LEGISLATIVE COUNCIL

Wednesday, 28 October 2015

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

Parliamentary Committees

LEGISLATIVE REVIEW COMMITTEE

The Hon. G.A. KANDELAARS (14:19): I bring up the 15th report of the committee.

Report received.

The Hon. G.A. KANDELAARS (14:19): I bring up the 16th report of the committee.

Report received and read.

Parliamentary Procedure

PAPERS

The following papers were laid on the table:

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

Reports, 2014-15—
Gawler Ranges National Park Advisory Committee
Nullabor Parks Advisory Committee

Question Time

REGIONAL DEVELOPMENT FUND

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:22): I seek leave to make a brief explanation before asking the Minister for Employment a question about jobs created by the Regional Development Fund.

Leave granted.

The Hon. D.W. RIDGWAY: When the Minister for Regional Development announced that $2 million of taxpayers' funds would be granted to Treasury Wines, the main selling point, so he said, was that it would create 30 new jobs. At the time it was unclear whether he meant 30 new jobs for Wolf Blass or a net increase of 30 jobs for South Australia. As members would know, Treasury, which owns a host of wine brands, actually closed the winery in McLaren Vale about a year ago, costing some 33 jobs.

Meanwhile, other Treasury brands, such as Wynns Coonawarra, have had a major reduction in wine production, with now the majority of grapes being shipped from the Coonawarra to the Barossa and other locations. I am not certain of the number of jobs that cost in the Coonawarra but, funnily enough, people have quoted a figure of around 30. The aim of the Regional Development Fund is to create new jobs and improve career opportunities. My questions to the minister are:

1. What was the minister's involvement, if any, in the decision to grant this money? Did minister Brock or the Premier consult you from a jobs or career opportunity perspective and, if so, what was your response?

2. Given the examples of Ryecroft Winery and Wynns Coonawarra, can the Minister for Employment explain whether the government's regional development grants to Treasury, or any other wine companies, has actually amounted to a net job increase?

3. Given that Wynns Coonawarra is reducing its processing from over 20,000 tonnes to 5,000 tonnes, with the balance being carted out of the Coonawarra region, does the subsidy to

Treasury, which amounts to some $66,000 per job, really only create extra unemployment pressure in the Coonawarra region?

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) (14:24): I thank the honourable member for his question. I first knew about this particular grant given to Treasury Wines the day I read about it in the newspaper, and I have to say that I was very surprised to read about it.

The grant fund that is involved in this program is the Regional Development Fund, and the Regional Development Fund is the responsibility of and is managed by minister Brock in another place, so I am happy to refer the relevant parts of that question to him. I do understand that he conducts a rigorous process from within his department. A panel of people are involved in a rigorous process of putting out and receiving these proposals and doing their due diligence on them and doing the assessments in terms of the integrity of the proposal and also the number of jobs potentially created by these projects. I am not consulted and, as I have said, I first knew about this when I read about it in the newspaper. I am happy to refer all relevant parts of this question to the responsible minister.

REGIONAL DEVELOPMENT FUND

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:26): I have a supplementary question. Why is the minister for jobs and employment not consulted when grants are made when the aim of the program is to create new jobs and improve career opportunities? What sort of Mickey Mouse government are you in?

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) (14:26): The strategic objective of creating new jobs is a priority shared right across government in all levels of activity. Every single minister strives within their portfolio to maximise opportunities, to create investment here in this state, to help drive and grow businesses and to grow jobs, and I have to say that minister Brock does an extremely good job with this with his Regional Development Fund.

I recall when I was minister for regional development that I was responsible for that fund back then. As I have said, I was familiar with the rigorous process undertaken by a panel of officers within that particular department and who undertake all of the due diligence needed and assess the applications for their ability to grow jobs. The responsibility for growing jobs in this state is the responsibility of every single minister, and should be of every member as well, and it is a major priority and it underpins all the work we do.

OFFICE UPGRADE, DEPARTMENT OF THE PREMIER AND CABINET

The Hon. R.I. LUCAS (14:28): I seek leave to make an explanation prior to directing a question to the minister representing the Premier on the subject of the Department of the Premier and Cabinet office upgrade.

Leave granted.

