to the interests of justice, so I think it is very important that the proposed new clause 24 be inserted into the bill.

The Hon. G.E. GAGO: The government rises to oppose the bulk of this amendment which seeks to insert three new clauses, and I will just deal with the first section. The first part of this amendment seeks to insert a new section in the act, namely section 226(3a), that would amend that part of the act that deals with appeals.

The effect of this amendment is very wideranging. It is not confined to an order made under the bill. It applies to any order many under the act. The effect of the amendment is to give a court on appeal a discretion completely unstructured except for the vague notion of the interests of justice and the court may do so regardless of whether this act authorised or required the order to be made. This amendment places the discretion in the constitutionally correct place—the court.

But there is otherwise little else to commend this amendment. It comes to this: basically not only in the case of a prescribed drug offender under the bill, but in the case of any confiscation order including confiscation of the proceeds of crime, pecuniary penalty orders or literary proceeds orders, any order required or justified by the law may be set at nought on the basis that a judge thinks it is

just to do so. Such an amendment is practically unworkable and drives a coach and horses through not just this bill but through the entire Criminal Assets Confiscation Act 2005. This amendment renders the whole act, not just the present bill, completely unnecessary. It could be replaced by this one section.

It would also place South Australia at odds with any idea of a cooperative national confiscation of assets scheme and interlocking legislation designed to attach directly to the profits of crime. There is already an express power of appeal against any order made under the bill in section 226 of the Criminal Assets Confiscation Act. The position of innocent third parties has been raised. The Criminal Assets Confiscation Act already has protections and powers of appeal for third parties whose interests are offended under the act.

The Hon. M.C. PARNELL: I have a very quick response to what the minister has said. Whilst I would not put words into her mouth, what I heard was that this government insists on being able to make unjust decisions. It insists on being able to make decisions that go against the interests of justice and I find that a remarkable position. The minister is correct. She says that the government does not want these decisions to be challenged. She acknowledges that if there is to be challenges, the courts are the place to do it.

It seems to be me that, when we are looking at something so draconian, to allow a court in the interests of justice to make a different decision to that of the government is absolutely appropriate. It does not say that a decision is any more or less likely. The minister describes the consideration as vague. The interests of justice is what our courts do best. They weigh up all the circumstances and they act in the interests of justice. That is why this clause does need to be inserted.

The Hon. A.L. McLACHLAN: Can I just endorse those comments by the Hon. Mr Parnell. The Liberal Party has a longstanding tradition of supporting judicial review of decisions of the executive, and the insertion of this clause allows a very draconian piece of legislation almost a fuse to it in a sense to allow the courts to review decisions and outcomes which would, I suspect, offend the average person on the street. It is probably not the most technical test, but it is a test that I think would allow this legislation to survive longer rather than, in essence, aggravate the people of South Australia which it is supposedly designed to serve.

I have a longstanding personal view that all legislation like this should have opportunities for the individual to seek wide-ranging review of decisions, particularly of this nature because this bill, in essence, breaks the nexus between property which is used in a criminal offence or the proceeds of crime and basically says that if you are declared—or I think the proper term is 'considered'—a commercial drug dealer or someone doing commercial actions in relation to the drug trade, then all your assets can go—other than those which would otherwise not be taken away from you if you were a bankrupt. That includes family assets, assets that may have been inherited, the whole range. It is because of the draconian nature of that, that we are seeking in this amendment to balance it with a right of appeal.

The Hon. G.E. GAGO: In response to the question asked by the Hon. Mark Parnell, the interests of justice will be upheld by this bill. The bill gives the DPP wide discretion. The High Court has accepted that the DPP will exercise statutory discretion fairly and responsibly like a minister of justice, and that is how the interests of justice will be upheld.

The Hon. B.V. FINNIGAN: If I could just ask the mover of the amendment a question. Is it your position that this amendment creates new rights of appeal or that it broadens the discretion of a court in what it considers in existing rights of appeal? Are you saying that this enlivens a whole new right of appeal process or that it simply ensures that the court must consider, or the court can consider the interests of justice as a ground on which an appeal already provided for in the legislation may be granted?

The Hon. A.L. McLACHLAN: I thank the honourable member for that question. In our view, the purpose of the amendment creates, potentially, a new right of appeal other than the technical ones that are existing in the proposed bill as exists. But it is our understanding that any judge considering this has to consider the legislation as a whole and the intent of the legislation. Really, it is a provision that allows someone in circumstances which we cannot anticipate where there would be gross injustice that it would apply.

The opposition is not suggesting that it would be an easy right of appeal to achieve and, indeed, other provisions of appeal in the existing act may well be appropriate in certain circumstances. So, really it is a right of appeal which is probably inherent in most other acts that exist in the common law in relation to certain other bills no matter what they are, and we are seeking to prevent gross injustice which is cut off by the specified terms of appeal that are in the existing act.

The Hon. M.C. PARNELL: I would make one more observation on that in answer to the honourable member's question. This bill provides brand-new powers for the government to effectively take everything that you own. As a consequence of these brand-new powers, the idea of a specific appeal provision is absolutely appropriate. So, I think it is correct to say that it is a new appeal provision but it is in response to a set of powers that have never existed before.

As I have said previously, the Greens support the proceeds of crime being taken; we support unexplained wealth. This takes it one step further. This is honestly-acquired wealth that is taken. 'Draconian' is the word that has been used—it is—therefore, the ability to go to the court and say that, 'In the interests of justice this is not right' I think is absolutely something that we need to legislate for.

The Hon. A.L. McLACHLAN: Can I just respond to something that the minister raised in her previous response just before the Hon. Mr Finnigan posed his question to me. Whilst we accept that the DPP has certain statutory obligations and we have no reflection on that office, it is not a judicial position; it is subject to a five-year contract.

I am not entirely clear what the employment conditions are, other than it is a statutory appointment, but I suspect it would not be the same terms and conditions of employment that you would expect for a judicial officer, which reinforces permanency and independence. The DPP is regularly appointed on, I think, five-year term rolling contracts. So, while I accept the accuracy of the minister's response, it does not sway the Liberal opposition from its strong advocacy for this right of appeal for South Australians.

The Hon. G.E. GAGO: I do not wish to prolong the debate because I know where the numbers are, but I just want to put on the record that the DPP takes their independent role extremely seriously.

The Hon. A.L. McLACHLAN: I want to reinforce that in my response I was in no way reflecting on the office of the DPP.

New clause 24 inserted.

New sections 229A and 229B agreed to; new clause 25 inserted.

New clause 26.

The Hon. A.L. McLACHLAN: I move:

26—Review of Act

(1) The Attorney-General must, within 3 years after the commencement of this Act, undertake a review of the amendments to the *Criminal Assets Confiscation Act 2005* enacted by this Act.

(2) The Attorney-General must cause a report on the outcome of the review to be tabled in both Houses of Parliament within 12 sitting days after its completion.

New clause 26 is identical to the Hon. Mr Darley's amendment No. 10.

The Hon. G.E. GAGO: The government is very pleased to rise to support this amendment. The statutory review of the bill's operation after a period of three years is appropriate, and we are therefore prepared to support it.

New clause inserted.

Title passed.

Bill reported with amendment.

Third Reading

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (16:50): I move:

That this bill be now read a third time.

The Hon. A.L. McLACHLAN (16:50): In committee, as you have reported, I raised a matter regarding information concerning how many applications were made under the act unamended. I do not seek to hold up the progression of the act to the third reading, but I was wondering if the Leader of the Government could undertake to provide that information, if possible, so that it would be available for the other place when they receive the amendments from this chamber.

The Hon. G.E. GAGO: I am happy to seek to do that. I do not know, at this point, what the availability of that information is, but if it is at all possible I will certainly seek to do so.

The Hon. A.L. McLACHLAN: I am prepared to accept that undertaking, if the information is readily available.

Bill read a third time and passed.

STATUTES AMENDMENT (YOUTH COURT) BILL

Committee Stage

In committee.

Clause 1.

The Hon. A.L. McLACHLAN: I should just reiterate the Liberal Party position. We support this bill. We are seeking technical amendments because we believe that there should be a District Court judge in charge of the Youth Court. We understand that the government has a different view in relation to this, but we have come to our view, I suppose, based on the letter, which I mentioned before, to the Attorney dated 26 February 2015 from the royal commissioner, the Hon. Margaret Nyland, who said in her letter:

> In the light of recent events the confidence of the public in the ability of the government organisations to protect our vulnerable children from harm is at an all-time low. I believe confidence will be further diminished as a result of this proposal—

She is referring to the bill before us—

> which removes the specialist leadership of a senior judge of the Youth Court and effectively downgrades the Youth Court to simply being a branch of the Magistrates Court.

Other submissions, such as that of the Law Society, have informed the view of the Liberal Party, but that letter was paramount in our considerations. We will be moving a series of amendments from clause 4 which largely seek to, as I have indicated, ensure that a judge and not a chief magistrate leads this court.

The Hon. M.C. PARNELL: The Greens are supporting this series of amendments. As I said in my second reading contribution we are keen to maintain the status of this court in the hierarchy of courts. We do not think that it should be regarded as simply a young person's version of the Magistrates Court and, therefore, keeping a District Court judge at the helm I think sends that message to the community and ensures that the status of this court in the hierarchy is maintained.

The Hon. J.A. DARLEY: I indicate that I will be supporting this series of amendments as well.

Clause passed.

Clauses 2 and 3 passed.

Clause 4.

The Hon. A.L. McLACHLAN: I move all the amendments standing in my name:

Amendment No 1 [McLachlan–1]—

Page 4, lines 4 to 7 (inclusive) [clause 4, inserted section 10(2)]—Delete subsection (2) and substitute:

(2) The Judge of the Court is a Judge of the District Court designated by proclamation as the Judge of the Court.

Amendment No 2 [McLachlan–1]—

Page 4, line 24 [clause 4, inserted section 10(8)]—Delete 'or the Chief Magistrate'

Amendment No 3 [McLachlan–1]—

Page 4, line 26 [clause 4, inserted section 10(9)]—Delete '(if he or she is not the Chief Magistrate)'

Amendment No 4 [McLachlan–1]—

Page 4, line 30 [clause 4, inserted section 10(10)]—Delete '(if he or she is not the Chief Magistrate)'

Amendment No 5 [McLachlan–1]—

Page 4, lines 34 to 41 (inclusive) [clause 4, inserted section 10(11)]—

Delete subsection (11) and substitute:

(11) The appointment of a person as the Judge of the Court does not prevent the person while holding such office from simultaneously holding the office, and performing the duties and exercising the powers, of a Judge of the District Court.

The Hon. G.E. GAGO: As you would probably expect, the government rises to oppose these amendments. The bill that is before parliament provides that the head of the Youth Court should be able to be either a District Court judge or the Chief Magistrate. This set of amendments proposes to amend the bill so that the head of the Youth Court can only be a District Court judge.

By way of background, a consultation draft of the bill that went out for comment proposed that the head of the Youth Court should be a chief magistrate. As a result of the feedback, amendments were made to the draft bill to provide that the principal judicial officer of the Youth Court can be either a District Court judge or a chief magistrate. It is the case that the position of the bill that has been introduced is, in effect, already a compromise position.

The opposition now proposes an amendment to the bill to provide that the head of the Youth Court only be a District Court judge. This would exclude the Chief Magistrate, having regard to limitations in the Magistrates Act 1983, specifically section 6A. The opposition's proposal does not acknowledge that the position in the bill is already a compromise position. Further, it goes against the grain of the bill as currently drafted, which seeks to provide flexibility in terms of the operation and composition of the Youth Court.

It is our view that that there is scope for the principal judicial officer of the Magistrates Court to also be the principal judicial officer of the Youth Court. Of course, this may not be what ultimately occurs or what occurs for every appointment to the head of the Youth Court, but the bill provides that as an option. The principal judicial officer provides leadership and broad oversight of the court.

We do not have a problem with the same person providing that oversight in the Youth Court and the Magistrates Court, although they are different and separate courts. There are also similarities between them under the bill. There is scope for the judge of the Youth Court to delegate his or her powers to one of the Youth Court magistrates who is a member of the court's principal judiciary. It is for those reasons that we oppose this set of amendments.

Amendments carried; clause as amended passed.

Remaining clauses (5 to 27) and title passed.

Bill reported with amendment.

Third Reading

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (17:01): I move:

That this bill be now read a third time.

Bill read a third time and passed.

APPROPRIATION BILL 2015

Second Reading

Adjourned debate on second reading.

(Continued from 8 September 2015.)

The Hon. R.I. LUCAS (17:02): I rise on behalf of Liberal members to support the second reading of the Appropriation Bill. There is, of course, a companion piece of legislation. I am not sure whether it has arrived in the Legislative Council yet but, if not, it will arrive soon and it includes the details of budget and other changes to which I will address a number of technical issues raised with me by some tax lawyers, and others, which will require a detailed response from Treasury officers.

I would assume at some stage, potentially during the committee stage, that there will be an opportunity to put questions to the minister. Whilst it is not in relation to this particular bill, I do foreshadow that there have been a series of questions that have been raised in relation to the Budget Measures Bill. They are essentially of a technical nature, and I propose during the second reading to put the questions and the government will have an opportunity, clearly, at the response to the second reading, to provide some answers. I flag that I would be proposing that there be some gap between the closure of the second reading and receipt of those answers and finalisation of the committee stage to allow me to go back to some stakeholders with the government's response to the detailed questions.

I will now address the bill that is before us at the moment, which is the Appropriation Bill. I do so through almost the sole prism of the jobs crisis that confronts us in South Australia. I want to address some comments about that jobs crisis and then, more particularly, look at what, if anything, this budget does in terms of tackling the jobs crisis in South Australia.

We had the sad news today—sad news for many struggling South Australian families who are not only struggling to pay their bills but also to hold on to their jobs or indeed to find jobs—that South Australia's unemployment position is again the worst in the nation. On the trend figures, unemployment in South Australia increased from 7.9 per cent to 8.1 per cent this month. The national figure is almost a full two percentage points lower at 6.2 per cent. The seasonally adjusted figures—the figures to which the minister in question time referred—are not much better at 7.9 per cent. Again, the national figures are at 6.2 per cent.

Clearly, nationally we have unemployment at around 6 per cent and in South Australia unemployment is around 8 per cent on whatever measure you wish to choose. I can only say, with the greatest respect to the Leader of the Government, that she is either misinformed or delusional, or perhaps both, in terms of her interpretation and her attempted defence of the employment position in South Australia. Let me quote what the minister said on some radio stations today: FIVEaa at 12 noon reports a direct quote from the minister as saying:

> The national economy is fairly sluggish at the moment, so we wouldn't expect to see significant changes in the short term, but some of the trend data is looking fairly solid with a general but slow improvement.

How anyone could see a worsening of the trend unemployment figures from 7.9 per cent to 8.1 per cent as being 'fairly solid with a general but slow improvement' defies any reasonable, logical or rational interpretation of the situation at the moment.

This will be a recurring theme of my contribution: sadly, what we see in this government is that, after almost 14 long years of failure in term of managing the state's economy, this government has just lost touch and these ministers have simply lost touch. If they ever had touch prior to coming in to parliament and in to their ministries, they have certainly now, after 14 long years, lost touch with what is really going on out there in the community.

Put simply, all the minister needed to do was to show some empathy, some compassion and some acknowledgement that there are a lot of people suffering out there as a result of what is occurring in the South Australian economy. Clearly, if South Australia is so far and away worse in terms of its economic performance than every other state, this state government and these ministers have to accept some responsibility for that. Of course, we saw today in question time the childish giggling from ministers, the arrogance of other ministers, and the incompetence and naïveté of some

ministers in this chamber when asked serious questions about why it is that in South Australia our economic performance, particularly in relation to unemployment, is so much worse than other states was evident for everyone to see.

When the quite logical point is made and when these sorts of issues are debated in sensible circles—and certainly that does not include Weatherill government ministers—the issues are raised as to why, when you look at the economic profile of states like Victoria and South Australia, which for decades have been the two states most reliant on the manufacturing industry and in particular the automotive industry but also other elements of the manufacturing industry, Victoria has a 6.2 per cent unemployment rate and yet South Australia has an 8.1 per cent unemployment rate.

If there were decisions of the federal government that impacted on manufacturing over many decades—and there have been, under federal Liberal governments and federal Labor governments, over many decades—then they must have impacted on Victoria as much as they have impacted on South Australia. There were again puerile attempts at avoiding questions today in relation to this particular issue by saying, 'Well, the problems in South Australia are solely caused by the current federal government getting rid of Holden.'

The obvious response to that was given today by members, 'We have not yet seen the impact of the closure of Holden on these particular figures.' Holden, believe it or not, is still operating in Adelaide. It is projected to close over the next couple of years, and certainly there are initial impacts, but the impact of the closure of Holden is not reflected in these particular figures.

If one wants to look at it in relation to federal governments, both Labor and Liberal, in terms of the impact on the car industry over many decades, as has again been pointed out, the other major car employer in South Australia, Mitsubishi, closed under the Labor government's watch. If one wants to sheet home blame for automotive manufacturers in South Australia, then this government can accept on behalf of its own party responsibility for the closure of Mitsubishi in South Australia.

We have seen the decisions already in relation to Ford and Toyota in Victoria, and the impact has already been felt in Victoria over a number of years of the decline of the importance of the automotive industry in terms of employment in that particular state. The reality is that these figures in South Australia can be validly compared with another manufacturing state like Victoria. For all the childish giggling in terms of ignoring the question—put that to the side—there is no response from the government why Victoria has managed to perform at around about the national level in terms of the 6 per cent unemployment rate (or just over), yet South Australia has an unemployment rate of around about 8 per cent.

Clearly, the key difference, in part, must be due to the incompetence, the negligence and the poor performance of the state Labor government in South Australia. As I said, the delusional responses that we see from ministers like minister Gago in question time today, and her public responses to the 8 per cent unemployment figure today, are proof positive of particular contention.

In terms of looking at the economic position in South Australia and the jobs position in South Australia, it has some independent commentators. The South Australian Centre for Economic Studies released a number of reports this year—in June, 'Should South Australians really be "down in the mouth"? macroeconomic performance'. It is a look at the macroeconomic performance in South Australia over the last 24 years. It states:

> The accepted narrative about South Australia's economy is one of sustained underperformance relative to the other states, with the exception of Tasmania.
>
> This narrative is borne out by the headline data on economic performance. For example, gross state product (GSP) grew at an average rate of 2.3 per cent per annum over the 24 years to 2013/14, significantly lower than the national average over that period of 3.1 per cent per annum.

Again on page 1 of that particular report, it further states:

> This weak performance in growth of economic output has been reflected in the labour market. Over the same time period, South Australia experienced the second lowest employment growth among the states at 1.3 per cent per annum, with only Tasmania experiencing lower growth (1 per cent) and well below the national average of 2.1 per cent. The labour market participation rate in South Australia was only 62.4 per cent of the population aged over 15 compared to 65 per cent nationally. And over the last four years South Australia has had an unemployment rate below the national average in only 6 of the 48 months.

There are many more quotes and figures in SACES' report of June 2015. I will not go through all of those because they make for depressing reading, but what they show is a sustained period of underperformance in South Australia and the reality is that for much of the last 30 to 40 years the Labor Party in South Australia has been the party in government and therefore primarily responsible in terms of the economic performance reflected in those particular figures.

The other point I highlight, when I compare them to some more recent figures, is that in this analysis over 24 years the only comforting factor was that we were not actually bottom. There was one other state over the 24-year time period which always performed worse than us and that was Tasmania. That is small comfort but, nevertheless, we were not bottom of the pile. Tasmania was bottom of the pile in looking at that 24-year period of analysis.

The federal Department of Employment has produced some figures which were released in August of this year which released their five-year employment forecasts. They forecast employment growth between November 2014 and November 2019 for the various states. For New South Wales the forecast is for a creation of 358,800 jobs; Victoria will create 308,700 jobs; Queensland will create 243,600 jobs; but South Australia in that five-year period is forecast to only add 53,800 jobs. In percentage terms, South Australia's estimated jobs growth of 6.7 per cent over five years is clearly the lowest of all of the states and territories and even worse, on those particular figures, than Tasmania which, as I said, over the 24-year time period had been bottom of the pile.

I will have a look now at an analysis by Professor Dick Blandy when he wrote in InDaily an article headed 'No credible plan to fix jobs crisis'. I recommend to those members who have not read the full article to have a look at it. Let me just quote the two figures in that which I think are particularly worrying. He looks at the recent and the next year forecast for jobs growth in South Australia compared to the national figures and what he shows there is that in 2013-14, jobs growth nationally was sluggish at 0.75 per cent, but in South Australia it actually went backwards by 1.2 per cent.

For the last financial year 2014-15, jobs growth nationally was 1.5 per cent. In South Australia jobs growth was only 0.5 per cent, and the forecast for 2015-16 is that jobs growth nationally will be 1.5 per cent, but employment growth in South Australia is forecast to be just 1 per cent. The recent performance and the projected performance for this financial year in terms of employment in South Australia compared to the national figures again shows the significant problem we have in terms of jobs growth.

I seek leave to have inserted into *Hansard* without my reading it a table, which is purely statistical, in terms of employment forecasts for 2015-16.

Leave granted.

Employment forecasts for 2015-16	
NSW	1.75
VIC	1.5
QLD*	1.5
WA	1.75
SA	1
TAS	0.5
NT	1.5
*2014-15 budget	

The Hon. R.I. LUCAS: This table simply takes from the most recent budgets, with the exception of Queensland's number, which at the time of the preparation of this table was not available, so this is the 2014-15 estimate for Queensland. What that shows is the estimated jobs growth for 2015-16 in each of the budget documents.

That just reinforces the figure I have just put in terms of South Australia's performance relative to the national employment growth forecast, because what the budget documents in New South Wales show is that they project a 1.75 per cent jobs growth for this year; Victoria projects 1.5 per cent; Queensland, in the 2014-15 budget, was projecting a 1.5 per cent jobs growth for

2015-16; Western Australia was projecting a 1.75 per cent jobs growth; and South Australia is at 1 per cent—1 per cent, when all of the others are somewhere between 1½ per cent and 1¾ per cent in terms of jobs growth in their own budget documents.

I refer to a graph of varying estimates of jobs growth for 2015-16 which, as I said, this is in South Australia. This budget document is estimating a jobs growth of 1 per cent for 2015-16, but if we go back just three years in the 2012-13 budget document, they indicated then—'they' being the South Australian government—that by 2015-16, we would be seeing 1.75 per cent jobs growth in the 2015-16 financial year.

In the 2013-14 budget, that estimate for 2015-16 jobs growth dropped from 1.75 per cent down to 1.5 per cent. Then in the 2014-15 budget, it dropped again to 1.25 per cent. Then finally, in this year's budget it is down to 1 per cent. So, over those four budgets the employment forecast, the jobs forecast for 2015-16, started off as 1.75 per cent, dropped to 1.5 per cent, dropped to 1.25 per cent and is now dropping to 1 per cent. I think most economic commentators are indicating that it is highly unlikely that that 1 per cent jobs growth figure will be achieved.

All of those figures are just simply saying that this government is claiming that this budget is a jobs budget, but the lie to that particular claim is that the government and the Treasurer's own figures indicate that they are only predicting a 1 per cent jobs growth in South Australia in 2015-16. As the tables and the figures I have referred to before indicate, that is the lowest estimate of jobs growth of all of the state governments, and in terms of the other estimates it is significantly lower than the national figures and the national estimates that are done in terms of comparisons as well.

If this Premier, this Treasurer, this government is claiming that this budget is all about jobs, then their own figures demonstrate the failure of this particular budget because if it was genuinely about jobs, then they would have some confidence to be able to say that jobs growth would match the national average or, indeed, even outperform the national average. Yet, as I said, their own jobs growth figure estimates clearly indicate the failure of this particular budget. It will barely replace, as Professor Dick Blandy has pointed out, labour-force growth and population growth in South Australia in terms of the number of jobs that are being generated.

What this is showing is that this is a failure of a budget in addressing the key issue that needs to be addressed in South Australia, and that is the jobs crisis. It again demonstrates the point that after 14 long years this government is following, and has been following, the wrong policy and the wrong policies in terms of tackling the key economic problems facing the state of South Australia and, in particular, the jobs crisis.

What we have seen is a government that is addicted to either increasing taxes or introducing new taxes. We have seen the massive slug on the family home in terms of the massive increase in the emergency services levy in South Australia over the last two years. So on a house with a value of $500,000 in the space of two budgets the $102 ESL slug has now jumped by $205 to $307, a $205 increase on a $102 ESL charge in the space of just two budgets—and that is for a house valued at $500,000. When you go to higher house values, $750,000 for example, the increase goes from $128 up to $435, a more than $300 increase on that particular house value. Of course, the increases get bigger the higher the value of the particular property.

We have seen the government introduce the 'fun tax', or the passenger transport tax, which has increased the costs of, for example, football and sporting events and other entertainment events at the Adelaide Oval and other venues. We have seen the government's attempts to introduce the car park tax, which were defeated. In the last week we have seen another announcement from Premier Weatherill in relation to a new planning tax that the government is going to attempt to introduce.

We are now seeing the government—and I will not take too much time today, but I will certainly go back over the promises and statements that have been made over the last 10 years in relation to the GST—Premier Weatherill and Treasurer Koutsantonis, breaking every promise they made and their Labor colleagues have made over the last 12 years in relation to the GST by supporting a 50 per cent increase in the rate of the GST; that is, an increase in the rate from 10 per cent to 15 per cent.

That is not to do as the original GST was designed to do, to introduce a GST and remove a whole range of state-based taxes and charges such as the financial institutions duty, the bed tax, and a range of stamp duties which where the original package approved by governments back in 2000 and 2001. This particular increase in the GST, the 50 per cent increase in the rate of the GST proposed and supported by the Premier and the Treasurer, is proposed to fund increased expenditure on spending by the South Australian government, and other governments as well. We all know that is completely contrary to every promise and commitment that the Premier and Treasurer gave over the last few years, and that previous premiers and treasurers have given on behalf of Labor governments during that period.

To other issues, in relation to an analysis of this budget I seek leave to have incorporated into *Hansard* a purely statistical table which highlights the increases in commonwealth government funding to the state of South Australia.

Leave granted.

Table 3.14: Grant revenue ($million)

	2014–15 Budget	2014-15 Estimated Result	2015–16 Budget	2016–17 Estimate	2017–18 Estimate	2018–19 Estimate
Current grant revenue						
Current grants from the Commonwealth						
GST revenue grants	4 956.3	4 986.3	5 517.5	6 077.0	6 460.2	6 648.4
National Partnership grants	346.0	393.9	310.8	293.6	210.9	450.8
National Partnership grants for on- passing	155.6	161.9	154.0	153.2	158.9	162.8
Specific purpose grants	1 636.4	1 643.9	1 768.6	1 850.8	1 914.4	1 994.4
Specific purpose grants for on-passing	764.3	770.1	815.1	866.3	908.9	948.8
Total current grants from the Commonwealth	7 858.6	7 956.2	8 566.0	9 240.9	9 653.3	10 205.3
Total increase in current grant revenue: $2 249.1 million						
Other contributions and grants	141.7	141.8	142.1	143.1	144.0	144.7
Total current grant revenue	8 000.3	8 097.9	8 708.1	9 384.0	9 797.3	10 349.9
Capital grant revenue						
Capital grants from the Commonwealth						
National Partnership grants	154.9	100.0	348.4	448.6	325.9	184.6
Specific purpose grants	91.6	93.3	93.9	94.7	95.5	96.3
Specific purpose grants for on-passing	—	—	—	—	—	—
Other Commonwealth grants	4.9	5.0	4.3	3.1	3.1	3.1
Total capital grants from the Commonwealth	251.4	198.4	446.7	546.3	424.4	284.0
Total increase in capital grant revenue: $85.6 million						
Other capital contributions and grants	18.0	6.5	7.5	5.0	5.0	5.0
Total capital grant revenue	269.4	204.9	454.2	551.3	429.4	289.0
Total grant revenue	8 269.7	8 302.8	9 162.3	9 935.3	10 226.7	10 638.9
Total increase in Commonwealth grant revenue: $2 334.7 million						

The Hon. R.I. LUCAS: This headline is Commonwealth Grant Revenue. It is table 3.14 from the budget documents. Without going through all the detail of it, what it demonstrates is that if one looks at the 2014-15 year and compares it to the estimates for 2018-19 (that is, in the forward

estimates), there is an increase per year of $2.3 billion of commonwealth funding to the state of South Australia. That is a combination of current grants, GST, and capital grants. That is, total commonwealth funding to the state of South Australia increases from $8.3 billion last year to $10.6 billion in 2018-19, and the Under Treasurer, Mr Rowse, confirmed at the Budget and Finance Committee that it was a fair interpretation of those figures that there would be this $2.3 billion per year increase in funding by 2018-19.

Whilst the opposition has accepted that a number of the commitments that had been given in relation to health and education in particular by the federal government had not been kept in the last two federal budgets, what this shows is that despite that there is still $2.3 billion of increased funding coming to the state of South Australia and a significant portion of that is through GST which is unallocated. We have often heard from the Treasurer and the Premier, 'Well, yes, we are now getting this extra commonwealth funding, but it is all tied up to roads and whatever else it is.' A significant portion of this extra $2.3 billion comes by the way of GST funding which is unallocated; that is, the state of South Australia can spend it on whatever priority it so chooses.

I seek leave to have incorporated in *Hansard* another table headed, 'Public sector growth', which is purely statistical.

Leave granted.

Employees in SA Public Sector

Source: SA Public Sector Workforce Information June 2014 Table 2, ABS cat.6302.0

At 30 June	2002	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Employees in SA Public Sector FTE	69,670	76,720	78,211	79,715	81,270	83,885	84,900	84,882	85,727	86,257	85,371
Employee Persons Per 1000 SA Population	55.1	58.5	59.8	60.3	61.0	62.5	62.2	61.9	62.6	62.4	61.3
Employee Persons Per 1000 of SA Employed	121	122	124	125	124	128	127	125	129	129	128
Ratio% of Public Sector Full Time Adult Ordinary	123%	119.5%	120.4%	118.4%	117.1%	115.4%	118.6%	118.3%	122.1%	120.9%	117.4%
Time Earnings to Private Sector FTAOTE (May)											120.4% (Nov 14)
Victoria	113.3%	111.5%	111.3%	108.2%	107.3%	108.9%	111.3%	114.8%	114.6%	116.5%	116.1
NSW	107.7%	104.0%	110.7%	109.6%	108.6%	105.9%	105.5%	107.2%	105.4%	106.0%	107.5%
Tas	129.8%	130.6%	132.5%	127.6%	128.5%	125.9%	127.3%	123.2%	125.4%	126.6%	130.9%
Qld	118.1%	110.0%	114.3%	113.0%	110.4%	108.9%	107.7%	108.8%	109.2%	104.1%	106.0%
WA	113.6%	104.4%	100.8%	97.5%	94%	98.3%	101.9%	95.9%	98.4%	94.9%	98.3%

The Hon. R.I. LUCAS: This particular table is one that has been constructed by the well known economist in South Australia and public commentator, Darryl Gobbett. It is headed, 'Public sector growth.' It is an analysis of the employees in the South Australian public sector and it is an analysis that he has done having looked at source documents such as the South Australian Public Sector Workforce Information over a number of years. I put it in my contribution for those members who might be interested in Darryl Gobbett's analysis of budget pressures.

He demonstrates in that that in the space of the last 12 years (from 2002 to 2014) the number of employees in the South Australian public sector has increased from 69,670 to 85,371. He then

does some analysis in relation to persons per 1,000 population per 1,000 employed and he also does some analysis in relation to salary costs in the state of South Australia compared to some other states as well.

For the sake of those who want to follow the Appropriation Bill debates more closely, Darryl Gobbett's analysis, as with Professor Dick Blandy's, are of interest. I do not accept everything that is included in both the Blandy and Gobbett analyses, but they certainly merit debate, discussion and consideration by those who want to have a genuine look at the budget problems that confront the state of South Australia.

To that end, just to add to the Gobbett analysis in relation to his 12-year analysis of workforce figures in South Australia, I seek leave to include in Hansard a purely statistical table in relation to, 'Budget estimates for Public Service—June 2015.'

Leave granted.

Budget estimates for public service—June 2015

	June 2015 estimate
2013-14 Budget	77,643
2013-14 MYBR	79,591
2014-15 Budget	80,018
2014-15 MYBR	81,814
2015-16 Budget	81665
Total increase	4,022
Total public service increases at June 2015 will now be 4,022 higher than the budget estimate done just 2 years ago.	

The Hon. R.I. LUCAS: This table indicates, over the last two years, the various estimates from the state Labor government as to how many public servants there would be in South Australia as at the date of June 2015. It starts off looking at two years ago, the 2013-14 budget, and says: okay, what did the state Labor government say, that by June 2015 (that was to be two years later) how many public servants would they have in South Australia? Their estimate at that stage was 77,643. They said they were going to be reducing by some thousands the number of full-time equivalent public servants.

When one traces through the various midyear budget reviews, the budgets and then the most recent budget in 2015-16, instead of 77,643 full-time equivalent public servants, as at June 2015 there were actually 81,665 full-time equivalent public servants. That is 4,022 full-time equivalent public servants higher than the Weatherill Labor government said there would be just two years ago.

This is nothing to do with what the Liberal Party or independent economic commentators estimated, predicted or said they would do; this is what Premier Weatherill and Treasurer Koutsantonis said just two years ago—what they would do in terms of managing the state budget and in terms of saying, 'Okay, what is the appropriate number of full-time equivalent public servants in two years' time?' They said, 'The appropriate number to deliver all the services, to protect the doctors and the nurses and the teachers and the police'—so not to touch any of those—'we could do all the things we need to do with 77,643 public servants'.

In the end, in two years, the government has overshot the mark by 4,000 full-time equivalent public servants. If one does the estimates of approximately $80,000 to $100,000 per public servant, you can come to a very quick calculation as to what the increased estimated cost per year of overshooting the mark by 4,000 public servants in South Australia would be. These are, as I said—and I hasten to say—the Labor government's own estimates; they are nothing to do with commitments made by other political parties or by independent commentators.

So what is the problem? The problem we have in South Australia—again, time will not permit today to go into all the detail—is that we have a government that is sadly addicted to waste and financial mismanagement. We have seen it in the big projects like the new Royal Adelaide Hospital.

During the 2010 election there was an absolute guarantee from the government that it would cost $1.7 billion. They attacked the Liberal Party's estimates. They said that they had professional estimates done and theirs would be $1.7 billion. The latest estimate is $2.3 billion, a blowout of $600 million on the cost of the new Royal Adelaide Hospital already. That is likely to continue because, clearly, it is going to be delayed and there are going to be significant problems involved there.

There are other IT projects we have seen, like the EPAS project, which was originally estimated to be $200 million; it was going to cover all of the hospitals in South Australia and it is now over $400 million and it is only covering three hospitals. As the Hon. Mr Ngo will know only too well, as a former senior advisor to the health minister, who is responsible for this appalling disaster at great expense to the taxpayers of South Australia, the last estimates were $422 million and the government is having to revise the scope of it. They have had many attempts to try to revise this particular project and yet the minister continues to defend it in a public way.

We have seen it with smaller IT projects such as in Treasurer Koutsantonis's own department—the RISTEC IT project. It was meant to cost $20 million but it is now costing $55 million. The only reason they have limited the haemorrhaging to $55 million is that they have had to reduce the scope of the project. It was originally going to cover all of the tax bases in terms of revenue collection but once they got to a $30 million blowout they had to stop it and say, 'Well, we will just limit the scope. We won't let it cover revenue collection in a range of tax areas because we don't want to go back to the parliament, to the Auditor-General, again to show that the blowout has been even more.' A $20 million project blows out by $30 million.

There were smaller budgets, like the Commissioner for Public Employment. We had the appalling situation where supposedly the model template for good public sector governance, the Commissioner for Public Employment, presented to the Budget and Finance Committee, and we were looking at the $2 million blowout—I cannot remember now whether it was a $5 million or $7 million budget or something on an annual basis. There has been appalling overspending and waste of money on a range of pet projects which are now being attempted to be reined in by the government.

We have seen the appalling mismanagement of the targeted separation package program. If I can put one figure on the public record it is that in the last four years or so this government has spent $377 million on targeted separation packages. The intention was to reduce the number of public servants in about four years. I think the numbers were that between late 2010 to June 2015 the government spent $377 million on targeted separation packages and the goal was to reduce the number of public servants. In that time period, the actual number of public servants increased by 2,160.

The government actually spent $377 million on supposedly reducing the number of public servants by 4,000, yet it increased the number of public servants by 2,160 in that five-year period. What we have is an incompetent government which is shovelling hundreds of thousands of dollars into the pockets of public servants out one door whilst at the same time shovelling people through another door into the Public Service.