The Hon. R.I. LUCAS: Members would be aware of the controversial appointment made by Premier Weatherill of Mr Kym Winter-Dewhirst, a former Labor Party staffer, as the new Chief Executive Officer of the Department of the Premier and Cabinet. Some of the issues that attracted controversy, Mr President, as you would be aware, were that he was given a pay increase of $125,000 for his job and subsequently it was ascertained that that did not include the $35,000 motor vehicle lease and two weeks' extra paid professional development leave that had been offered in a side deal to Mr Winter-Dewhirst and not included in the contract of employment.

In recent months, there has been further controversy about expenditure on the renovations Mr Winter-Dewhirst and Premier Weatherill have ordered for the 16th floor of the State Admin Centre, the Department of the Premier and Cabinet building. This comes after the last three CEOs have all engaged in renovations of the same 16th floor: Mr Warren McCann spent $187,000 and Mr Chris Eccles spent $59,000 when he did not like the office layout for Mr McCann. When Mr Hallion arrived, he didn't like the office layout from Mr Eccles and Mr McCann, so he spent $157,000, and

when Mr Winter-Dewhirst arrived he didn't like the office layout of Mr Hallion, Mr Eccles or Mr McCann and he said he was spending $500,000 on a renovation of the 16th floor of the State Admin Building.

Government insiders have indicated that that particular budget has blown out. Certainly information provided to the opposition indicates that, at least on one estimate from a source within the Department of Planning, Transport and Infrastructure, that estimate is now somewhere between $600,000 and $800,000.

In addition to that there has been concern expressed by government insiders about a new policy that Mr Winter-Dewhirst has implemented where he has, according to this particular source, banned staff on the 16th floor from having a tissue box on their desk or a bin, in which they can throw rubbish, at their particular desks. He is requiring on the 16th floor—one would assume supported by Premier Weatherill—that there will be one wellness station for all the 100 staff on the floor and that each time a staff member needs to blow his or her nose they are to go to the tissue box at the wellness station and deposit the tissue in the bin at the wellness station.

Staff who have contacted the opposition indicate that those who suffer from hay fever at this particular time of the year or who have a runny nose due to a cold are expressing significant concern at the prospect of the new policy. My questions to the Premier are:

1. Has the cost of the renovation of the 16th floor of the State Admin Building blown out above the claimed $500,000 total cost and, if so, what is the latest estimate of that blowout and the total cost of the renovation?

2. Is it correct that staff on the 16th floor have been told that they are not allowed to have tissues or bins at their desks and that if they require the use of a tissue they have to go to the single wellness station on the 16th floor?

3. Given that Mr Winter-Dewhirst has said that this renovation on the 16th floor is to be the model for renovation upgrades for the whole building, is it also the CEO's and the Premier's intention that this particular policy and flow-on costs are to be rolled out to all other floors in the building?

Members interjecting:

The PRESIDENT: Order! Minister.

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) (14:32): I thank the member for his very strange question, indeed, his very creative question. We see the Hon. Rob Lucas coming to this place time and time again making up very creative statements. We know how creative he can be and I have no doubt he is being very creative again here today. I will pass those very creative questions on to the Premier in another place and bring back a response.

Members interjecting:

The PRESIDENT: Order! Mr McLachlan has the floor.

APPRENTICES AND TRAINEES

The Hon. A.L. McLACHLAN (14:33): Thank you, Mr President. My question is to the Minister for Employment, Higher Education—

Members interjecting:

The PRESIDENT: The Hon. Mr Ridgway, your own member is on his feet to talk so I think you should show him at least some respect and let him speak and ask the question in silence.

The Hon. K.J. Maher interjecting:

The PRESIDENT: The Hon. Mr Maher, you can be quiet as well. The Hon. Mr McLachlan.

The Hon. A.L. McLACHLAN: I am ready now, Mr President. My question is to the Minister for Employment, Higher Education and Skills. Why has the government not committed to reinstate

the payroll tax exemption for apprenticeships and trainee positions despite the National Centre for Vocational Education Research and Business South Australia publishing data that establishes a clear link between the abolition of the exemption in 2012-13 and the sharp decline in apprenticeship and trainee numbers in South Australia?

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) (14:34): I thank the honourable member for his most important question. Indeed, this is a government that has been prepared to take on the issue of tax reform.