We have the situation where government departments are giving targeted separation packages to 79-year old public servants. With the greatest of respect to the 79-year-old public servants, if they are doing a good job, good luck to them and they can continue to be employed under the age discrimination legislation. Why any sensible employer would pay someone up to two years' salary at the age of 79 to leave their job is beyond comprehension but, indeed, that is what has been happening. Ministers in government departments have been paying 79 year olds, 76 year olds and 73 year olds targeted separation packages to leave the Public Service.

If I can let some of these ministers into a little secret, I suspect most of these 79 year olds and 76 year olds are simply continuing to work not because they want to but because they know if they stay there long enough they will get a one-year or two-year payout to leave the Public Service.

The Hon. K.J. Maher: Is that what you are aiming for?

The Hon. R.I. LUCAS: I say that they will get a payout. As the honourable minister knows, there is no payout for length of service in the parliament. That is the brutal reality: $377 million on a

program to reduce the number of public servants, yet the government delivers 2,160 extra public servants.

The final appalling example in terms of public sector management was the new head honcho of the Department of the Premier and Cabinet (Mr Kym Winter-Dewhirst) who waltzes in on a $550,000 package (supposedly, a $125,000 salary increase except that there were hidden benefits being paid to him which takes his package up to close to $600,000) who, in his first days in office, sacks a series of senior public servants and executives not because of incompetence or nonperformance but because he, and others, decided that they did not want those particular executives in the Department of the Premier and Cabinet.

One particular public servant who was only one year into a five-year executive contract was paid out somewhere between $200,000 and $300,000 in termination payments yet, within weeks, the Weatherill government reemployed that same public servant as an executive in another government agency (SAFECOM). You have a chief executive who sacks someone from one department, pays out of taxpayers' money $200,000 to $300,000 and then within weeks reemploys the same person on an executive contract in another department.

Where is the sense in that sort of public sector management? Where is the sense in the taxpayers paying when you have agencies and individuals complaining about funding cuts, the importance of continued funding in a number of areas—in the health and social welfare areas and the school sector where critical programs are being cut—yet you have the Premier in his own department forking out $200,000 to $300,000 of taxpayers' money to pay a termination payment for an executive and they just reemploy that person immediately afterwards?

I conclude by saying that the Liberal Party has already made it clear that the direction this government has taken the budget and the state is the wrong direction. We were probably the first opposition ever last year, four years before the 2018 election, to launch the first of its major policy initiatives for 2018. Steven Marshall and the Liberal Party committed that, if elected in 2018, they will reverse the $90 million a year slug on ESL on the family home and businesses that the Weatherill government imposed in last year's budget. This was a commitment worth $360 million over a four-year budget estimates period.

The Liberal Party, and Steven Marshall in particular, cannot be accused of not putting out well before the 2018 election its clear policy direction, that is, the massive reduction in ESL charges on struggling South Australian families is the first in a series of policies, but if we are going to turn the state around we are going to have to reduce the costs of doing business for small and medium-size businesses in South Australia. Our businesses need to be able to compete on the national and the international stage and, to do so, taxes and charges, and business costs such as workers compensation premiums, need to be further reduced.

The Liberal government helped the Labor government clean up the mess it created over 12 years, which resulted in 3 per cent workers compensation premiums. That has now dropped to 1.75 per cent, but still most of the other states have premium rates of just over 1 per cent. We need to further drive down workers compensation premium levels on small and medium-size businesses in South Australia. There are a range of other taxes, charges and costs of doing business that need to be tackled by governments in South Australia.

Clearly, this Labor government over almost 14 years has demonstrated its inability or its unwillingness to (a) recognise the problem and then, (b), more importantly, do something about it. As I said, after nearly 14 years of this Labor government, it is time for a change. The people of South Australia and businesses in South Australia are now increasingly acknowledging that after 14 years, whatever it is that this government has been doing, it has not been working.

If you have an 8 per cent unemployment rate in South Australia after 14 years, Victoria has an employment rate of just over 6 per cent and Tasmania is performing better than you are, then whatever you are doing in South Australia is not working. It is time for a change after 14 years, and the challenge for the Liberal Party in 2018 and in the period leading up to 2018 is to further develop the policies that we commenced releasing last year in terms of the ESL to demonstrate to the people of South Australia that Steven Marshall and his team are the ones who have the policy objectives

and the policy commitments to turn this jobs crisis around and produce a situation where South Australia's jobs and economic performance at least mirror, if not better, the national performance.

The Hon. G.A. KANDELAARS (17:48): I rise to make a second reading contribution to the Appropriation Bill for the 2015-16 fiscal year. In doing so, I want to concentrate my remarks on the Labor government's reform to taxation and its commitment to infrastructure. South Australia faces serious challenges, and we acknowledge that. The failure of the federal government to invest in our automotive industry, the uncertain future of our submarines, and continued commonwealth cuts to spending in health, education and infrastructure have all had an impact on our economy.

It is a pity those opposite have failed to stand up for this state. They let those in the federal government close down the car industry not only in this state but all over Australia. What a failure. Then let's talk about the submarines: a commitment from the federal government to build submarines here and what do those opposite do? Nothing. Then let's take health and education. What do we have there? What an appalling state in terms of what those opposite do in terms of defending this state—nothing, absolutely nothing. How can they talk?

The Labor government's tax reform stands out, as the Treasurer said, as a beacon for business investment in this state. By July 2018, all business property transactions in South Australia will be tax free—the only jurisdiction in the country to implement such reform. It aims to create an efficient tax system which rewards effort, minimises harm to the economy and incentivises investment decisions made by business by removing destructive transactional taxes. Furthermore, it recognises that improved productivity will come from state-based reform. It aims to lower the cost of doing business in South Australia by unlocking the entrepreneurial spirit that has grown in the state, helping South Australian business to invest and grow.

The reform package over the next four years will abolish eight taxes. In that time almost $670 million in tax reductions will have been provided to businesses and families in this state. From 2018, more than $268 million will have been put into the pockets of South Australia householders and businesses. This is all done without any new taxes. There will be no tolls, no tax on foreign investment and no broad-based land tax on the family home. Over the next decade $2.5 billion will be returned to businesses and the community.

The government plans to abolish share duty; stamp duty on non-real property transfers, including non-fixed plant and equipment; expand the stamp duty concession for exploration tenements to include retention tenements; and expand the eligibility criteria for corporate construction relief. As of 1 July, the government will:

- abolish the Save the River Murray levy, saving householders $40 and businesses $182 per year respectively;
- introduce the cost of living concession for pensioners and low income earners, protecting the most vulnerable in our community;
- offer small businesses a payroll tax rebate;
- increase the land tax threshold by around 2.5 per cent;
- introduce conveyance duty and land tax exemptions for principal residential properties transferred into special disability trusts for no consideration; and
- abolish the Hindmarsh Bridge levy.

Unlike the Abbott government, this government will always fight to protect our most vulnerable. The new cost of living concession will enable 205,000 households to put up to $200 towards their greatest needs, whether it be electricity, gas and water bills or council rates.

As a result of this reform, more South Australian pensioners will be better off. Eligibility for the new cost of living concession has been expanded to include 45,000 pensioners and low income earners in South Australia who are tenants. From the date of assent of the amended legislation, the government will amend the Stamp Duties Act 1923 to:

- expand the stamp duty exemption for farm transfers between family members;

- extend the definition of family groups in the Stamp Duties Act 1923 to include de facto couples;
- replace the stamp duty ex gratia relief administrative schemes for disability service providers, incapacitated persons and property donations to charities with legislative exemptions;
- amend the Motor Vehicle Act 1959 to replace a registration fee ex gratia relief administration scheme for vehicles used for the transport of incapacitated minors with legislative relief; and
- amend the Taxation Administration Act 1996 to only require 50 per cent of the tax in dispute to be paid before an appeal can be lodged.

From 1 July 2016, the government will reduce by a third the stamp duty on non-residential real property transfers with a further third reduction of stamp duty on non-residential real property transfers from 1 July 2017. On 1 July 2018, the government will abolish stamp duty on non-residential real property transfers, abolish stamp duty on transfers of units in unit trusts and abolish stamp duty on transfers of mining licences and tenements.

By abolishing stamp duty on non-real and non-residential property transfers, we will remove a large barrier to business investment and expansion, encouraging economic growth and job creation. More than 6,800 transfers of non-residential property will benefit each year from these changes. It will provide a lasting improvement to South Australia's economy and encourage the creation of new businesses and new careers for South Australians. Every single business enterprise in South Australia can benefit from these business tax changes.

Moving on to the issue of infrastructure, the government has and will continue to invest in the South Australian economy through the investment in infrastructure. Unlike those opposite, the government does not believe investing in infrastructure is a false economy. We know the public sector investment leverages private sector spend and creates real jobs for real people. Every million dollars invested in construction in South Australia generates $2.9 million and 37 jobs in wider economic benefits. The government has been delivering projects of lasting state significance and supporting thousands of jobs and many businesses. We have invested in economic infrastructure such as:

- improving freight import and export efficiencies by deepening the Outer Harbor channel for the Panamax ships;
- improving road and rail freight efficiencies with the Port River road and rail bridges and the Port River Expressway;
- linking the Mid North and Barossa Valley to our port with the Northern Expressway;
- we have duplicated the Southern Expressway;
- we are improving freight movement and productivity around the Wingfield transport and logistics precinct with the South Road Superway;
- winning the air warfare destroyer program by investing in Techport and the ship lift at Osborne;
- ongoing improvements to both the Sturt and Dukes highways, with upgrades with the commonwealth to unlock freight productivity;
- we have developed a burgeoning industry here with the new South Australian Health and Medical Research Institute (SAHMRI); and
- we are supporting our tourist industry with both stages of the Convention Centre expansion.

These projects have been matched with other social infrastructure such as the new Royal Adelaide Hospital, the Adelaide Oval, the new school PPPs, the refurbishment of all our metro hospitals plus the significant number of regional hospitals, the tram extension and rail electrification. Despite the

opposition's naysayers criticising that investment, and I refer to things like the Adelaide Oval and the RAH, I believe those things will be greatly appreciated by the community at large.

The government will invest $10.8 billion in key projects across all areas of the government over the next four years and a key level of spending equivalent to over 2 per cent of the state's gross state product each year. The $10.8 billion program of investment will support 4,700 jobs per annum. Infrastructure projects in key areas include: $216 million towards education facilities, including a new city high school next to the current Royal Adelaide Hospital and training centres in schools; $50 million towards upgrades and new children's centres; a planned $7 million in the improvement of the Fremont-Elizabeth City High School; $5 million for the Swallowcliffe Primary School in Davoren Park; and $4 million for the Christie Downs Primary School.

An amount of $3.3 billion will go towards vital health facilities, including the redevelopment of major and regional hospitals, such as the new Royal Adelaide Hospital. Transforming Health initiatives include $159.5 million for the Flinders Medical Centre, which is a 55-bed rehabilitation centre and older person mental health service; $32 million for Modbury Hospital for a hydrotherapy pool and the doubling of the rehabilitation beds; $20.4 million for The Queen Elizabeth Hospital for an additional level to the allied health and rehab building and a new hydrotherapy pool; $15.1 million for a post-traumatic stress disorder centre of excellence at Glenside.

Further, $353 million will go towards public transport, including a $160 million extension of the O-Bahn into the city, which supports approximately 450 jobs over the three-year construction period, and the Gawler line electrification of $152 million of work commencing in 2017-18. There will be a $197 million major redevelopment of the Adelaide Festival Centre precinct—

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

The PRESIDENT: Order!

The Hon. G.A. KANDELAARS: —including upgrades to the Festival Plaza and the Adelaide Festival Centre, and a new car park. Infrastructure spending of $1.7 billion will include funding of the Kangaroo Creek Dam safety project, water treatment plant upgrades at Bolívar and Glenelg, the relocation of the Murray Bridge wastewater treatment plant, and the Port Wakefield to Pine Point water supply upgrade.

The government is also committed to $1.8 billion in road funding over the next four years. Over four years, $65 million will be used for road upgrades to boost productivity and improve safety on regional and suburban roads. This includes $70 million in additional road maintenance funding over the next four years to deliver more than 150 road upgrades throughout the state. It will also support more than 400 jobs, and it takes our total road maintenance expenditure over the next four years to approximately $400 million.

A total of $40 million will be spent on shoulder sealing on rural and regional roads, funding 35 road safety improvement projects, including shoulder sealing and audio-tactile line marking on high-speed roads across the state. Run-off road crashes and head-on crashes account for 72 per cent of all fatal and serious injury crashes in rural areas. Over five years it is estimated that more than 30 fatal and serious crashes can be prevented, and more than 70 casualty crashes avoided, through this initiative. All tendering will be conducted in accordance with the state's industrial participation policy.

In addition, a further $5 million for road safety work will be invested in upgrades to the Sturt Highway which will include bridge widening and barrier upgrades, new overtaking lanes will also be installed, and there will be shoulder sealing around the Berri bypass. The Sturt Highway forms part of Australia's key national highway network, providing a link between South Australia and interstate. Not only will this project improve safety of this key route, it will also remove limits on the use of higher productivity freight vehicles along this vital interstate connection. The project will commence in 2015-16 and is expected to be completed in 2018-19.

Importantly, the 2015-16 state budget includes a $55 million investment over three years to build the new Gawler East connector link road linking Potts Road and the Springwood development. Building this 2.8 kilometre road will allow a further expansion of a residential development across Gawler east. This project will not only support approximately 100 jobs in northern Adelaide, but

housing development the road unlocks will support thousands of construction jobs over the next 10 years. It will also provide for local traffic with direct access to Main North Road bypassing the Gawler town centre, which will reduce travel times for the greater Gawler community.

These projects are in addition to the $1.5 million in funding for the two north-south corridor projects. As I said earlier, the state government continues its investment in the South Australian economy through the investment in infrastructure. This public sector investment leverages private sector spend and, importantly, creates real jobs for real South Australian families. I commend the Appropriation Bill to this chamber.

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

LOCAL GOVERNMENT (ACCOUNTABILITY AND GOVERNANCE) AMENDMENT BILL

Introduction and First Reading

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

The Hon. K.J. MAHER (Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Aboriginal Affairs and Reconciliation) (18:08): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill seeks to amend local government legislation to improve local government accountability and governance, implement recommendations made by the Ombudsman and to make miscellaneous amendments to achieve a more consistent and contemporary legislative framework for the local government sector.

The Bill includes measures to provide more clarity around the issue of council members appropriately managing conflicts of interest.

The reform of the conflict of interest provisions of the *Local Government Act 1999* are considered necessary because of significant confusion among council members in interpreting the current provisions of the Act, the existence of different legal opinions on the interpretation of this part of the Act, calls by the SA Ombudsman for the Act to be amended to improve transparency and greater disclosure of actual and potential conflicts of interest, and there is a need to keep these provisions in line with contemporary public policy and community expectations of public integrity.

In December 2014, the 'Council Members' Personal Interests Discussion Paper', prepared by the Office of Local Government and the Local Government Association, was released for the purpose of promoting discussion about the reform of the conflict of interest provisions of the Act, based on equivalent provisions in the *Queensland Local Government Act 2009*.

This consultation attracted significant support for amending the conflict of interest provisions, notably by providing clarity in relation to routine matters and the difference between actual and perceived conflicts of interests.

The comprehensive responses received from the Ombudsman, the Independent Commissioner Against Corruption, the Crown Solicitor, the Local Government Association and councils have informed the proposals contained within this Bill.

Consequently, it is proposed that Chapter 5, Part 4, Division 3 of the Act be repealed and replaced with a new Division 3.

This part of the Bill is based on the fundamental principle that council members must always consider the public interest in any decisions or actions taken in their role as a council member. The private interests of the member must never prevail over the public interest in that context.

The current Act requires reform as it only has one category of conflict of interest that captures all potential conflicts along the continuum from minor through to very serious; it only provides a council member with one course of action when dealing with a conflict of interest—that is, to declare the interest and leave the meeting; and it does not explicitly provide for the declaration of perceived conflicts of interest.

This Bill establishes material conflicts of interest, which include those situations where a council member (or a person or entity closely associated with the member) stands to gain a benefit or suffer a loss depending on the outcome of the consideration of the matter at the council meeting.

The Government's intention is to capture the most serious conflicts of interest in this category, especially those matters that would result in a financial gain or loss for the council member or associate. The Bill requires a

member who has a material conflict of interest to declare that interest and to leave the meeting while the matter is discussed and voted on.

The Bill also provides for serious penalties for a breach of a material conflict of interest. If a member deliberately votes on a matter with the intention of gaining a benefit or avoiding a loss, the maximum penalty proposed is $15,000 or 4 years imprisonment.

The Government's intention is to send a very clear message to the Local Government sector that material conflicts of interest are serious matters and must be treated accordingly.

The Bill also recognises that members must be able to participate in discussion and vote on matters that are 'matters of ordinary business' for the council, even if they could technically have a material interest in the matter.

Therefore, the Bill provides that a material conflict of interest does not arise for a matter of ordinary business of the council. An example is the council decision to declare council rates for the year where council members are also ratepayers and would gain a benefit or suffer a loss as a result of the decision. It is essential for council members to fully participate in the discussion and decision on this matter, as it is fundamental to the operation of councils.

It is the Government's intention to set out the approved 'matters of ordinary business' of councils in regulations, upon the passing of this Bill and in consultation with the Local Government Association.

A second category of conflict of interests, actual and perceived conflicts of interests, is also established by this Bill. This includes matters considered to be less serious than material conflicts of interest but nevertheless interests that must be disclosed and documented. Importantly, management of this category of conflicts of interests does not automatically require a council member to leave a meeting.

An actual conflict of interest can be distinguished from a material conflict of interest because the potential gain or loss to the council member is less significant; for example, it may be a non-financial or minor gain or loss.

Most importantly, an actual conflict of interest, while needing to be declared, is less likely to influence the judgement of the member on the matter to be decided before the council.

The Bill provides some grounds for qualified exclusions from a conflict of interest where a council member has association with organisations such as community groups and sporting clubs, is a member of a political party, has involvement with a school or has been nominated by the council as a member of a board.

It should be emphasised, however, that this exclusion is not absolute. A council member will still be required to carefully consider whether she or he has an actual or perceived conflict of interest depending on the facts and circumstances on the specific matter being discussed by council.