We have seen Premier Weatherill, at the last budget round, announce that we would look at a range of new tax reforms. We have seen this government be prepared to work with businesses to reduce imposts wherever we can through tax reform and red tape reduction. We have seen a premier who has been very willing to do that, and we will continue to consider ways that we can work with business.

In relation to the support for apprenticeships and traineeships, I am very pleased that under WorkReady we are able to continue to subsidise apprenticeships and trades. I think there are 53 that are on our recognised trades subsidised list. It is 53 or 57, something like that. They continue to be subsidised and, what is more, they continue to be demand driven. There are no caps in place, so we will continue to subsidise as many as can be enrolled.

We know one of the things that had a considerable impact on the apprenticeship and traineeship participation rates was, in fact, a federal government subsidy to apprenticeships. I cannot recall the name of the particular subsidy, but the federal government stopped that a couple of years ago and it has had, from talking with the industry, a significant impact. I think it was given to employers at the successful completion of an apprenticeship. It was a large amount of money that the federal Liberal government ripped out of the system. I wonder if the Hon. Andrew McLachlan has contacted his federal colleagues and asked them to reinstate that particular subsidy to our apprentices.

The federal Liberal government also ripped out the heart of the tool allowance, a very important contribution to apprentices. They removed the tool allowance and said that apprentices could take out a loan. I recall running into an apprentice and he said to me, 'What am I to do? I've already got a loan. I've got a loan on my car because I need a car to be able to work. I've already got a loan and now the federal Liberal government wants me to take out another loan to be able to buy the tools that I need.' So, again, I wonder if the Hon. Andrew McLachlan has written or spoken to his federal counterparts, his Liberal mates, and requested the reinstatement of the apprenticeship tool allowance.

APPRENTICES AND TRAINEES

The Hon. K.L. VINCENT (14:38): Supplementary: can the minister advise how many trainees and/or apprentices in South Australia have a disability, and how that number compares with the number of apprentices from other backgrounds that may be disadvantaged in employment, such as young people or Aboriginal people?

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) (14:38): I do not think that is relevant to the question or the answer, but—

The Hon. J.S.L. Dawkins: It's not for you to rule that.

The PRESIDENT: Order!

The Hon. G.E. GAGO: That is because I did not rule anything. I said 'I think', so I have not ruled anything, sir, as you would well know.

Members interjecting:

The PRESIDENT: Order! I will make the decision. I do not need any assistance from anyone in this chamber. The minister made a comment. I just sat and looked at her and I was waiting for her to answer the question.

The Hon. G.E. GAGO: Exactly, sir, as I am willing to do.

The PRESIDENT: What is the problem? What is your problem?

The Hon. G.E. GAGO: But, as I indicated, I do not believe the Hon. Kelly Vincent's question is relevant to the original question or my answer. Nevertheless, I am still pleased to take the question. I do not have those figures with me. I do not have that level of detail on me. I doubt that that information is available. If it is, I am happy to bring it back.

FORCED MARRIAGE

The Hon. T.T. NGO (14:39): I seek leave to make a brief explanation before asking the Minister for the Status of Women—

Members interjecting:

The PRESIDENT: Order! The Hon. Mr Ngo has the floor.

The Hon. T.T. NGO: —asking the Minister for the Status of Women a question about forced marriage.

Leave granted.

The Hon. T.T. NGO: We know that forced marriage and honour-based violence prevent women and girls having access to education, seeking employment and having control over their own destiny. My question to the minister is: could the minister tell the chamber about the recent workshop, co-hosted by the Office for Women, which featured Ms Jasvinder Sanghera?

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) (14:40): I thank the honourable member for his important question. This week, in conjunction with Multicultural SA, the Multicultural Communities Council SA and #SpeakUp, the Office for Women hosted a workshop with Ms Jasvinder Sanghera.

As Minister for the Status of Women here in South Australia, I am very pleased to lend my support to Ms Sanghera and the remarkable work that she is engaged in. Ms Sanghera is a passionate advocate, author and orator on honour-based violence and forced marriages. She has published three books detailing her life's experiences and assisted in the creation of the film *Honour Diaries*. She has been recognised through multiple awards and speaks from experience about the concept of honour and the courage required to challenge and redefine cultural norms.