A perceived conflict of interest is defined as arising where a council member could reasonably be taken, from the perspective of an impartial, fair minded person, to have a conflict of interest in the matter.

This is a new concept for South Australian councils and council members and it has been recommended by the Ombudsman and supported by the Independent Commissioner Against Corruption and the Local Government Association.

While it may be a new concept to some councillors in South Australia, it is a well known and accepted principle in administrative law. It is also necessary to provide confidence to the community that council members, individually and collectively, are accountable for their decision making process.

Unlike material conflicts of interest, where there is only one course of action available to the council member, provision is made for a range of actions for the council member with an actual or perceived conflict of interest.

The fundamental principle is that the council member must deal with the actual or perceived conflict of interest in a transparent and accountable way. There is no automatic requirement for the council member to leave the meeting and refrain from voting on the matter.

In these situations, the council member is required to disclose the interest to the meeting and advise the meeting how the interest will be managed if the member chooses to stay in the meeting and vote on the matter. These details must also be recorded in the minutes of the meeting, including how the council member voted on the matter.

In order to support council members to adapt to these new provisions, it will be necessary that detailed guidance materials for councils and council members are prepared, together with training sessions to explain the new provisions and their application in practice.

This Government welcomes the offer from the Local Government Association to undertake this work and staff from the Office of Local Government will provide assistance as required.

This Bill also contains reforms in relation to the confidentiality provisions.

The Ombudsman has previously found several breaches of the Act concerning the basis of resolutions for moving council meetings into confidence; evidence of invalid orders made to keep documents confidential; and perceptions that councils were improperly making important and sensitive decisions at meetings behind closed doors.

The Ombudsman's concerns were discussed in the November 2012 audit of the use of meeting confidentiality provisions of the Act in South Australian Councils.

In response to the concerns of the Ombudsman, this Bill:

- contains a clarification that controversial or sensitive matters are matters that are irrelevant when considering making a confidential meeting order;
- mandates a requirement for an explanation of grounds for which a confidentiality order is being made, why a matter falls within those grounds and, if relevant, why discussion of a matter in an open meeting would be contrary to the public interest;
- provides a clarification that if a council or council committee seeks to extend the duration of a confidentiality order over documents, it must resolve to do so *before* the date of the expiry of the preceding order, and that it must be the council or council committee that resolves to do so and this power cannot be delegated to an employee of the council; and
- mandates a requirement for documents released from confidentiality to be included as documents to be made available for inspection on the internet, in conformity with this entire Bill's focus on improving transparency and making the legislative framework more contemporary.

In accord with the Government's commitment to improve the confidentiality provisions of the legislative framework, this Bill contains a provision requiring all councils to have a policy in relation to informal gatherings and for such policy to comply with any requirements in the regulations. It is the Government's intention that such policies will include a requirement for councils to decide, on a case-by-case basis, whether informal gatherings and workshops should not be open to the public.

This Bill also contains further reforms based on recommendations of the Ombudsman, such as removing the written request requirement for a member of the public to access certain parts of a council's Register of Interests and requires that this information be made available on the council website, as well as a mandatory requirement that the Register be updated regularly.

This Bill aims to improve certain prudential requirements, so that where a project involves the selling or exchanging of land, other than where the land is sold for unpaid rates or is transferred without consideration, a land valuation or valuations must be provided by a certified valuer.

It is also important to note that this Bill seeks to repeal the *Local Government Act 1934*, parts of which were retained pending the development of other legislation. This Bill proposes to transfer a small number of provisions to the 1999 Act to enable the 1934 Act to be repealed.

The Bill also contains a number of miscellaneous amendments, many of these reflecting community progression to use the internet for accessing information and contemporary community expectations for increased transparency.

There are also other technical amendments, such as correcting inconsistencies, clarifying matters and removing redundant provisions.

I thank all staff and organisations who have provided feedback and helped to prepare this Bill.

I seek leave to insert the remainder of my second reading explanation into Hansard without reading it.

Miscellaneous Provisions in the *Local Government Act 1999*

Section 4—Interpretation

It is considered that the current definition of 'relative' is too narrow in relation to conflicts of interest that are required to be declared. Accordingly, this amendment expands the definition of 'relative' to include stepson, stepdaughter, stepfather, stepmother or any member of the person's family who resides in the member's household. The intention is to update the Act to reflect contemporary definitions of a 'relative'.

Section 4 – Interpretation

Currently, 'public notice' only refers to that published in print. It is considered that this is outdated and that publication should include a relevant website, to reflect society's progression to the internet. This amendment also amends the requirement for publication in a newspaper circulating in the State to that circulating within the area of the relevant council, in order to balance the high costs of advertising in State-wide newspapers with the need to provide the requisite notice.

Section 12(11c)(b)(iii) – Composition and wards

This is a minor, technical amendment, deleting the words 'the Internet' and substituting 'a website determined by the chief executive officer' in order to keep the wording consistent with the rest of the Act.

Section 44(3)(f)—Delegations

This is a minor, technical amendment that deletes the provision as it is superfluous. It is the Remuneration Tribunal, not a council, that determines the relevant allowances.

Section 44(3)(ja)

Some councils have delegated the decision to revoke the status of community land, after receiving the approval of the Minister. The intention of this amendment is to clarify that the decision to revoke the status of community should be made in full council as it is a significant decision affecting the status of community assets.

Section 48(1)(b)(i)—Prudential requirements for certain activities

Due to some confusion due to 'expenditure' being interpreted in a variety of ways, this amendment replaces the word 'expenditure' with 'operating expenses calculated on an accrual basis' in order to achieve greater clarity.

Section 50(4) – Public consultation policies

In line with this Bill's intention to update the Act to reflect society's progression to the internet, this amendment requires publication of a council's public consultation policy on a website determined by the chief executive officer.

Section 50(6)(d)—Public consultation policies

In line with this Bill's intention to balance the high costs of advertising in State newspapers with the need to provide the requisite notice, this amendment removes the requirement for publishing changes to a council's public consultation policy in a State-wide newspaper.

Section 54(d)—Casual vacancies

In response to submissions that the current wording is unclear, this amendment clarifies the period of time after which a council member will be removed from office by the council on the ground that he or she has been absent from three for more consecutive ordinary council meetings, without leave of the council.

Section 62—General duties

The amendment to this provision is in relation to council members disclosing confidential information to external parties. This amendment clarifies that it is an offence for a council member and/or employee to knowingly disclose information or documents ordered to be kept confidential at a council or committee meeting, unless the release of such information is required or authorised by law, such as the provision of information to the Office of Public Integrity, the Ombudsman, a Minister or the Police.

The maximum penalty is $10 000 or 2 years imprisonment.

Section 68—Register of Interests

There is currently no mechanism available in the Act for withholding the address of a person from the public if circumstances warrant it. While accountability and transparency is integral to good governance, there are situations where someone may fear having their personal address disclosed; for example, a police officer. Accordingly, this amendment amends the provision so that a similar mechanism applies as that in relation to the Assessment Record, in that the chief executive officer may suppress the address if requested, or must if it's suppressed on the electoral roll. The intention is that this enables any personal safety concerns to be met.

Section 75B—Application of Division to members and meetings of committees and subsidiaries

This provision ensures that the conflict of interest provisions extend to committees and subsidiaries and members of committees and subsidiaries.

Section 76—Allowances

This amendment clarifies that council members who serve the full 4 year term are entitled to the full annual allowance in the last year before the election, despite different poll dates and different council meeting dates.

Section 85 – Quorum

This is a minor technical amendment to prevent duplication with equivalent provisions in the new Division 3 – Conflicts of Interests section.

Section 92(5)(a)—Access to meetings and documents – code of practice

Currently, the adoption, alteration or substitution of a code of practice is required to only be in print. In line with this Bill's intention to update the Act to reflect society's progression to the internet, this amendment amends this provision to require publication of the adoption, alteration or substitution of a code of practice on a website determined by the chief executive officer.

Section 97—Vacancy in office

The current provision does not provide clarity for a council to deal with the withdrawal of a resignation of a chief executive officer. This amendment clarifies that the chief executive officer may withdraw a written resignation notice and that the council has the power to accept the withdrawal, if it so decides.

Section 110A—Duty to protect confidential information

This amendment is a recommendation of the former Ombudsman in his 2012 Confidentiality Audit. This amendment clarifies that a council employee or former employee must not disclose information or a document in relation to which there is an order requiring that it be treated confidentially, unless the release of such information is required or authorised by law, such as the provision of information to the Office of Public Integrity, the Ombudsman, a Minister or the Police. The maximum penalty is $10 000 or 2 years imprisonment. This provision mirrors the amendment to section 62 in relation to council members.

Section 122—Strategic management plans

This amendment clarifies that the forward projections in a council's long-term financial plan and its infrastructure and asset management plan must be consistent with each other.

Section 123(4)(a)—Annual business plans and budgets

This amendment requires publication of the notice on a website determined by the chief executive officer, consistent with other similar provisions in the Bill.

Section 123(5)—Annual business plans and budgets

This amendment requires that the draft annual business plan be made available on a website determined by the chief executive officer, consistent with other similar provisions in the Bill.

Section 123(9)(b)—Annual business plans and budgets

This amendment requires that the annual business plan and budget are also required to be made available on a website determined by the chief executive officer, consistent with other similar provisions in the Bill.

Section 126(4)(ad)—Audit committee

This is a minor technical amendment that deletes the provision, as Schedule 2, Part 1, Clause 13(2) clearly states that a subsidiary must establish an audit committee.

Section 169(1)—Objections to valuations made by council

This amendment intends to avoid the situation where an appeal is taken straight to SACAT without the Council having the opportunity to rectify the matter or get sufficient information to enable a correction if necessary. This only applies to valuations provided by valuers directly engaged by councils. Most councils use the services of the Valuer-General for this purpose. This amendment clarifies that a person is to first lodge an objection with the Council and only go to SACAT if it is unresolved. The intention is to achieve due process and a better resolution of complaints.

Section 174(2)—Inspection of assessment record

This amendment intends to meet privacy concerns and clarifies that the information accessed from the assessment record is not to be used for commercial purposes, with a maximum penalty of $10 000. It aims to protect property owners from real estate agents or other commercial entities accessing such information for commercial purposes.

Section 202(4)—Alienation of community land by lease or licence

This amendment aims to provide for leases of community land by community groups that involve significant infrastructure investment by increasing the term of the lease from 21 years to 42 years. It is intended that this will provide greater certainty for those community groups such as sporting clubs.

Section 219(7)—Power to assign a name, or change the name, of a or

This amendment achieves consistency by changing the publication requirements to that in the proposed amended public notice requirements in Section 4.

Section 237(3a)—Removal of vehicles

This amendment clarifies that a vehicle that is legally parked on a public road will not be taken to have been left on the road for the purposes of this section, unless an authorised person considers that it has been abandoned. The intention is that it be made clear that a car that is legally parked cannot be towed, impounded or sold by council unless it has been properly determined that it has been abandoned.

Section 237(4) – Removal of vehicles

This amendment arose from safety concerns due to vehicle owners attempting to access their impounded vehicles without contacting the council. Accordingly, this amendment removes the requirement to give notice of the place to which the vehicle was removed. The intent is that the prescribed form clearly provides a council contact name/number so the owner can contact that person for retrieval of the vehicle.

Section 270(a1)—Procedures for review of decisions and requests for services

This amendment is a minor technical amendment. The original intent was that the provision address procedures for review of decisions and requests for services, not 'or' as it currently states.

Section 271(5)-(8)—Mediation, conciliation and neutral evaluation

These amendments are minor technical amendments. The current provisions (in error) make no reference to conciliation/conciliator. The amendments correct the provisions to add 'conciliator' and 'conciliation' to be consistent with the title of the section.

Section 294(6)(a)—Power to enter and occupy land

This amendment clarifies the provision by removing the words 'of the curtilage' to avoid confusion about its definition and now states 'land that is within 500 metres of a house or dwelling'.

Section 299—Vegetation clearance on private land

This amendment repeals this provision as councils are reluctant to use this power to act on a request from a land owner for removal of vegetation on adjoining private land, due to liability concerns, and it is considered more appropriate that it be a private, civil matter. It brings private tree disputes in line with other private disputes, such as fences.

Schedule 2—Publication of charters of subsidiaries

Currently, a minor amendment to a charter of a subsidiary still requires that the charter be published in its entirety in the Gazette, which can involve high costs that are considered to be onerous, especially for small subsidiaries. This amendment amends the relevant clauses to require that a subsidiary must ensure that a notice of the charter is published in the Gazette and that a website address to the copy of the charter should be included in the notice. The intention is to achieve a balance between the high costs of publishing with the need to provide public notice.

Repeal of the *Local Government Act 1934*

Part XXV – Sewerage and drainage—Sections 528-531

It is proposed that these provisions be repealed as they are redundant due to the operation of the *South Australian Public Health (Wastewater) Regulations 2013*.

Part XXXIX—By-laws, model by-laws and regulations

It is proposed that these provision be repealed as they are obsolete due to *Residential Tenancies (Rooming Houses) Regulations 1999*, *Residential Tenancies Act 1995*, *Fair Trading Act 1987*, *Development Act 1993*, *Passenger Transport Regulations 2009*.

S667(1)(3)(XVI) Lodging Houses: repeal these provisions—obsolete.

S667(1)(3) (XX)-(LIV) Taxis: repeal these provisions—obsolete.

S667(1)(4) Nuisances: repeal these provisions—obsolete.

S667(1)(5) and (7) Animals in streets and roads: repeal these provisions—obsolete.

S667(2): repeal this provision—obsolete.

S668 *Local Government Act 1999* applies: repeal.

Division III – s691 Regulations

Repeal as obsolete upon repeal of this Act.

Part XL – Legal Procedure

Repeal as obsolete due to section 144 of the 99 Act.

S692 – Recovery of amounts due to council: repeal.

S696 – Authentication of certain documents by the council: repeal upon repeal of the Act.

S698 – Representation of council before courts: repeal.

S699 – Reimbursement of officer: repeal.

S717 – Payment of fees etc to council: repeal.

Part XLI—Evidence

Inadvertently not included in the *Local Government (Implementation)(Repeal of Certain Provisions) Proclamation 2007*.

S743A – Evidentiary presumption: repeal.

Part XLII – Penalties

Obsolete upon repeal of the Act.

Ss789A-D: repeal.

S790 – Non-performance of provisions of this Act: repeal.

S791 – Penalty for Offence against this Act: repeal.

S794A – Expiation fees may be fixed: repeal.

Part XLVI – Miscellaneous Matters

S880 – Crown land under management of council for certain purposes: repeal.

S886BB – Coast protection at West Beach: repeal.

S888 – Application to Crown: repeal.

S889 – Delegation by Ministers: repeal.

S890 – Incorporation of standards etc: repeal.

City of Adelaide Act 1998: miscellaneous amendment

Section 24(9)—Elected Member Allowances

Currently, the City of Adelaide Act uses a different method for adjusting the relevant elected member allowances than the one in the Local Government Act. It is desirable that the method for adjusting allowances in the City of Adelaide Act be consistent with the Local Government Act.

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 *Local Government Act 1999*

4—Amendment of section 4—Interpretation

Definitions are inserted for the purposes of the measure.

5—Amendment of section 12—Composition and wards

The Electoral Commissioner's certificate for the purposes of the provision is to be published on a website determined by the chief executive officer of the relevant council (rather than on 'the Internet').

6—Amendment of section 44—Delegations

The power to determine allowances under Chapter 5 of the Act is deleted from the list of matters that a council may not delegate. The power to revoke the classification of land as community land under section 194 is added to the list.

7—Amendment of section 48—Prudential requirements for certain activities

Minor amendments are made to the provisions relating to prudential requirements for certain activities.

8—Amendment of section 50—Public consultation policies

In addition to the existing requirements, a council's public consultation policy must also provide for publication of notices on a website determined by the chief executive officer.

9—Amendment of section 54—Casual vacancies

A council member's office becomes vacant if the member is removed from office by the council on the ground that he or she has been absent, without leave of the council, from 3 or more consecutive ordinary meetings of the council.

10—Amendment of section 62—General duties

New subsection (4a) makes it an offence for a member or former member of a council to disclose information or a document, in relation to which there is an order of a council or council committee in effect under section 90 requiring the information or document to be treated confidentially. The maximum penalty is a fine of $10 000 or imprisonment for 2 years. New subsection (4b) provides for an exception if the disclosure of information or the document is required or authorised by law.

11—Substitution of section 67

Section 67 is substituted:

67—Form and content of returns

The substituted section makes it an offence to fail to notify the chief executive officer of a change or variation in the information appearing on the Register in respect of a council member or a person related to the member (within the meaning of Schedule 3) within 1 month of the change or variation. The maximum penalty is a fine of $10 000. Subsection (2) provides for a defence to a charge of the offence.

12—Amendment of section 68—Register of Interests

New subsection (4) authorises the chief executive officer to suppress certain addresses from publication on the Register.

13—Amendment of section 70—Inspection of Register

Certain details on the Register must be published on a website determined by the chief executive officer of a council.

The deletion of subsection (3) would enable members of the public to inspect or obtain a copy of the Register without having to submit a written application. The deletion of subsection (4) is consequential.

14—Substitution of Chapter 5 Part 4 Division 3

The provisions relating to conflicts of interest of council members in Chapter 5 Part 4 Division 3 are substituted:

Division 3—Conflicts of interest

Subdivision 1—Material conflicts of interest

73—Material conflicts of interest

This section sets out where a member has a *material conflict of interest*.

74—Dealing with material conflicts of interest

This section provides for how members must deal with material conflicts of interest. Relevantly, the member must declare the interest and leave (and stay out of) the meeting room while the matter involving the interest is being discussed and voted on. Provision is made for the Minister to grant approvals for members to be involved in matters where they have a material conflicts of interest in certain circumstances.

Subdivision 2—Actual and perceived conflicts of interest

75—Actual and perceived conflicts of interest

This section sets out the meaning of conflicts of interest for the purposes of the Subdivision.

75A—Dealing with actual and perceived conflicts of interest

This section provides that members must deal with actual and perceived conflicts of interest in a transparent and accountable way.

Subdivision 3—Other matters

75B—Application of Division to members and meetings of committees and subsidiaries

Section 75B replicates existing section 75 for the purposes of extending the application of the Division to members and meetings of committees and subsidiaries.

15—Amendment of section 76—Allowances

Subsection (8) is amended to provide that allowances will be payable for a period that aligns with the term of a member of a council (as provided for in section 53 of the Act). The other amendment is a related amendment.