Listening to Ms Sanghera's story, you can only feel heartbreak for what she herself has endured and also be extremely impressed by what she has achieved despite this. Ms Sanghera refused to abide by her family's cultural practice of forced marriage and, as a result, has been disowned by them since she was 16 years old. She now has a family of her own, and her own children remain disconnected from and disowned by her grandparents as well.

Despite having no contact with her family to this day, Ms Sanghera also endured knowing that her sister, also forced into an arranged marriage, committed suicide by setting herself alight because of her very unhappy marriage situation. Ms Sanghera's family saw this as a preferable outcome (seeing their daughter ignite herself) to the disgrace that a divorce would have caused them. It is hard to believe, isn't it, sir?

In this space, Ms Sanghera seeks to raise public awareness on the issues of forced marriage and honour-based violence. She speaks with the authority and courage that come from direct personal experience. She does so in the hope that those affected by these damaging practices can find peace and enlightenment—or Karma Nirvana, being the name of the UK-based charity founded in 1993 by Ms Sanghera, of which she is chief executive.

Ms Sanghera was also involved in lobbying for legislative change in the UK. She was born and bred in the UK and educated there, so it is not like this happened to her while she was living in a little village somewhere. She was living in the UK in the school system and under the protection of those laws, yet still had a shocking experience. This legislative change led to the Forced Marriage (Civil Protection) Act of 2007 and led to a campaign for the introduction of The Day of Memory for

Britain's Lost Women, which takes place annually on 14 July as a day when we remember those women killed as a result of honour-based violence and abuse.

In Australia, we take forced marriage and honour-based violence seriously. Under the commonwealth Criminal Code Act 1995, forced marriage is recognised as a serious form of exploitation and a crime. Specific legislation preventing forced marriage was passed in February 2013 and includes a spectrum of slavery, servile marriage and related offences. I am advised that in 2013 the Australian Federal Police received 70 new referrals relating to human trafficking and slavery matters, taking the total to 469 since 2004. Almost 43 per cent of these investigations related to sexual exploitation, 35 per cent to other forms of labour exploitation, and 17 per cent related to forced marriage. So it is occurring here in this country, even under the protections of the laws of the land here.

I would also like to thank hosts Multicultural SA and the Multicultural Communities Council of SA for supporting the workshop. I also want to acknowledge the emergence of #SpeakUp, a new South Australian activist organisation inspired initially by Ms Sanghera's powerful writings. Not only have they organised to bring Ms Sanghera to Adelaide, they have also supported her in speaking events in Melbourne and Sydney. It is wonderful to see passionate support for these kinds of speakers and causes at the local level.

CYCLING REGULATIONS

The Hon. K.L. VINCENT (14:45): I seek leave to make a brief explanation before asking the relevant minister questions regarding South Australia's new cycling regulations.

Leave granted.

The Hon. K.L. VINCENT: Dignity for Disability is broadly supportive of new measures to keep cyclists safer; however, we do have some concerns about how the new changes might affect people with disabilities, in particular. I recently had a very productive round table on the regulations, which was attended by representatives of the Blind Citizens Council, Guide Dogs SA representing people with both sight and hearing related disabilities, and a few individuals. There were also representatives from the office of the Minister for Transport and the Department of Planning, Transport and Infrastructure.

The people present at the round table were concerned about how allowing additional categories of people to cycle on footpaths might affect those pedestrians who will not necessarily be able to see or hear cyclists approaching them, and it was agreed that there will be a need for more awareness for both cyclists and pedestrians about their rights and responsibilities and about how to be responsive to each other's needs. We believe such a campaign is not only necessary for the safety of people with disabilities but also takes into account the fact that many pedestrians walking along footpaths may be distracted by headphones, mobile phones or other devices. So there is a need not to assume that everyone will see or hear a cyclist approaching.

We are aware, of course, that pedestrians always have right of way, but we are also concerned that some cyclists have behaved, and might continue to behave, selfishly on footpaths and shared pathways. I have also heard from wheelchair users who believe that it is unfair that people using powered mobility aids, such as electric wheelchairs and gophers, are restricted under law to travelling on footpaths at a maximum speed of 10 km/h while there is no current speed restriction on cyclists. My questions to the minister are:

1. Will the government run an awareness campaign across various media about the fact that not everyone will be able to see or hear a cyclist approaching along a footpath and therefore that there is a need for both cyclists and pedestrians to exercise caution?