16—Amendment of section 85—Quorum

This amendment is consequential on the substitution of Chapter 5 Part 4 Division 3.

17—Amendment of section 90—Meetings to be held in public except in special circumstances

Subsection (4) is amended to specify that, in considering whether to make an order under subsection (2) (being an order that a matter be discussed in confidence), it is irrelevant that discussion of a matter in public may involve discussion of a matter that is controversial within the council area or make the council susceptible to adverse criticism.

Further details are required to be noted in the minutes of a meeting relating to any order made under subsection (2).

The other amendments require a council to adopt a policy setting out requirements relating to the holding of informal gatherings and discussions.

18—Amendment of section 91—Minutes and release of documents

Limitations are placed on the power of a council to extend the duration of an order to keep council minutes and other documents (or parts of minutes or documents) confidential.

19—Amendment of section 92—Access to meetings and documents—code of practice

A code and any alterations must be published on a website determined by the chief executive officer.

20—Amendment of section 97—Vacancy in office

The amendments allow a chief executive officer of a council who resigns to withdraw the resignation by notice in writing to the council, provided that the withdrawal occurs before the date that the resignation takes effect and the council accepts the withdrawal.

21—Insertion of section 110A

Section 110A is inserted:

110A—Duty to protect confidential information

New section 110A makes is an offence for an employee or former employee of a council to disclose information or a document in relation to which there is an order of a council or council committee in effect under section 90 requiring the information or document to be treated confidentially. The maximum penalty is a fine of $10 000 or imprisonment for 2 years. An exception is provided for where the disclosure of information or the document is required or authorised by law.

22—Amendment of section 122—Strategic management plans

The first amendment provides that financial projections in a long-term financial plan adopted by a council must be consistent with those in the infrastructure and asset management plan adopted by the council. Another amendment clarifies that the requirement to adopt processes to ensure that members of the public are given a reasonable opportunity to be involved in the development and review of a council's strategic management plans does not limit the general power of a council to amend its strategic plans or adopt new plans.

23—Amendment of section 123—Annual business plans and budgets

These amendments relate to the publication of plans and budgets on a website determined by the chief executive officer (including electronic copies of the annual business plan).

24—Amendment of section 126—Audit committee

One of the functions of a council audit committee (performing the functions that would have been required to be performed by a subsidiary's audit committee if the subsidiary had not obtained an exemption from the requirement to have an audit committee) is repealed.

25—Amendment of section 132—Access to documents

The first amendment provides that certain documents must be published on a website determined by the chief executive officer of the relevant council (rather than on 'the Internet'). The other amendment clarifies that subsection (3) requires that documents no longer subject to a confidentiality order under section 91 of the Act (which, as a result, automatically become available for inspection under section 91) also be published on the website by the council.

26—Amendment of section 155—Service rates and service charges

Section 155(5a) is amended for technical reasons so that the reference to ESCOSA fixing a price for a prescribed service under another Act is altered to be a reference to ESCOSA regulating prices, conditions relating to prices, and price-fixing factors for a prescribed service.

27—Amendment of section 169—Objections to valuations made by council

In 2014, Parliament passed legislation to give certain review functions under the section previously performed by the Administrative and Disciplinary Division of the District Court to the South Australian Civil and Administrative

Tribunal (SACAT). The section is now amended to align the review provisions with those in the *Valuation of Land Act 1971*.

28—Amendment of section 174—Inspection of assessment record

The amendment makes it an offence for a person who inspects the assessment record or obtains a copy of an entry made in the assessment record under the section to use the information so obtained for advertising or marketing activities for commercial purposes. The maximum penalty is a fine of $10,000.

29—Amendment of section 202—Alienation of community land by lease or licence

The term of a lease or licence is amended to 42 years (from 21 years).

30—Amendment of section 219—Power to assign a name, or change the name, of a road or public place

Notice of the adoption or alteration of a policy must be published in the Gazette, a newspaper circulating within the area of the relevant council and on a website determined by the chief executive officer.

31—Insertion of section 234A

The power to prohibit traffic or close streets or roads, currently in the *Local Government Act 1934* (*the 1934 Act*) is inserted into the Act with certain variations:

234A—Prohibition of traffic or closure of streets or roads

New section 234A is similar to section 359 of the 1934 Act. However, new section 234A includes limitations on the power to prohibit traffic or close streets or roads. In particular, a prohibition or closure relating to a road under new section 234A may only operate for a 30 day period.

32—Amendment of section 237—Removal of vehicles

Subsection (3) is amended to allow the regulations to prescribe variations to the application of subsections (1) and (2) in prescribed circumstances.

New subsection (3a) is inserted to clarify that the authorised person proposing to place a notice under subsection (1) on a vehicle that is lawfully parked or left standing on a public road cannot do so unless the vehicle has, in his or her opinion, been abandoned.

33—Amendment of section 246—Power to make by-laws

Section 246 is amended to insert the general power (currently in the 1934 Act) of a council to make by-laws for the good rule and government of the area, and for the convenience, comfort and safety of the community.

34—Amendment of section 264—Complaint lodged in District Court

One amendment limits the ability to lodge a complaint against a member of the council in the District Court to a person authorised in writing by the Minister or the council, or the chief executive officer of a council (currently, complaints may be lodged by a public official (after an investigation of the matter by the Ombudsman) or by a person in receipt of an approval to do so). Another amendment reflects the fact that the Independent Commissioner Against Corruption is authorised to investigate complaints against council members. The other amendments are consequential.

35—Amendment of section 265—Hearing by District Court

This amendment reflects the fact that the Independent Commissioner Against Corruption is authorised to investigate complaints against council members.

36—Amendment of section 270—Procedures for review of decisions and requests for services

This is a technical amendment.

37—Amendment of section 271—Mediation, conciliation and neutral evaluation

These are technical amendments.

38—Amendment of section 294—Power to enter and occupy land in connection with an activity

A minor amendment is made to the power to enter and occupy land in connection with an activity.

39—Repeal of section 299

The provision relating to the powers of a council to clear vegetation under section 299 is repealed.

40—Amendment of Schedule 2—Provisions applicable to subsidiaries

Minor amendments relating to the publication of certain matters by subsidiaries are made.

Schedule 1—Related amendment, repeal and transitional provisions

Part 1—Related amendment to *City of Adelaide Act 1998*

1—Amendment of section 24—Allowances

The section is amended to retain consistency with section 76 of the *Local Government Act 1999*.

Part 2—Repeal of *Local Government Act 1934*

The *Local Government Act 1934* is repealed.

Part 3—Transitional provisions

Division 1—Transitional provisions related to repeal of *Local Government Act 1934*

Transitional provisions connected to the repeal of the *Local Government Act 1934* are provided for.

Division 2—Transitional provision related to objections to valuations

The clause provides for transitional matters related to the amendments to section 169 of the principal Act connected with the jurisdiction given to SACAT.

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

STATUTES AMENDMENT AND REPEAL (BUDGET 2015) BILL

Introduction and First Reading

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

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (18:09): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill contains measures that form part of the Government's budget initiatives for 2015-16 and implements the outcomes of the State Tax Review.

The changes that the Government is making in this bill will remove significant cost barriers to business investment and expansion, encourage the creation of new businesses in the State, and provide lasting improvement to the South Australian economy.

These changes will reduce the harmful impact inefficient taxes have on the economy and are consistent with the views expressed by South Australians during the State Tax Review.

For contracts entered into on or after today, stamp duty will be abolished in relation to non-real property transfers and non-quoted marketable securities.

In addition by 1 July 2018 stamp duty will be abolished on non-residential real property transfers.

Transfers of statutory leases and licences, such as fishing licences, taxi licences, gaming machine licences and entitlements, together with most forms of business assets including goodwill, trading stock (other than land), and intellectual property will obtain the benefit from the abolition of stamp duty on non-real property transfers.

Transfers of water licences are already stamp duty exempt.

From 18 June 2015, only property transfers involving land will remain liable for conveyance duty.

A limited number of leases and licences that have a very close connection with land will remain dutiable—namely, mining and petroleum leases and licences and forestry property (vegetation) agreements.

Exploration tenements will remain dutiable but will continue to obtain the benefit of existing concessional duty rates. The range of exploration tenements eligible for the concessional stamp duty rates has also been expanded to include retention tenements.

In addition to the removal of stamp duty on transfers of gaming machine entitlements, the stamp duty surcharge on the transfer of a gaming machine business, will also be abolished.

There will be a phased abolition of conveyance duty on non-residential real property transfers between 1 July 2016 and 1 July 2018. Duty rates will be reduced by a third from 1 July 2016, a further third from 1 July 2017, before the duty is abolished from 1 July 2018. It is estimated that there will be between 5,500 and 6,000 non-residential real property transfers each year that will benefit from this abolition of duty.

Stamp duty will continue to apply to non-exempt transfers of primary production land.

There are detailed provisions which set out what will be considered to be residential land. The Commissioner of State Taxation will rely on information provided by the Valuer-General in relation to the use of the land and in some cases the zoning of the land. Taxpayers will be able to readily ascertain the classification of the land that they are purchasing.

As the rates of stamp duty on non-residential land are phasing out over three years, a robust anti-avoidance provision has been included in the Bill to provide significant deterrence to persons who may attempt to artificially structure transactions is order to take advantage of a lower rate of duty in the future.

There are also a number of complementary amendments contained in the Bill that will also reduce the stamp duty burden on South Australian businesses.

Firstly, stamp duty is currently payable on the transfer of property from one corporation to another regardless of whether the corporations are part of the same corporate group.

Effective from 18 June 2015, this Bill will amend the *Stamp Duties Act 1923* to provide a corporate reconstruction exemption that is considerably broader than the ex gratia relief currently available which delivers on and significantly expands on the 2013 budget commitment to provide a 100 per cent exemption based on the existing criteria.

The exemption available will effectively abolish stamp duty on genuine corporate reconstructions.

Secondly, the issue, redemption or transfer, of units in a non-listed unit trust is currently subject to stamp duty at conveyance rates based on the consideration or the market value, whichever is greater.

From 1 July 2018, to coincide with the abolition of stamp duty on non-residential real property, stamp duty is therefore also being abolished on the issue, redemption and transfer of units in unit trusts under section 71 of the Stamp Duties Act.

Thirdly, from 18 June 2015, transfers of retention tenements will receive the same concessional stamp duty arrangements that apply to transfers of exploration tenements.

The concessional stamp duty arrangements mean that eligible transfers are only required to pay stamp duty of up to $1,000 rather than the duty rates that would normally apply.

Changes in the focus of the State's petroleum and mineral related activity since the concession came into force in 1980 have seen the greater application of retention tenements, with the major utilisation of such tenements only very recently materialising in practice. The retention tenement is another form of exploration tenement offering extended tenure to carry out further pre-production exploratory works and to allow adequate time to assess the discovery, and to bring the discovery onto commercial production. The expanded stamp duty concession will promote discovery activity and commercial production in South Australia.

Fourthly, the Stamp Duties Act will be amended to confirm RevenueSA's long standing assessing practice in relation to the stamp duty exemption for interfamilial farm transfers, in particular in relation to transfers to and from certain types of trusts.

This will allow farming businesses to be transferred between families as originally intended when the legislation was introduced and will replace an ex gratia scheme currently put in place by the Government.

Fifthly, the *Taxation Administration Act 1996* will be amended so that it only requires 50 per cent of the tax in dispute to be paid before an appeal can be lodged with the Supreme Court. Currently 100 per cent of the tax in dispute is required to be paid before an appeal can be lodged. This measure is consistent with the Government's policy of increasing access to the justice system and dispute process by making the process affordable. The 50 per cent amount will prevent the lodgement of frivolous appeals but at the same time provide some relief to taxpayers.

The Bill also contains several other measures that will provide relief to taxpayers.

The Save the River Murray Levy will be abolished from 1 July 2015. This will save most households over $40 each year and most businesses over $182 each year. Importantly, while the Save the River Murray Fund will be wound up, the specific measures funded by the Save the River Murray Levy will continue to be delivered.

The Save the River Murray Fund will be wound up from 1 July 2016, after the monies in the fund have been fully spent. The balance in the Save the River Murray Fund is expected to be around $4.4 million at 1 July 2015, with funds expected to be fully spent in 2015.

The Hindmarsh Island Bridge Levy will be abolished from 1 July 2015.

The levy is currently paid by property owners when new allotments are created on Hindmarsh Island. The levy represents the property owner's contribution to the construction cost of the Hindmarsh Island Bridge. The levy is being abolished as it has high collection costs relative to the revenue raised and will remove a disincentive for subdivision and development on Hindmarsh Island.

From 18 June 2015, properties transferred into Special Disability Trusts for no consideration and used as the principal place of residence for the beneficiary will be exempt from conveyance duty. These properties will also be exempt from land tax from 1 July 2015.

Under current arrangements, conveyance duty is payable when a principal place of residence is transferred into a Special Disability Trust. The property is also liable for land tax if its site value is more than $323,000.

In addition, the existing exemption from stamp duty in respect of gifts of property used wholly for charitable or religious purposes will be extended to provide an exemption to charitable and religious bodies that purchase property that is to be used wholly for the organisations' charitable or religious purposes provided that the property is not wholly or predominantly used for business or commercial purposes.

Stamp duty ex gratia relief is provided on a regular basis to charitable and religious bodies that purchase property to be used solely for their charitable or religious purposes and the amendment to the Stamp Duties Act will enshrine that practice in legislation. It is not intended that the exemption extend to land used for business or commercial purposes by charities regardless of whether the funds generated from this activity is redirected to charitable purposes or not.

The Bill also enshrines in legislation two other stamp duty ex gratia schemes.

Firstly, the Bill provides for an exemption from stamp duty on motor vehicle transfers where the parent or legal guardian of an incapacitated person who is a minor purchases a vehicle to transport the minor. Consequential amendments will also be made to the *Motor Vehicles Act 1959* to provide a 50 per cent concession to the registration fee component of one motor vehicle where the vehicle is used mainly for transporting an incapacitated minor, subject to certain conditions.

Secondly, the Bill provides an exemption from stamp duty on motor vehicle transfers where disability service providers purchase vehicles to transport persons with disabilities.

The Bill also makes a minor amendment to the Stamp Duties Act to ensure that domestic partners are recognised in all relevant places in the Act. In 2007 the Stamp Duties Act was amended to recognise domestic partners however due to an oversight the definition of 'Family Group' in one part of the Stamp Duties Act refers to relationships of 'consanguinity and affinity'. This means that domestic partners are not covered by this definition. The Bill corrects this anomaly.

The Bill also makes beneficial amendments to the waiver and refund provisions of the *Land Tax Act 1936*.

As part of the 2001-02 State Budget, land tax relief was provided where taxpayers move home or construct a new home and where a land tax liability arises on an intended principal place of residence.

As a result of an anomaly in the operation of the provisions, the waiver/refund is not currently available where a person moves into a new property prior to 30 June but has not sold their old property, which was their previous principal place of residence.

The Bill amends the provisions to remove this anomaly.

In addition the Land Tax Act currently requires that a taxpayer lodge a waiver/refund request with RevenueSA by 30 September following the end of the financial year in respect of which the waiver/refund is sought. The Commissioner has no discretion to allow the late lodgement of a waiver/refund request under section 5A of the Land Tax Act once the deadline has passed.

The deadline can be onerous given some taxpayers are unaware of their entitlement to a waiver/refund. The Bill therefore contains an amendment to extend that deadline to five years from the issue of the assessment to which the application relates.

Whilst the overwhelming majority of provisions in the Bill are beneficial to business and taxpayers in general, the opportunity is also being taken to address some administrative and avoidance issues that have been identified by RevenueSA.

Section 60A of the Stamp Duties Act prescribes how the value of property conveyed or transferred is to be determined for the purposes of calculating the amount of stamp duty payable.

Sections 60A(1)(a) and 60A(2) of the Stamp Duties Act provide that in the case of a conveyance on sale (a transfer of property for consideration), the value of property is the greater of the consideration for the sale or the market value of the property as at the 'date of the sale'.

Section 60A(1)(b) of the Stamp Duties Act provides that in any other case, the value of property is the market value of property as at the 'date of the conveyance'.

The Commissioner of State Taxation (the 'Commissioner') has always interpreted 'date of the sale' to mean the date property is conveyed or transferred, with legal advices supporting this interpretation for over 20 years.

Therefore, in all situations, whether in the case of a conveyance on sale or in any other case, the 'date of the conveyance' has been the only date used by the Commissioner when determining the market value of property.

Legal advice departed from the long-standing interpretation of 'date of the sale' and advised that the relevant date is the date a binding contract/agreement to sell comes into existence.

Adoption of this interpretation of 'date of the sale' may result in tax avoidance, particularly by means of back-dated contracts/agreements or contrived long-term settlements between non-arm's length parties, which could result in erosion of the stamp duty revenue base.

In response to the recent adverse advice, and to confirm the Commissioner's long-standing position that the 'date of the conveyance' is the only relevant date when determining the market value of property, the Bill contains retrospective amendments to the Act that replace all references to 'date of the sale' with 'date of the conveyance'. Therefore, the Bill suitably amends section 60A of the Stamp Duties Act and other sections of the Stamp Duties Act including sections 31, 31A, 65 and 71DB to deal with this issue.

The retrospective amendments to the Stamp Duties Act contained in the Bill are essentially technical amendments that will have no impact on the overwhelming majority of taxpayers, for whom it will be 'business as usual'. However, the amendments are required to prevent the tax avoidance described above and the resulting erosion of the stamp duty revenue base.

The Bill also removes the exemption available in relation to the partition of property between members of a family group.

Section 71B of the Stamp Duties Act provides an exemption from stamp duty for family members where property is divided or partitioned and the owners prior to the division/partition take a portion of the property equal to the interest they previously held in the whole.

The exemption is an archaic one that has led to a considerable amount of tax avoidance. As there is no policy basis on which family members should receive such beneficial stamp duty treatment, this exemption is being removed.

The Government will also reduce the $1 million landholder threshold to zero from 1 July 2018.

The landholder model ensures that if control of an entity changes and that entity holds South Australian land assets above the threshold, conveyance rates of duty apply to the South Australian land assets being transferred.

This change coincides with the abolition of stamp duty on non-residential real property transfers and the removal of stamp duty on unit trusts and will therefore only apply where an entity holds residential and primary production land assets.

This will allow the landholder provisions to be more closely aligned with the general conveyance provisions where the transfer of any residential land no matter what the value will be charged with conveyance duty. From 1 July 2018 the landholder provisions will operate as pure anti-avoidance provisions to prevent residential and primary production land being transferred free of duty.

The Bill also contains amendments to the Land Tax Act to ensure that the minor interest provisions and the trust provisions work as intended.

Prior to 30 June 2008, it was a common land tax minimisation practice to create minor interests in properties to avoid the aggregation principle under the Land Tax Act.

Effective from 30 June 2008, section 13A of the Land Tax Act was introduced, allowing the Commissioner to disregard minor interests in properties in certain circumstances.

Whilst section 13A has generally been effective in dealing with tax minimisation practices, a deficiency has been identified in the provisions as a result of an adverse objection. This deficiency relates to the trust and aggregation provisions in section 13, the minor interest provisions in section 13A and the interaction of the two.

The inadequacy in section 13A of the Land Tax Act is that it does not apply where the 100 per cent legal owner of property holds this interest partly in direct ownership and partly in a trust ownership. This is the case regardless of whether the minor interest is held directly or on trust.

For example a 100 per cent legal owner could declare a 1 per cent minor interest in a property to be held on trust for a beneficiary or a range of beneficiaries.

In this scenario, section 13 of the Land Tax Act operates to acknowledge the trust ownership so that the relevant property is not aggregated with other property held by the same legal owner. Section 13A of the Land Tax Act however cannot currently apply to disregard the 1 per cent trust ownership as the legal owner retains a 100 per cent legal interest in the property, and there is therefore no minor interest recognised by the Land Tax Act for section 13A to disregard. Consequently, the aggregation principle is avoided where it should not be.

The amendments remedy the identified deficiency by allowing the Commissioner to distinguish a trust ownership from a direct ownership and to apply the minor interest provisions even where the legal ownership is all in the same name, but a part of the land is held on trust.

The Bill also restores the intended legislative position in relation to the minor interest provisions that was arguably put in doubt by the judgment in the case of Kalomel Nominees Pty Ltd & Anor v Commissioner of State Taxation [2012] SASC 10 (Kalomel). The amendments ensure that a decision by the Commissioner to disregard a minor interest should operate from the day that the interest was created even if the decision to disregard the interest was not made until the following financial year. This interpretation would render the provisions very difficult to practically apply in many situations.

Whilst a subsequent decision of the Supreme Court in the matter of Kyren Nominees Pty Ltd v Commissioner of State Taxation [2013] SASC 58 has overturned this interpretation of the Kalomel decision, these amendments operate to put the matter beyond any doubt.

The Land Tax Act is also being amended to ensure interest and penalty tax can be imposed on an assessment or reassessment of land tax in a situation where a taxpayer provided false or misleading information to RevenueSA in order to obtain an exemption.

This amendment arises out of a land tax objection where a taxpayer had been receiving an exemption due to providing RevenueSA with false or misleading information, and because an exemption had been in place, the relevant taxpayer had not been issued with any assessments.

Once the Commissioner determined that the exemption had been wrongly granted due to the false or misleading information, assessments were issued for financial years in which the exemption was incorrectly granted. However, because no assessments were originally issued, due to a technicality in the wording of the Act, there had been no default by the taxpayer to trigger the imposition of interest and penalty tax. This is clearly a situation where interest and penalty tax should apply to discourage taxpayers from providing the Commissioner with false and misleading information.

The Bill therefore amends the Land Tax Act to ensure that penalty tax can be charged in these situations where appropriate.

The Bill amends the *Supreme Court Act 1935* to allow for a tiered fee structure for court fees in respect to probate matters. The new fee structure will be based on the value of the estate and will commence from 1 January 2016.

The current fee of $1,088 will be reduced for estates valued less than $200 000. The highest fee will be $3,000 for estates valued at over $1 million.

This Bill amends the Rates and Land Tax Remission Act 1986 to provide a new cost of living concession. A new cost of living concession of up to $200 per annum per household will be paid to eligible households from 1 July 2015.

The cost of living concession will replace the existing council rate concession of up to $190 per annum provided to pensioners, low-income earners and specified self-funded retirees who are home owners.

Eligibility for the new concession will be expanded to include pensioners, low-income earners and specified self-funded retirees who are tenants. Expanding the criteria means an extra 45,000 households that are tenants will benefit from the new concession.

Eligible pensioners and low-income earners who own their own homes will receive $200 per annum to put towards their greatest needs. Eligible pensioners and low-income earners who are tenants and eligible self-funded retirees who hold a Commonwealth Seniors Health Card will receive $100 per annum per household.

The Bill makes royalty payable on the minerals recovered by councils in South Australia from their borrow pits at a royalty rate of 55 cents per tonne from 1 July 2015.

This replaces the royalty exemption provided to councils and ensures that the state receives a royalty benefit from those minerals that are owned by the Crown (in right of the State of South Australia) for the benefit of all South Australians.

Council borrow pits will continue to be regulated and controlled, apart from the royalty payable, under the provisions of the *Local Government Act 1999*.

I commend this Bill to the House.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause is formal.

2—Commencement

This clause sets out the scheme for the commencement of the various amendments and the repeal that are to be effected by this measure.

3—Amendment provisions

This clause is formal.

Part 2—Amendment of *Gaming Machines Act 1992*

4—Repeal of section 28A

5—Repeal of section 38A

These amendments are consequential

Part 3—Amendment of *Land Tax Act 1936*

6—Amendment of section 5—Exemption or partial exemption of certain land from land tax

Under section 5 as amended by this clause, an exemption of land from land tax will be available where the land is owned by the trustee of a special disability trust and the Commissioner is satisfied that the land constitutes, or is intended to constitute, the principal place of residence of the principal beneficiary of the special disability trust.

An associated waiver or refund scheme is also included.

A number of definitions are also inserted for the purposes of the exemption. Special disability trust is defined by reference to the *Social Security Act 1991* and the *Veterans' Entitlements Act 1986* of the Commonwealth.

7—Amendment of section 5A—Waiver or refund of land tax for residential land in certain cases

Section 5A authorises the Commissioner of State Taxation to grant a waiver or refund of land tax paid or payable by an applicant if certain criteria are satisfied. The amendment made by this clause expands the circumstances in which this can occur so that the Commissioner can grant a waiver or refund in relation to land tax where the relevant land ceased to be the applicant's principal place of residence during the course of the previous financial. The waiver or refund may be granted if proper grounds for exempting the land from land tax under section 5 existed immediately before the land ceased to be the applicant's principal place of residence and the applicant divested himself or herself of the land before the end of the financial year in relation to which the tax is payable.

This clause also amends subsection (4) of section 5A.That subsection currently requires that an application for a waiver or refund of land tax be made on or before 30 September following the end of the financial year in respect of which the waiver or refund is sought. Under the subsection as amended, the requirement will be for an application for a refund to be made not more than 5 years after the assessment of the liability to the tax.

8—Amendment of section 13A—Commissioner may determine that minor interest is to be disregarded

The amendments relate to the section of the Act that deals with minor interests in land. This section is intended to address situations where taxpayers use minor interests and trust structures to avoid the rules about the aggregation of land for the purposes of the imposition of land tax. Amendments to the section are intended to address aspects of the decision in Kalomel Nominees Pty Ltd and Another v Commissioner of State Taxation in 2012 to ensure that a decision of the Commissioner that an interest was created for the purpose of reducing the amount of land tax can have effect with respect to an interest from the date on which the interest was created. Other amendments will allow the Commissioner, in considering whether interests have been created for the purpose of reducing land tax, to consider the relationship between any trustee and beneficiary (subject to some specified exceptions).

9—Amendment of section 19—Time for payment of tax

This amendment addresses somewhat of a 'technical' issue associated with the interaction between the *Land Tax Act 1936* and the *Taxation Administration Act 1996*. Essentially, the issue is that under the *Taxation Administration Act 1996,* a taxpayer is only liable to penalty tax where there has been a tax default within the meaning of that Act. It is arguable that a person who has not been issued with an assessment has not failed to pay tax in certain respects, even though a tax liability might have actually existed prior to the issuing of the assessment. The amendment will have the effect of creating a tax default for the purposes of the *Taxation Administration Act 1996* in certain cases where the failure to serve an assessment was attributable (wholly or in part) to false, misleading or incomplete information provided to the Commissioner, or to a failure to provide information that should have been provided to the Commissioner.

10—Transitional provision

The first transitional provision makes it clear that the amendment to section 5A(4) applies in relation to an application for a land tax refund where the liability to the tax was assessed for the 2014/2015 financial year or a subsequent financial year. The second transitional provision makes it clear that the amendments to section 13A extend to any interest after the commencement of this Part, including an interest created before the Schedule (so that the amendments will apply in respect of any financial year commencing after the commencement of this Part).

Part 4—Amendment of *Local Government Act 1999*

11—Amendment of section 294—Power to enter and occupy land in connection with an activity

These amendments will have the effect of requiring a council that recovers extractive minerals under section 294 of the Act to pay royalty at the rate set out in section 17(4)(a) of the *Mining Act 1971*. In connection with this requirement, some of the sections of the Mining Act 1971 are to be applied to a council that recovers extractive minerals as if the council were carrying out operations under that Act and as if the council held a mining tenement for the recovery of extractive minerals. The enactment of these amendments will require the operation of section 7(2) of the *Mining Act 1971* to be 'displaced' to some extent. Royalty collected under this scheme will not be payable into the Extractive Areas Rehabilitation Fund under the *Mining Act 1971*.

Part 5—Amendment of *Motor Vehicles Act 1959*

12—Amendment of section 38B—Registration fees for certain incapacitated persons or carers

This amendment will extend the scheme for a reduction in the prescribed registration fee for motor vehicles owned by certain incapacitated persons to motor vehicles owned by the parents or legal guardians of certain incapacitated children (subject to complying with the criteria prescribed by the section).

Part 6—Amendment of *Rates and Land Tax Remission Act 1986*

13—Amendment of long title

This clause amends the long title of the Bill to incorporate reference to the proposed payment of an amount to certain persons as a concession to assist with cost of living pressures.

14—Amendment of section 1—Short title

This clause amends the short title of the Bill to incorporate reference to the proposed cost of living concession scheme.

15—Substitution of section 3

This clause substitutes current section 3 as follows:

2—Interpretation

The proposed section retains the definitions contained in existing section 3, and inserts the following new definitions:

- approved aged persons housing scheme;
- residential premises;
- residential tenancy agreement;
- when a person will be taken to occupy residential premises as an owner or a tenant.

3—Entitlement to payment of concession

The proposed section provides that an eligible person for a financial year who satisfies the eligibility requirements prescribed by the regulations is entitled to payment by the Minister of an amount determined in accordance with the regulations in respect of that financial year. Eligible person is defined as a person who, on 1 July of the relevant financial year, occupied residential premises as an owner or tenant of the premises and was of a class prescribed by the regulations for the purposes of the proposed subsection.

16—Amendment of section 4—Remission of rates

This amendment is consequential on the insertion of proposed section 9.

17—Amendment of section 7—No interest etc payable

This clause inserts a new subsection 7(2) to provide that no interest is payable by the Minister in respect of an amount to which a person is entitled under the Act.

18—Amendment of section 8—Offences etc

This clause makes a number of consequential amendments to include references to the payment in proposed section 3 in existing offence provisions, and to make penalty provisions in the section consistent.

19—Insertion of section 9

This clause inserts a new section as follows:

9—Regulations

The proposed section allows the Governor to make regulations.

Part 7—Amendment of Stamp Duties Act 1923 that is taken to have effect on 1 July 2011

20—Amendment of section 91—Interpretation

This clause amends the definition of private unit trust scheme in section 91 of the Act to exclude any unit trust scheme that is an approved deposit fund or a pooled superannuation trust.

Part 8—Amendment of Stamp Duties Act 1923 that is taken to have effect on 18 June 2015 (Corporate reconstructions)

21—Amendment of section 102—Value of notional interest acquired as a result of dutiable transaction

This clause amends section 102 by removing subsection (2), which is redundant.

22—Amendment of section 102B—Acquisition statement

This clause makes a consequential amendment to section 102B relating to the requirement of a person or group to lodge a return after a dutiable transaction occurs.

23—Amendment of section 102G—Multiple incidences of duty

Subsections (3) and (4) of section 102G are deleted by this clause.

24—Insertion of Part 4AA

This clause inserts a new Part.

Part 4AA—Corporate group exemptions

102H—Interpretation

This section provides definitions for a number of terms that are used in Part 4AA.

102I—Direct and indirect interests

This section explains the meaning of the terms direct interest and indirect interest. The section also provides that 2 corporations are related corporations if 1 of the corporations has a direct interest in the other or a series of such relationships can be traced between them through other related corporations.

102J—Parent corporations and corporate groups

This section defines what is meant by corporate group. A corporate group consists of a parent corporation and its subsidiaries. If a corporation has a direct or indirect proportionate interest in another corporation that is a 90% or more, or a direct and indirect interest in another corporation that, in combination, constitutes a proportionate interest of 90% or more, the first corporation is the parent corporation of the second, and the second is a subsidiary of the first.

102K—Transactions to which this Part applies

Section 102K provides that Part 4AA applies to the following transactions:

- a transaction involving a conveyance of property, or an agreement to convey property, from a member of a corporate group to another member, or to other members, of the corporate group;
- a transaction whereby, under Part 4, a member of an eligible corporate group notionally acquires an interest in the underlying local land assets of a land holding entity.

However, Part 4AA applies to the transaction only if certain other specified criteria related to the transaction are satisfied. For example, the Part will apply to the transaction only if the corporate group's interest in the property that is the subject of the transaction is not diminished as a result of the transaction.

102L—Exemption from duty

This section requires the Commissioner of State Taxation to exempt a transaction from duty if he or she is satisfied that Part 4AA applies to the transaction. If a transaction is exempted from duty, the Commissioner is to assess the transaction, and any relevant instruments, as exempt from duty.

102M—Application for exemption

This section sets out requirements in relation to exemption applications. An application for an exemption under section 102L may be made at any time before, or within 1 year after, the completion of the transaction to which the application relates.

102N—Conditions of exemption

An exemption under section 102L will be subject to conditions specified in this section.

102O—Revocation of exemption

This section authorises the Commissioner to revoke an exemption granted under section 102L if he or she ceases to be satisfied that Part 4AA applies to the transaction or if certain other events, specified in the section, occur.

102P—Duty payable if transaction ceases to be exempt

If an exemption under section 102L is revoked, duty is payable in relation to the relevant transaction.

Part 9—Amendment of *Stamp Duties Act 1923* that is taken to have effect on 18 June 2015 (General tax reforms)

25—Amendment of section 2—Interpretation

This clause will ensure that various interests, rights and other items that are associated with land will be taken to be within the concept of land for the purposes of this Act.

26—Amendment of section 14—Instruments to be separately charged

This clause amends section 14 to deal with the situation where an instrument relates to types of property that are chargeable with different rates of duty or to a type of property chargeable with duty and a type of property not chargeable with duty. An instrument of this kind is to be treated as if the provisions of the instrument relating to each of the different types of property were a separate instrument and related only to that type of property.

Section 14 as amended by this clause will also provide that a person liable to pay duty on an instrument of this kind is to provide the Commissioner with evidence of the value of each of the different types of property conveyed or transferred by the instrument.

27—Amendment of section 31—Certain contracts to be chargeable as conveyances on sale

Section 31 provides that a contract or agreement in writing for the sale of an estate or interest in property is to be charged with ad valorem duty as if it were a conveyance on sale of the estate or interest. The first amendment made by this clause adds to a list of exceptions included within the provision, so that there is an exception for stock, implements and other chattels if the relevant contract or agreement provides for the sale as a going concern of land used wholly or mainly for the business of primary production together with the stock, implements and chattels, and the stock, implements and chattels are held or used in connection with the business.

The second amendment provides clarification in relation to the calculation of duty payable on a written contract or agreement that is dutiable under section 31. The value of the estate or interest contracted or agreed to be sold is to be determined for the purposes of the section by reference to the consideration specified as being payable for the estate or interest. Where duty has been paid on a contract or agreement as required under the section, duty is payable on a conveyance made to the purchaser under the contract or agreement only if the value of the estate or interest on the date of the conveyance is greater than the consideration specified in the contract or agreement.

If it appears to the Commissioner that the consideration specified as being payable for the estate or interest may be less than the value of the estate of interest, and no evidence of the value of the estate or interest, or only unsatisfactory evidence, is furnished to the Commissioner, the Commissioner may arrange for a valuation to be made of the estate or interest and may assess the duty payable by reference to the valuation.

28—Repeal of section 31A

Section 31A is repealed by this clause.

29—Amendment of section 60A—Value of property conveyed or transferred

This clause sets out an additional principle that is to apply when determining the value of property.

30—Substitution of section 62

This clause recasts section 62 of the Act. This section applies to—

- a transaction under which a person acquires a share in a company or an interest under a trust that confers a right to the possession of a dwelling owned and administered by the company or the trustees of the trust; or
- a transaction under which a person acquires a right to the possession of land as a result of becoming or being the owner of a share in a company or an interest under a trust.

However, subsection (2) makes it clear that the section does not apply to—

- a transaction under which a person acquires a share in a company or an interest under a trust that confers a right to the possession of a dwelling that is part of a retirement village scheme under the *Retirement Villages Act 1987*; or
- a transaction exempted from the section by the regulations.

An instrument that gives effect to, or acknowledges, evidences or records, a transaction to which section 62 applies is dutiable under the Act.

31—Amendment of section 67—Computation of duty where instruments are interrelated

One amendment made by this clause is consequential.

The other amendment will ensure that if 2 or more instruments form or arise from substantially 1 series of transactions, then the instruments will be taken to form or arise from a single transaction made when the earlier or earliest of the transactions was made.

32—Repeal of section 71B

This clause removes an exemption that relates to a partition or division of property between members of a family group.

33—Insertion of section 71CAA

New section 71CAA will provide an exemption from duty in connection with certain instruments related to special disability trusts.

34—Amendment of section 71D—Concessional duty to encourage exploration activity

These amendments extend the scheme established by section 71D to retention leases or licenses associated with exploratory or investigatory operations.

35—Amendment of section 71E—Transactions otherwise than by dutiable instrument

These are consequential amendments.

36—Amendment of section 91—Interpretation

These are consequential amendments.

37—Amendment of section 92—Land assets

These are consequential amendments.