2. Will the government ensure that the current education campaign, and any future campaigns, include measures to make them accessible, including audio descriptions for people who are blind or vision impaired and Auslan interpretation and captioning for people who are deaf or hard of hearing, since people with sensory impairments are particularly concerned?

3. Will the minister research the idea of imposing a speed limit on cyclists travelling on footpaths, as already exists for people using powered mobility aids?

4. In the states and territories—Queensland, Tasmania, the ACT and the Northern Territory—where cycling on footpaths for all people has been permitted for some years, are there higher rates of police complaints, injuries and deaths of pedestrians?

5. What government-funded programs are currently in place to ensure that people with disabilities can ride bikes for both recreation and fitness, particularly people with mobility disabilities, vision impairment, blindness or intellectual disability, given the barriers to participation that these groups can face?

6. In South Australia how many pedestrians have been catastrophically injured or killed by cyclists on footpaths, shared pathways or roads in the past 50 years?

7. In South Australia how many pedestrians have been catastrophically injured or killed by vehicles on footpaths, shared pathways or roads in the past 50 years?

8. In South Australia how many powered or manual wheelchair users or gopher users have been catastrophically injured or killed by cyclists on footpaths, shared pathways or roads in the past 50 years?

9. In South Australia how many powered or manual wheelchair users or gopher users have been catastrophically injured or killed by vehicles on footpaths, shared pathways or roads in that same time period?

10. In South Australia how many cyclists, in comparison, have been catastrophically injured or killed by vehicles on footpaths, shared pathways or roads in the past 50 years?

The Hon. K.J. MAHER (Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Aboriginal Affairs and Reconciliation) (14:49): I will take those questions to the Minister for Transport in another place and bring back a reply. I know that the Minister for Transport, as many ministers do, appreciates your raising these issues and this week he was specifically talking about the constructive way you have raised many of these issues already with him. I am sure he will provide a reply as soon as he can.

ENVIRONMENT, WATER AND NATURAL RESOURCES DEPARTMENT FIRE MANAGEMENT

The Hon. J.S.L. DAWKINS (14:50): I seek leave to make a brief explanation before asking the Minister for Sustainability, Environment and Conservation questions about controlled burns conducted by the Department of Environment, Water and Natural Resources.

Leave granted.

The Hon. J.S.L. DAWKINS: On Sunday 18 October this year, DEWNR conducted a controlled burn in the Warren Conservation Park between Williamstown and the SA Water land surrounding the Warren Reservoir. The local weather on the day of the controlled burn was 25.1°Celsius maximum, with only 0.2 millimetres of rain for the whole day. The forecast temperature for Monday 19 October was 34°Celsius. Concerned residents saw the fire late on that Sunday afternoon and called 000. They were advised by the operator that DEWNR was conducting a controlled burn. However, the residents were unable to find advice of this on the CFS web page.

Upon further investigation, the reason for this burn was not listed on the CFS website. The residents were advised that the CFS was not informed by DEWNR that it was taking place. As the so-called controlled burn progressed overnight, the fire subsequently required volunteer firefighters from the Williamstown CFS to assist DEWNR firefighters in controlling the burn on 19 October in hot temperatures. My questions are:

1. What was the specific purpose of the controlled burn on that day and the reasoning for the timing selected, and what planning did DEWNR conduct prior to engaging in the burn, particularly relating to the forecast of hot weather for the following day?

2. Why was the CFS not advised of the controlled burn?

3. At what stage on Monday 19 October did DEWNR take the decision to call out local CFS volunteers?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:52):] I thank the honourable member for his most important questions, although I do have a different version of events surrounding that prescribed burn which I will come to shortly. By way of background, DEWNR (Department of Environment, Water and Natural Resources) is responsible for fire management activities on public land that is under my care and control which is aimed at mitigation and the impact of bushfires. These lands, in total, cover about 23 per cent of the state. DEWNR also plays a major role, as I have indicated before in this chamber, in supporting the South Australian Country Fire Service in response to bushfire emergencies right across the state.

The key component of DEWNR's fire management activities is the delivery of an annual rolling program to prescribed burning. This prescribed burning program aims to reduce fuels in strategic locations on public lands in an attempt to reduce the impact of bushfires on life, property and the environment. The importance of prescribed burns was reinforced in January of this year during the Sampson Flat bushfire. I think I might have alluded to that in this place previously as well.