38—Insertion of Part 4A Divisions 3, 4 and 5

This clause provides for the abolition of certain duties and a surcharge on 18 June 2015, but only in relation to relevant conveyances, transfers, transactions or instruments executed or initiated after that date and to still require the payment of duty or a surcharge in relation to conveyances, transfers, transactions or instrument that relate to contracts or transactions entered into before that date.

39—Insertion of section 109

It is necessary to provide a specific anti-avoidance provision in connection with proposed new section 71DC and 105A.

40—Transitional provision

It is appropriate that certain amendments apply in relation to contracts, agreements and instruments entered into or executed before 18 June 2015.

Part 10—Amendment of *Stamp Duties Act 1923* that takes effect on assent

41—Amendment of section 60—Interpretation

This clause makes it clear that certain instruments that are expressly exempt from the operation of section 71 will also not be considered to constitute a conveyance or sale under Part 3 Division 6.

42—Amendment of section 60A—Value of property conveyed or transferred

The amendment made by this clause to section 60A clarifies that where reference is made in the Act to 'the value of property conveyed or transferred', the reference is to the market value of the property as at the date of conveyance.

43—Amendment of section 65—Where consideration consists of real or personal property

This clause substitutes a reference to the date of the sale of property in section 65 with a reference to the date of the conveyance of the property.

44—Amendment of section 71—Instruments chargeable as conveyances

The first amendment 'expands' the exemption under subsection (5) of section 71 so as to include any transfer of property to a body established wholly for charitable purposes, as long as the Commissioner is satisfied that the property will not be used (wholly or predominantly) for commercial or business purposes (and the amendment will also make it clear that the paragraph will not apply in any circumstances involving property to be used for commercial or business purposes, even if any revenue, income or other benefit arising from such use is to be applied towards the charitable or religious purposes of the body).

The second amendment will allow domestic partners to be recognised for the purposes of the definition of family group in section 71.

45—Amendment of section 71CC—Interfamilial transfer of farming property

These amendments extend the scheme established by section 71CC of the Act to certain trusts including discretionary trusts, unit trust schemes and self managed superannuation funds.

46—Amendment of section 71DB—Concessional duty on purchases of off-the-plan apartments

This clause substitutes a reference to the date of the sale of property in section 71DB with a reference to the date of the conveyance of the property.

47—Amendment of section 71EA—Interpretation

This amendment will allow domestic partners to be recognised for the purposes of the definition of family group in Part 3 Division 7 of the Act (insofar as this is relevant to the application of these provisions after the enactment of this measure).

48—Amendment of Schedule 2

This clause sets out certain exemptions in respect of stamp duty on the registration of certain motor vehicles.

49—Transitional provisions

The amendments made to sections 60A and 65 are to have retrospective effect, but not so as to impose duty in respect of an instrument or transaction if, before 17 December 2013, an assessment of duty was made on the instrument or transaction and an objection to the assessment was lodged with the Minister no later then 60 days after the date of service of the assessment.

Part 11—Amendment of *Stamp Duties Act 1923* that takes effect on 1 July 2016

50—Insertion of section 71DC

Concessional duty is to apply in relation to land transfers, other than with respect to land taken to be used for residential purposes or primary production, from 1 July 2016.

Part 12—Amendment of *Stamp Duties Act 1923* that takes effect on 1 July 2018

51—Amendment of section 71—Instruments chargeable as conveyances

These are consequential amendments.

52—Amendment of section 98—Land holding entity

From 1 July 2018, the $1,000,000 threshold under Part 4 is to be removed.

53—Insertion of Part 4A Division 5

Duty on certain land transfers is to be removed from 1 July 2018 (subject to the operation of this provision).

Part 13—Amendment of *Supreme Court Act 1935*

54—Amendment of section 130—Court fees

The proposed amendment to section 130 will allow for fees charged in respect of proceedings, or any step in proceedings, in the court's probate jurisdiction to be based on the value of the deceased person's estate or on any other basis, whether or not the fee exceeds the actual administrative cost incurred.

Part 14—Amendment of *Taxation Administration Act 1996*

55—Amendment of section 93—Appeal prohibited unless tax is paid

The requirement to pay 100% of tax before an appeal may be commenced is to be reduced to 50% of the tax to which the appeal relates.

Part 15—Amendment of *Water Industry Act 2012*

56—Repeal of section 93

57—Repeal of section 94

58—Amendment of section 115

These amendments relate to the decision not to impose the Save the River Murray levy after the 2014-15 financial year.

59—Transitional provisions

The repeal of section 93 of the *Water Industry Act 2012* is not to affect any liability to pay the Save the River Murray levy for the 2014-15 financial year, or any preceding financial year. The Save the River Murray Fund will be wound up on 1 July 2016.

Part 16—Repeal of *Hindmarsh Island Bridge Act 1999*

60—Repeal of *Hindmarsh Island Bridge Act 1999*

Amounts payable under the Hindmarsh Island Bridge Act 1999 in respect of a period commencing on or after 1 July 2015 will no longer be payable.

61—Transitional provision

The repeal of the Hindmarsh Island Bridge Act 1999 is not to affect any liability to make a payment under that Act or the Tripartite Deed in respect of any period concluding before 1 July 2015.

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

ANIMAL WELFARE (LIVE BAITING) AMENDMENT BILL

Final Stages

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

BIRTHS, DEATHS AND MARRIAGES REGISTRATION (CHANGE OF NAME) AMENDMENT BILL

Second Reading

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (18:10): I move:

That this bill be now read a second time.

I seek leave to have the second reading speech and explanation of clauses inserted into *Hansard* without my reading them.

Leave granted.

At the 2014 State Election the Government committed to stopping serious sex offenders and serious violent offenders from changing their name without permission. The *Births, Deaths and Marriages Registration (Change of Name) Amendment Bill 2015* implements this election commitment by strengthening change of name provisions in the *Births, Deaths and Marriages Registration Act 1996*.

At present in South Australia, an adult person who is domiciled or ordinarily resident in this State or whose birth is registered in this State can apply to the Registrar of Births, Deaths and Marriages for the registration of a change of name. Before registering a change of name the Registrar may require the applicant to provide evidence to establish to the Registrar's satisfaction the identity and age of the person whose name is to be changed and that the change of name is not sought for an improper or fraudulent purpose. The Registrar may also refuse to register a change of name if, as a result of the change, the name would become a prohibited name. Prohibited names include names that are offensive or obscene or that are contrary to the public interest for some other reason.

Unfortunately, the system is open to abuse and a change of name may be sought by criminals in order to further an unlawful activity or purpose, such as evading supervision whilst on parole or obtaining a firearms licence in another jurisdiction. Although the Registrar has the ability to refuse an application for a change of name if it is sought for an improper or fraudulent purpose, in practice, without knowledge of the criminal history of the applicant and the circumstances of the offending, it will be difficult for the Registrar to determine whether the name change is being sought for an improper purpose or for a legitimate reason.

To minimise abuse of the change of name system and potential fraud, the Bill makes two major changes to the *Births, Deaths and Marriages Registration Act*. Firstly, the Bill amends section 24 of the *Births, Deaths and Marriages Registration Act* so that a person may only apply for a change of name in South Australia if the person is born in South Australia or if the person was born overseas and has been residing in South Australia for the past 12 months. This will ensure that an applicant has a connection to the jurisdiction in which they wish to change their name. Of course there may be situations where it is appropriate for the Registrar to waive the residency requirement for a person who was born outside of Australia, for example, in the case of a domestic violence victim. The amendment therefore gives the Registrar discretion to waive the residency requirements and approve a change of name if it is sought for the protection of the applicant or a child of the applicant or is related to a marriage or divorce of the applicant.

Secondly, the Bill inserts a new division into the *Births, Deaths and Marriages Registration Act* to require certain categories of offenders to obtain the permission of their supervising authority before they can apply for a change of name.

The only category of offender that currently requires permission to change their name is registrable offenders under the *Child Sex Offenders Registration Act 2006*. Changes of name by this category of offenders can give rise to serious concerns that would not arise in the case of a change of name by other members of the community, particularly

regarding matters of safety and security when attempting to monitor such offenders in the community. A registrable offender must therefore obtain the written approval of the Commissioner of Police before changing, or applying to change, his or her name under the *Births, Deaths and Marriages Registration Act*. Similar concerns arise in relation to other categories of offenders, particularly those who have been imprisoned for a serious offence, such as a serious violent offence or a serious sex offence. To provide greater oversight of changes of name by these offenders, the Bill amends the *Births, Deaths and Marriages Registration Act* to make it an offence for a restricted person to apply to the Registrar to register a change of name without the approval of their supervising authority with a maximum penalty of $10,000 or 2 years imprisonment. The supervising authority is in the best position to determine whether a change of name is appropriate as it will be fully aware of the applicant's criminal history and the circumstances of the offending.

A restricted person is defined in the Bill as a prisoner, a parolee, a person released on licence under section 24 of the *Criminal Law Sentencing Act 1988* or a person or a class of persons declared by the regulations to be a restricted person. Unless otherwise provided for by regulation, the supervising authority is the Chief Executive of the Department of Correctional Services. A supervising authority must not approve a change of name application unless satisfied that the change of name is necessary or reasonable. For example, a change of name may be sought for religious reasons or because the offender is also a victim of crime and is seeking to escape a perpetrator. In determining whether to give approval a supervising authority will also be required to consider certain factors, including the safety of the offender and other persons, the rehabilitation, care or treatment of the offender and whether the change of name is being sought to further an unlawful activity or purpose, such as attempting to avoid supervision whilst on parole, causing offense to a victim, or circumventing security checks in order to obtain a firearms licence.

It is already an offence to knowingly make a false or misleading representation in an application or document under the *Births, Deaths and Marriages Registration Act* with a maximum penalty of $1,250. To assist the Registrar to identify a restricted person, the Bill amends the *Births, Deaths and Marriages Registration Act* to require an applicant for a change of name to declare on his or her application form whether he or she is a restricted person or a registrable offender within the meaning of the *Child Sex Offender Registration Act*. In addition, new section 29G provides for the provision or exchange of information between the Registrar and the supervising authority.

To ensure that the change of name requirements for restricted persons and registrable offenders are consistent, the Bill makes consequential amendments to the *Child Sex Offenders Registration Act* to provide that the Registrar must not register a change of name of a registrable offender unless she or she has received a copy of the Commissioner's written permission and must notify the Commissioner of a change of name of a registrable offender.

The new requirements for the change of name of restricted persons will be supported by administrative arrangements. An alert list of serious offenders will be sent to Births, Deaths and Marriages by the Department of Correctional Services. If one of these offenders applies for a change of name whilst in prison, on parole or released on licence under section 24 of the *Criminal Law Sentencing Act*, an alert will be raised and the Department of Correctional Services notified. The application can then be put on hold until the Registrar has received confirmation from the Department of Correctional Services that the applicant has the requisite approval.

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 *Births, Deaths and Marriages Registration Act 1996*

4—Insertion of heading

This clause inserts a division heading into Part 4 of the Act.

5—Substitution of section 24

This clause substitutes section 24 of the Act as follows:

24—Application to register change of adult's name

Subsection (1) provides that an adult person may apply to the Registrar, in a form approved by the Registrar, for a change of a person's name if—

- the person's birth is registered in the State; or
- the person was born outside Australia, the person's birth is not registered in another State or Territory and the person has been resident in the State for at least 12 consecutive months immediately before the date of the application.

Subsection (2) provides that the Registrar may waive the requirement for the person to have resided in the State for at least 12 consecutive months, if satisfied that the change of name is sought for the purpose of the protection of the applicant, a child of the applicant, or is related to a marriage or divorce of the applicant.

Subsection (3) provides that an application for a change of name of an adult person must contain a declaration indicating whether the person is, at the time of making the application, a restricted person as defined in proposed section 29B, or a registrable offender within the meaning of the *Child Sex Offenders Registration Act 2006*.

6—Amendment of section 25—Application to register change of child's name

The clause substitutes current subsection (1) to provide that the parents of a child may apply, in a form approved by the Registrar, to the Registrar for a change of a child's name if—

- the child's birth is registered in the State; or
- the child was born outside Australia, the child's birth is not registered in another State or Territory and the child has been resident in the State for at least 12 consecutive months immediately before the date of the application.

Proposed subsection (1a) provides that the Registrar may waive the requirement for the child to have resided in the State for at least 12 consecutive months, if satisfied that the change of name is sought for the purpose of the protection of the child or the applicants, or if the applicants have legally married and wish the child to change to the married name of both applicants.

Proposed subsection (1b) provides that the requirement for the child to have been resident in the State for at least 12 consecutive months immediately before the date of the application does not apply if the Court has approved the proposed change of a child's name under existing section 25(2)(c).

7—Insertion of Division 2

This clause inserts a new Division:

Division 2—Requirements for change of name of restricted persons

29B—Interpretation

This section defines key terms used in the Division, including:

- a definition of *restricted person* meaning a prisoner, a prisoner released on parole or home detention under the *Correctional Services Act 1982,* a person subject to an extended supervision order under the *Criminal Law (High Risk Offenders) Act 2015*, a person released on licence under section 24 of the *Criminal Law (Sentencing) Act 1988*, or a person or a class of persons declared by the regulations to be a restricted person;
- a definition of *supervising authority* meaning the person holding or acting in the position of Chief Executive of the administrative unit of the Public Service that is, under a Minister, responsible for the administration of the *Correctional Services Act 1982*, or a person declared by the regulations to be a supervising authority in respect of a restricted person or a class of restricted person.

29C—Application of Division

Subsection (1) provides that the provisions in proposed Division 2 are in addition to the requirements and restrictions contained in Part 4 Division 1. Subsection (2) states that the provisions of the proposed Division do not apply to the change of name of a restricted person who is a registrable offender within the meaning of the *Child Sex Offenders Registration Act 2006*.

29D—Application for change of name by or on behalf of restricted person

The section makes it an offence for a restricted person, or a person on behalf of a restricted person, to apply to the Registrar or a registering authority to register a change of name of a restricted person without the written approval of the supervising authority, with a maximum penalty of $10,000 or imprisonment for 2 years. If the court convicts a person of an offence, subsection (3) gives the court power to declare void, on application by the prosecution, a change of name registered in relation to the person, and the Registrar must, on being notified of that declaration, correct the Register.

29E—Approval by supervising authority for change of name of restricted person

The section provides that a supervising authority may approve the making of an application to the Registrar or a registering authority for registration for a change of name of a restricted person. In determining whether to grant the approval, the supervising authority must have regard to the following:

- the safety of the restricted person and other persons;
- the rehabilitation, care or treatment of the restricted person;
- whether the proposed change of name could be used to further an unlawful activity or purpose, to evade or hinder the supervision of the restricted person, or could be considered offensive to a victim of crime or the immediate family of a deceased victim of crime.

The supervising authority must not approve the making of an application unless satisfied that the change of name is necessary or reasonable. If approval is given, the supervising authority must, as soon as practicable, give written notice of the approval to the applicant and the Registrar or registering authority. The section also provides that the supervising authority may delegate any of his or her powers under the proposed section.

29F—Additional requirements for registration of change of name of restricted person

The section provides that the Registrar—

- must not register a change of name of a restricted person unless the Registrar has received a copy of the notice of approval of the supervising authority to the application for registration of a change of name;
- must notify the supervising authority once the change of name has been made;
- may correct the Register if a change of name has been registered in contravention of the Division.

29G—Information exchange between Registrar and supervising authority

The section provides for an arrangement to be entered into between the Registrar and the supervising authority for the exchange of information for the purposes of the proposed Division.

Schedule 1—Related amendment

Part 1—Amendment of *Child Sex Offenders Registration Act 2006*

1—Amendment of section 66K—Change of name of registrable offender

The clause inserts a new subsection (2a) which provides that the Registrar must not register a change of name of a registrable offender unless he or she has received a copy of the Commissioner of Police's written permission for the change of name, and that the Registrar must notify the Commissioner of a change of name of a registrable offender.

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

LOBBYISTS BILL

Second Reading

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (18:10): I move:

That this bill be now read a second time.

I seek leave to have the second reading speech and explanation of clauses inserted into *Hansard* without my reading them.

Leave granted.

This Bill is part of a package of reforms to strengthen and improve the State's public integrity system. Another part of this package is the *Parliamentary Remuneration (Determination of Remuneration) Amendment Bill 2015* introduced today.

Lobbying is a legitimate part of the democratic process. There is an expectation that lobbying activities will be carried out transparently and with integrity.

The Bill imposes post-separation rules to restrict the lobbying activities of Ministers, Parliamentary Secretaries, ministerial staff and departmental executives after they leave office. Ministers receive a complete ban on professional lobbying activities for two years after the Minister leaves Ministerial office. Parliamentary Secretaries, ministerial staff and departmental executives are banned from professional lobbying activities for 12 months after leaving office in relation to all matters the individual had official dealings with.

The Bill also provides that a person who is a member of a government board is prohibited from engaging in professional lobbying during the term of their appointment to that board. At the commencement of this Act, a registered lobbyist who wishes to continue as a government board member must surrender his or her registration as a lobbyist. Conversely, if the person wishes to continue as a professional lobbyist, he or she must resign from that Government board.

The Bill will prohibit the giving and receiving of success fees and imposes strict requirements for registration as a lobbyist (including requirements for the lodging of annual returns). Apart from the penalties imposed in relation to success fees and the giving of false or misleading information, penalties are also imposed for engaging in lobbying except in accordance with the registration requirements.

The register will be managed by the Chief Executive, Department of Premier and Cabinet, who may, on his or her own initiative or on application by a registered person, exempt some or all of a person's details provided in an annual return, for example, where such disclosure might prejudice the commercial position of a person or confer a commercial advantage on a person.

The Bill imposes a tough but fair scheme on professional lobbyists. It provides clear rules of engagement between lobbyists and government officials consistent with community expectations, best practise and the Government's undertaking to improve and build on the State's public integrity system.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

These clauses are formal.

3—Interpretation

This clause sets out definitions of terms used in the Bill.

4—Meaning of lobbying

Subclause (1) sets out the meaning of lobbying (and in doing so defines the scope of the activities to be governed by the Bill). Under the Act, a person will be taken to engage in lobbying if the person, for money or other valuable consideration and whether as a principal or employee or agent of another, communicates with a public official on behalf of a third party for the purpose of influencing the outcome of—

- legislation, or a government decision or policy, whether existing or proposed; or
- an application for any approval, consent, licence, permit, exemption or other authorisation or entitlement under any Act or law of this State; or
- the awarding of a contract or grant or the allocation of funding; or
- any other exercise by the official of his or her functions or powers.