I have been advised that analysis and fire intensity mapping on both the 2014 Bangor and the 2015 Sampson Flat fires demonstrated that prescribed burns played a pivotal role in modifying bushfire behaviour and the subsequent spread of the fire. These fuel-reduced areas provide buffers for firefighters who are then able to gain tactical advantages during bushfire events, whilst also providing refuge for wildlife during and in the period of recovery after a bushfire. I have mentioned before DEWNR's brigade; I will not cover that in any great detail right now.

In terms of prescribed burns, they are done in a very considered manner. They are done based on a very prescribed amount of forward planning, and the program has changed quite significantly over the last decade or so. DEWNR has developed comprehensive fire management plans for public lands. These plans are risk based and provide the strategic direction to mitigate the risk that bushfire poses to life, property and the environment.

There are 15 fire management plans and one fire management strategy that has been released right across the state, covering approximately 52 per cent of parks and reserves managed by DEWNR—that is about 186 parks and reserves. The South Para fire management plan developed by three land management agencies (DEWNR, ForestrySA and SA Water together with the CFS) was scheduled to be released this year, but much of that planning was impacted by the Sampson Flat bushfire and the release of that plan has been delayed somewhat; we are now doing a review of the plan before a decision on how to proceed is reached.

A further two fire management plans are currently being developed. These plans will cover the northern Flinders Ranges and the Dudley Peninsula on Kangaroo Island. We are progressively working our way through our landholdings. Obviously, we are starting with the riskiest areas and working down the list.

Since 2002, the fire management operating budget has increased. I think it is just over $10 million in recent times, compared to about $400,000 in 2002, when this government came into office. Increased funding provided by this government has enabled the department to recruit and train staff in specialist fire management skills and to purchase and develop equipment, which includes the use of aircraft for undertaking prescribed burning and fuel reduction programs in high risk areas.

Since 2003, there has been a consistent increase in commitment by this government towards reducing the risks that bushfires pose to the lives and property of the people of our state. The number of brigade members in the DEWNR brigade has increased year by year, from about 300 in 2003-04 to more than 540 currently. The number of firefighting appliances and support vehicles, such as large trucks, small fire units, bulk water carriers, command vehicles, logistics vehicles and others used for different fire ground roles has increased to 115 in 2015, and DEWNR's budget for the training of firefighters has more than doubled, from $92,000 in 2003-04 to $241,000 in 2015-16.

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

The Hon. I.K. HUNTER: The honourable member is rather agitated about the response, but it is important to put on the record the complexity around firefighting and mitigation of fires in this state. It is easy for members of the Liberal opposition to come in here and make outrageous claims

based on the flimsiest of information, pretending that there is some outrage that needs to be addressed. They have no comprehension of the amount of planning that is undertaken in preparing for the fire season.

They have no understanding whatsoever of what the department goes through in terms of consultation, in terms of planning, in terms of a delivery of a prescribed burn in spring and in autumn. They have no conception, and they are not even interested—not interested. All they are interested in is a quick headline to the flimsiest of claims, and at any stage when a minister tries to give them some serious background information they fob us off, because they are just not interested.

Nonetheless, I will persevere, because I am sure other members of the chamber are interested. DEWNR's budget for conducting prescribed burning has more than quadrupled, increasing from $120,000 in 2003-04 to over $683,000 in 2015-16. I am not trying to be political about this: I am not trying to point out the fact that the former Liberal government had absolutely no emphasis whatsoever compared to current times in terms of mitigation practices.

The Hon. J.S.L. Dawkins: How many fires have you ever fought?

The Hon. I.K. HUNTER: None at all, because I am not qualified to do so, but we have staff who are and we have more than doubled them, and we have more than quadrupled the investment in conducting prescribed burning.

The Hon. G.E. Gago interjecting:

The Hon. I.K. HUNTER: As my leader says, she is very disappointed in me because I haven't conducted brain surgery either. Once again, I hasten to say, I am not qualified to do so, but I am sure there are people we can go to for the honourable member's answer to this question, whether it be a brain surgeon or not. I am not sure that that would assist him in any case in listening to my answer patiently and with a degree of humility. As I said, DEWNR's budget for conducting prescribed burning has more than quadrupled, increasing from $127,000 in 2003-04 to over $683,000 in 2015-16.

Members interjecting:

The PRESIDENT: Order!

The Hon. I.K. HUNTER: Mr President, I could go on. DEWNR's budget for employing seasonal staff—

The Hon. J.S.L. Dawkins: I hope we'll be able to hear when he gets to the Warren, eventually.

The PRESIDENT: If you would all be quiet, you might be able to hear it if he gets to the Warren.

The Hon. I.K. HUNTER: Thank you, Mr President, I will go on. DEWNR's budget for employing seasonal staff for the peak summer fire period has increased from $800,000 in 2003-04 to over $2.3 million in 2015-16. DEWNR's budget for community education engagement around fire management prescribed burning has increased from $10,000 in 2003 to over $112,000 in 2015-16.

Since 2004 DEWNR has conducted 620 prescribed burns on DEWNR-managed land, treating more than 70,000 hectares of public land. More than 260 of these have been in the Mount Lofty Ranges, reducing bushfire fuel loads across more than 4,000 hectares of high-risk public land under our care and control. So, the government is committed to protecting our communities and reducing the risk of bushfire to lives and property, and the facts back this up, as I have just indicated.

As I said at the beginning, DEWNR only conducts prescribed burns when they deem it safe to do so. They take into consideration weather conditions, Bureau of Meteorology projections, fuel load calculations from the history of past burns and also on-site inspections. They take all of these things into consideration when making a determination and only proceed with prescribed burns when they feel it is safe and appropriate to do so.

In relation to the Warren, I understand that that prescribed burn was due to happen I think on the Friday before country cabinet in the Barossa. As was relayed to me by staff, because of course

we could see the smoke on the skyline coming over the ridge, the temperature or the conditions over the weekend were not so conducive to burning; in fact, they dampened down the burn, and in consultation with the CFS they said that the best proposition for them was to continue the burn into the Monday and Tuesday.

As far as I am aware, that was the advice I had at hand on the Monday of country cabinet. I have not had an update since then, if the honourable member would like to pursue those questions. But I have to remind him: do not come to this chamber with flimsy accusations based on absolutely no evidence. If he wanted to ask me a question about this, he could have picked up the phone; I could have called the department and got back to him straight away. Instead he would rather come in here grandstanding, saying that he has information that will embarrass the government incredibly: my advice is that that is not the case.

ENVIRONMENT, WATER AND NATURAL RESOURCES DEPARTMENT FIRE MANAGEMENT

The Hon. J.S.L. DAWKINS (15:02): By way of supplementary question, given that the prescribed burn was conducted in heavily wooded country, why wasn't the CFS informed? Why wasn't it on the CFS website if the minister says that the CFS had provided advice? I find that hard to believe.

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (15:02): I do not accept any of the allegations the honourable member is making in his question. I am not even sure that they are true at all. They are of course things that I will take back and ask questions about of my agency, but I do not accept for a moment that those assertions are based on any fact whatsoever.

CALIFORNIAN WATER DELEGATION

The Hon. G.A. KANDELAARS (15:02): My question is to the Minister for Water and the River Murray. Will the minister inform the house about the recent visiting delegation from California and the importance of such collaborative initiatives for the South Australian water industry?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (15:03): I thank the honourable member for his incredibly factual and important question. South Australia has become a national, indeed international, leader in managing water for the environment, for irrigation, for urban water security, for integrated natural resources management and of course water planning, as the Hon. David Ridgway noted yesterday in his question to me.

Our Water for Good plan has received considerable recognition and attention internationally as a highly innovative policy for water security, and most recently, on 20 October, South Australia hosted a delegation of around 40 legislators and senior water executives from California. They came to South Australia to learn about our internationally recognised expertise in water management and reform.

Of course, members will understand that California has experienced one of the most severe droughts on record in that state, and the delegation members were particularly interested in learning about how we responded to our recent millennium drought. The delegation was provided a detailed presentation on key aspects of the state's water management framework. In particular, they learned about how mechanisms like the Murray-Darling Basin Agreement, the basin plan, water trading and water allocation planning provided opportunity to respond to drought situations, as well as providing ongoing water security.