Subclause (2) sets out the circumstances in which a person will not be taken to engage in lobbying under the Act, namely—

- if the person holds office as a public official and communicates with the public official in the ordinary course of holding that office; or
- if the person is a legal practitioner (holding a current practising certificate under the *Legal Practitioners Act 1981*) and communicates with the public official in the ordinary course of that person's profession as a legal practitioner; or
- if the person is an accountant or financial adviser (holding qualifications of a kind prescribed by regulation) and acts in circumstances prescribed by regulation; or
- if the person belongs to a class prescribed by regulation and acts in circumstances prescribed by regulation.

Subclause (3) further qualifies subclause (1) by providing that a person will not be taken to communicate with a public official on behalf of a third party if the third party is a designated organisation and the person, being an employee of the organisation, communicates with the public official in the ordinary course of that employment.

Subclause (4) defines the term *designated organisation* (used in subclause (3)) as—

- an employer organisation, employee organisation, professional organisation or some other organisation established to represent the industrial or professional interests of its members; or

- an organisation established for a charitable, educational, benevolent, humanitarian, religious, recreational, sporting or philanthropic purpose; or
- an organisation, or an organisation of a kind, prescribed by regulation.

Part 2—Registration

5—Lobbyists to be registered

A person must not engage in lobbying except in accordance with a registration under the Act. The maximum penalties for the offence are $150,000 for a body corporate or $30,000 or imprisonment for 2 years for a natural person.

In addition to a penalty payable under subclause (1), the amount or value of any payment received by a person for lobbying in contravention of subclause (1) is forfeited to the Crown unless the court determines that the amount or value not be forfeited, or if it has been forfeited, that it be returned to a specified person.

6—Entitlement to be registered

A person is entitled to be registered if—

- the person is entitled to apply for registration under the Act (the Act prescribes circumstances in which a person is not entitled to apply for registration, for example, section 9(3) and section 13(1)(a)(ii) and (c)(ii); and
- in addition—
  - (i) in the case of a natural person, the person—
    - (a) has not been convicted of an indictable offence; or
    - (b) has not, during the period of 10 years preceding the application for registration, been convicted of a summary offence of dishonesty; or
  - (ii) in the case of a body corporate, no director of the body corporate—
    - (a) has been convicted of an indictable offence; or
    - (b) has, during the period of 10 years preceding the application for registration, been convicted of a summary offence of dishonesty.

7—Application for registration

This clause sets out the procedure for applying for registration and gives the Chief Executive the power to require further information in relation to an application. The Chief Executive must refuse an application for registration if satisfied that the applicant is not entitled to be registered under section 6, and may refuse an application if the person does not comply with a notice requesting further information in relation to the application. The Chief Executive must notify the person in writing of the refusal of the person's application.

8—Annual fee and return

This clause requires a registered person to pay an annual fee and lodge an annual return. The details that the annual return must contain are—

- the name of each person or body for or on behalf of whom the registered person has engaged in lobbying, or with whom the person has had an agreement to engage in lobbying;
- the name of each public official who was lobbied by the registered person;
- the subject matter of the lobbying engaged in;
- the name of any person employed by or otherwise engaged by the registered person to engage in lobbying (whether or not the person in fact engaged in lobbying);
- any other details prescribed by regulation.

The Chief Executive may require further information in relation to a return, and may require a person who has failed to pay the fee or lodge the return to do so, and in addition, to pay a penalty of an amount prescribed by regulation.

Subclause (3) clarifies that a registered person is not required to pay a fee and lodge a return if the person only engaged in lobbying as an employee of, or person otherwise engaged by, another registered person during the year to which the return relates.

9—Duration of registration and cancellation and surrender

A person's registration remains in force until it is cancelled or surrendered or the person dies or, in the case of a body corporate, is dissolved.

The Chief Executive must cancel a person's registration if satisfied that—

- events have occurred such that the person is no longer entitled to be registered; or
- the person was not, when first applying for registration, entitled to be registered.

The Chief Executive may cancel a person's registration if satisfied that—

- the person has failed to comply with a requirement under the Act; or
- the person has breached a condition of an exemption under section 12 or a condition of the person's registration under section 13.

A consequence of cancellation of a person's registration is that the person is disqualified from holding registration, and is not entitled to apply for registration, for 2 years.

10—Register of lobbyists

This clause requires the Chief Executive to keep a register of persons who engage in lobbying. The matters to be included on the register are:

- the name, including any business name or trading name, of the person;
- the business address of the person;
- the ABN of the person;
- the name of each owner of the person's business and any partners or major shareholders in the business;
- the name of each employee of, or person otherwise engaged by, the person and their positions in the business;
- any condition of registration applying in relation to the person under section 13;
- each return provided by the person under section 8(1);
- any details provided to the Chief Executive under section 11(1)(a) in relation to new lobbying agreements;
- any other details considered appropriate by the Chief Executive or prescribed by regulation.

The register is available for inspection by members of the public at a public office, or on a website, determined by the Chief Executive.

11—Notification of change of details

This clause requires a registered person, within the time specified in that provision, to notify the Chief Executive of—

(a) any new lobbying agreements (but note that this notification requirement does not apply if the person engages in lobbying under the agreement as an employee of, or person otherwise engaged by, another registered person); and

(b) any conviction of an offence disentitling the person to be registered under section 6; and

(c) any change in the person's registered details referred to in section 10(2)(a) to (f).

Failure to comply with this provision attracts a maximum penalty of $5,000.

12—Exclusion of information from register

This clause enables the following kinds of information, provided in an annual return or notified to the Chief Executive under section 11, to be excluded from publication on the register, as determined by the Chief Executive:

(a) personal information of a confidential nature;

(b) information that has a commercial or other value that would be, or could reasonably be expected to be, destroyed or diminished if the information were disclosed;

(c) information the disclosure of which would, or could reasonably be expected to, prejudice the commercial position of a person or confer a commercial advantage on a person;

(d) information the disclosure of which would be contrary to the public interest for any other reason; or

(e) information the disclosure of which would be inappropriate for any other reason.

However once the exemption expires or is revoked, the information will be published on the register.

Exempt information is not liable to disclosure under the *Freedom of Information Act 1991*.

Part 3—Restrictions on lobbying

13—Certain former or current public officials must not engage in lobbying

This clause places restrictions on lobbying carried out by certain former public officials and by members of government boards.

First, a person who, after the commencement of the provision, ceases to hold office as a Minister must not, during the period of 2 years after ceasing to hold office, engage in lobbying.

Secondly, a person who, after the commencement of the provision, ceases to hold office as a Parliamentary Secretary, a member of SAES, or person engaged as a member of a Minister's personal staff must not, during the period of 12 months after ceasing to hold office, engage in lobbying in respect of matters dealt with by the person in that office. Any registration held by the person during that period is subject to a condition that the person must not engage in lobbying in respect of matters dealt with by the person in that office.

Thirdly, a member of a government board must not engage in lobbying whilst holding that position.

If more than 1 restriction applies in relation to a person under this clause, all restrictions apply concurrently, with the most stringent prevailing in the event of any inconsistency.

14—Success fees prohibited

This clause prohibits a person from giving or receiving, or agreeing to give or receive, a success fee for carrying on the business of lobbying. A *success fee* is defined as an amount of money or other valuable consideration the receipt of which is contingent on the outcome of lobbying. The maximum penalties for the offence are $150,000 for a body corporate or $30,000 or imprisonment for 2 years for a natural person.

In addition to a penalty payable under subclause (1), the amount or value of a success fee received by a person for lobbying in contravention of subclause (1) is forfeited to the Crown unless the court determines that it not be forfeited, or if it has been forfeited, that it be returned to a specified person.

Part 4—Reviews

15—Reviews

This clause enables a person whose application for registration has been refused, or whose registration has been cancelled, to seek a review of the decision by SACAT.

The clause further sets out the procedural requirements for applying in relation to such a review.

Part 5—Miscellaneous

16—Delegation by Chief Executive

This clause sets out the Chief Executive's delegation powers under the Act.

17—False or misleading information

This clause prohibits a person making a statement that is false or misleading in a material particular (whether by reason of the inclusion or omission of any particular) in any information provided under the Act. The maximum penalty for the offence is $10,000.

18—Service of notice

This clause sets out the ways in which a notice or document is regarded as having been given or served under the Act.

19—Regulations

This clause sets out the regulation making powers.

Schedule 1—Transitional provisions

1—Success fees

This clause provides a transitional provision relating to success fees payable pursuant to agreements entered into before the commencement of clause 14.

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

PARLIAMENTARY REMUNERATION (DETERMINATION OF REMUNERATION) AMENDMENT BILL

Second Reading

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers) (18:11): I move:

That this bill be now read a second time.

I seek leave to have the second reading speech and explanation of clauses inserted into *Hansard* without my reading them.

Leave granted.

Currently, the remuneration payable to members of Parliament is determined under the *Parliamentary Remuneration Act 1990* (the Act) and comprises:

- the basic salary (equivalent to the basic annual salary of a Commonwealth member of Parliament minus $42,000)
- if the member holds an office listed in the Schedule to the Act, additional salary equal to the percentage of the basic salary attaching to that office as specified in the Schedule; and
- such allowances (including electoral allowances), expenses and benefits as are determined from time to time by the Remuneration Tribunal.

In addition to 'remuneration' within the meaning of the Act, members of Parliament receive a number of allowances, expenses and benefits (determined by Parliament or the Executive Government).

It is fair to say that the level remuneration payable to members of Parliament generates a degree of disquiet among voters. Members, even backbenchers, earn salaries well above the national average. We have access to generous travel entitlements and other benefits. Partly this disquiet stems from the way remuneration and other entitlements are determined. Although the Tribunal is responsible for determining some of the allowances, expenses and benefits, the public sees the current mechanism for determining the basic salary (and additional salary) as politicians setting our own pay.

Recent disclosure of the use of travel entitlements by some members of Parliament (both State and Federal) have, justifiably or not, fuelled public and media criticism of Parliamentary entitlements.

In response to this issue, His Excellency the Governor, in his speech to Parliament on 10 February this year, stated:

> '...But if my government legislates to guarantee the independence of our parliament, it must also do more to ensure that it attracts the best and brightest hearts and minds committed to public service.
>
> There is need to review the remuneration of members of parliament.
>
> Recompense should reflect the high demands and great responsibilities of office but it should also be transparent and independently determined.
>
> The Remuneration Tribunal will be asked to conduct a review of parliamentary remuneration.'

The *Parliamentary Remuneration (Determination of Remuneration) Amendment Bill 2015* (the Bill) amends the *Parliamentary Remuneration Act 1990* to give effect to this commitment. The main effect of the Bill is to confer new powers and functions on the Remuneration Tribunal and to change the way the 'basic salary' for members of Parliament is calculated.

New section 3B abolishes the following allowances, benefits and fees payable to members (and former members) of Parliament:

- the travel allowance;
- the metrocard special pass
- remuneration consisting of subsidised or free interstate rail travel (colloquially referred to as the 'Gold Pass')
- expense allowances of Ministers of the Crown as determined by the Tribunal
- expense allowances of certain officers of the Parliament as determined by the Tribunal, being:
  - the Speaker
  - the Chairman of Committees

- the Leader of the Opposition in the House of Assembly
- the President
- the Leader of the Opposition in the Legislative Council

In so far as it is relevant, former members of Parliament currently in receipt of benefits attaching to their former Parliamentary service will continue to be entitled to those benefits. The power of the Parliament or the Crown to provide allowances and other benefits that are in addition to a member's remuneration is not also affected.

The Bill confers new obligations, powers and functions on the Tribunal. This is to promote the transparency and independence and, as a result, integrity of the process.

New section 3A requires the Tribunal, in relation to an enquiry, determination or other function relating to the remuneration of members of Parliament, to endeavour to maximise the transparency of Parliamentary remuneration. The power of the Tribunal to determine difference allowances according to a particular member, their electorate, their House or other circumstances is retained.

New section 4AA requires the Tribunal to ascertain the full value of the travel allowance, metrocard special pass and remuneration amounts payable to members of Parliament in respect of subsidised or free interstate rail travel (colloquially referred to as the 'Gold Pass') that are abolished by new section 3B. The Tribunal is then required to determine an amount of remuneration that reasonably compensates members of Parliament for the abolition of each of those components.

New section 4AA also requires the Tribunal to determine an amount of remuneration to compensate members for the loss of payments for Parliamentary Committee work.

The amounts determined by the Tribunal in respect of each of these matters must be aggregated into a single amount representative of a common allowance to be payable to all members of Parliament. This amount cannot be more than $42,000, the current amount by which the Commonwealth basic salary exceeds the State basic salary. The components of this common allowance must be reviewed every 12 months.

New section 4AB provides that the basic salary is determined by deducting $42,000 from the Commonwealth basic salary and then adding an amount equivalent to the common allowance as determined by the Tribunal. In this way the Bill ensures the independent Tribunal has role in fixing the remuneration payable to members of Parliament but in a way that retains a nexus between the Commonwealth and State basic salaries.

The entitlement to additional salary for members of Parliament who hold an office specified in the Schedule (Premier, Deputy Premier, Speaker, President, ministers Leader and Deputy Leader of the Opposition etc.,) remains (with the exception of ordinary members of Parliamentary Committees). This is confirmed in new section 4AC. However, new section 4AC:

- adds Shadow Minister to the list of offices in the Schedule and provides that additional salary of 25% of the basic salary is payable to Shadow Ministers (up to the number of Ministers);
- empowers the Tribunal to determine that a member of Parliament holding an office other than those specified in the Schedule should be paid additional salary and determine that rate of additional salary;
- makes clear that a member holding more than one Scheduled office is only entitled to payment of additional salary in respect of one office.

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 *Parliamentary Remuneration Act 1990*

4—Amendment of section 3—Interpretation

This clause inserts into section 3 of the principal Act definitions used in provisions inserted by the measure.

5—Insertion of sections 3A and 3B

This clause inserts new sections 3A and 3B into the principal Act as follows:

3A—Determinations etc of Remuneration Tribunal

This section sets out provisions conferring jurisdiction, and making procedural provision, in respect of determinations etc made by the Remuneration Tribunal for the purposes of the Act.

3B—Abolition of certain remuneration

This section lists a number of allowances and other forms of remuneration that are, following the commencement of the measure, no longer payable to members.

However, the clause grandfathers certain benefits payable to former members of Parliament to whom they were payable immediately before the commencement of the provision.

6—Substitution of section 4

This clause substitutes new sections 4 to 4AC for current section 4 of the principal Act as follows:

4—Remuneration

This section sets out the components of the remuneration of members of Parliament.

4AA—Common allowance

This section creates a common allowance, effectively consisting of the remuneration that was payable in common to all members and replacing some of the allowances etc that are abolished in accordance with new section 3B.

The common allowance also contains a component replacing fees for all members of parliamentary committees, which will no longer attract additional salary.

4AB—Basic salary

This section provides that the basic salary of a member of Parliament is the basic salary payable to Commonwealth members less $42,000 plus the common allowance for the relevant year.

4AC—Additional salary

This section sets out when additional salary is payable to the office holders specified in the Schedule, and makes related procedural provision.

7—Substitution of Schedule

This clause substitutes a new Schedule for the existing Schedule of offices, consequent upon the abolition of fees for ordinary committee members. It also includes the office of Shadow Minister in the list of offices.

Schedule 1—Transitional provisions

1—Remuneration under *Parliamentary Remuneration Act 1990* to continue until determination of Remuneration Tribunal

This clause allows members to continue to be paid in accordance with the principal Act (as it was before this measure commenced) until any required determination of the Remuneration Tribunal has come into operation.

2—Certain annual travel allowance claims not payable

This clause limits members' ability to have future amounts of travel allowance brought forward in relation to claims and travel made on or after 1 September 2015.

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

At 18:12 the council adjourned until Tuesday 22 September 2015 at 14:15.

Answers to Questions

SKILLS FOR ALL

In reply to **the Hon. R.I. LUCAS** (3 June 2015).

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers): I have been advised—

The 86,561 figure cited by Mr Garrand on 2 May 2013 was based on NCVER data.

The pre-Skills for All figure that I have previously cited, of approximately 65,000 training places, is based on departmental data.

The figures are not directly comparable because they reference different measures and include different things such as funding source, different periods (calendar versus financial year) and different counts (students versus places).

The NCVER figures include all government (state and commonwealth) funded VET activity as well as TAFE fee for service activity.

In order to provide a clear indication of training under Skills for All and now WorkReady, the number of training places that the South Australia government subsidised through the training fund alone was estimated by the department.

I am advised that this figure consists of training places (rather than students) subsidised through funding streams previously associated with TAFE and User Choice training for apprentices and trainees.

I am advised that it does not include other training activity or employment programs beyond these sources. The 65,000 measure focusses on SA government training fund expenditure.

In 2015-16 the South Australian government will continue to fund around the same number of training places—approximately 81,000—as we did in 2014-15.

MINING EMPLOYMENT

In reply to **the Hon. S.G. WADE** (17 June 2015).

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers): I have been advised—

1. In August 2014 the government announced its 10 economic priorities, which included unlocking our resources, energy and renewables. A number of targets have been set to achieve this priority, including the creation of 5,000 additional mineral and energy resources jobs between 2013 and 2017.

2. This was derived from an aspirational target of increasing the value of production from $7.0 to $10.0 billion over this period, which was reflective of the resource potential of the state, as well as the resource projects underway or in the pipeline.

According to ABS data, since the base year of the target of 2013 there are 1,300 more people employed in the mining industry in South Australia.

MINING EMPLOYMENT

In reply to **the Hon. D.W. RIDGWAY (Leader of the Opposition)** (17 June 2015).

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers): I have been advised—

1. In August 2014 the government announced its 10 economic priorities, which included unlocking our resources, energy and renewables. A number of targets have been set to achieve this priority, including the creation of 5,000 additional mineral and energy resources jobs between 2013 and 2017.

2. This was derived from an aspirational target of increasing the value of production from $7.0 to $10.0 billion over this period, which was reflective of the resource potential of the state, as well as the resource projects underway or in the pipeline.

According to ABS data, since the base year of the target of 2013 there are 1,300 more people employed in the mining industry in South Australia.

CHINA TRADE

In reply to **the Hon. D.W. RIDGWAY (Leader of the Opposition)** (18 June 2015).

The Hon. G.E. GAGO (Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for the Status of Women, Minister for Business Services and Consumers): I am advised—

No consultants were engaged specifically to make arrangements for my mission, nor for the Premier, minister Bignell nor minister Hamilton-Smith.