I might sidetrack here, when I am talking about the Murray-Darling Basin plan and agreement, and offer up my heartiest congratulations to Senator Anne Ruston. I understand that she was delivered her letter of commission last night from the Prime Minister, which gave her portfolio responsibilities as Assistant Minister for the Murray-Darling Basin Plan and its implementation. I warmly welcome that appointment and that application of portfolio responsibilities. I think that she will bring to that portfolio and her work great knowledge of the river system, excellent knowledge of the South Australian experience of the Murray-Darling Basin negotiations and discussions. I look forward to working with her very closely, as I did with the previous holders of that area of expertise.

Some were, I think, parliamentary secretaries, such as the Hon. Simon Birmingham and the Hon. Bob—

An honourable member: Baldwin.

The Hon. I.K. HUNTER: Baldwin; that's right—who all had an excellent grasp of the issues around the river. I understand that Senator Ruston—

The Hon. D.W. Ridgway interjecting:

The Hon. I.K. HUNTER: Well, they might not have said it to you, the Hon. Mr Ridgway, because they needed to cover their tracks but, of course, we got on famously. When it came to issues of South Australia and the river, we all understood, very importantly, the South Australian perspective and could take that to the federal level. Again, I congratulate the senator on her appointment and her letter of appointment and portfolio responsibilities.

The California delegation learnt about the processes used to construct the Adelaide Desalination Plant within an accelerated time line, providing key decision-makers with lessons that can be directly applied to future infrastructure development in California. Site visits were undertaken to the Willunga Basin re-use scheme, and the Adelaide Airport and the Oaklands Park stormwater harvesting schemes.

The delegation was shown how these projects created innovative ways to use alternative water sources for commercial applications, water the green spaces that we all love, and support the irrigation sector, reducing the use of drinking water supplies for such demands. I understand that the group were very impressed by what the state had achieved, not only in responding to the most recent drought but also over many decades of water policy reform. Once again, this highlights South Australia's world-leading capability in water, which is something we can all be very proud of.

The California delegation also adds to a strong list of international initiatives that are promoting South Australia water expertise around the world. For example, a South Australian contingent participated in the Australia Business Week in India and India Water Week during January of this year, forging very close relationships and contacts. Earlier this year, Adelaide hosted the OzWater15 Conference, showcasing the breadth and strength of South Australia's water industry to almost 1,000 national and international delegates.

The Adelaide-based International Centre of Excellence in Water Resources Management (ICE WaRM) has developed a highly successful program of international exchanges and visits. It has also established formal partnerships with more than 40 water management and related institutions internationally. In April 2013, the state government entered into a grant agreement with ICE WaRM to enable the research centre to work with AusAID to promote our water management expertise in developing countries.

The future looks very bright indeed for the continued strengthening and expanding of these important relationships and exchanges across this industry. This will grow our industry's expertise locally, help countries in our region and beyond, and foster important national and international collaboration and, potentially, employment opportunities when our private sector industries can export their know-how overseas.

COUNTRY SHOWS FUNDING

The Hon. R.L. BROKENSHIRE (15:08): I seek leave to make a brief explanation before asking the minister representing the Minister for Agriculture, Food and Fisheries questions about funding for country shows.

Leave granted.

The Hon. R.L. BROKENSHIRE: In September, it was revealed that this government had decided to cut important funding from country shows, funding through PIRSA worth $40,000. Anyone who has lived in a country town or a regional area would understand that the yearly show is part of the fabric of rural Australia, that the local show underpins the culture of our country communities. This penny-pinching move will affect more than 50 country shows across this state. A number of show societies have already reported that they will be forced to push up the entry fee by around

50 per cent in an effort to try to save their local show. Smaller shows, such as the Bordertown Spring Festival, are already struggling to survive and simply cannot afford to lose those subsidies. My questions to the minister are:

1. Is it true that country show funding has been cut each year over the past couple of years in the lead-up to the government's announcement in September that it intended to end funding altogether?

2. Can the minister tell us how much funding was allocated to country shows in the years 2013, 2014 and 2015?

3. Will this government show some compassion and consideration for rural South Australians by putting this money back on the table?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (15:09): I thank the honourable member for his most excellent questions. I should just highlight to the Hon. Mr Dawkins that that is how you ask a question in this place: you don't assume that assertions that have been handed to you are true or not; you ask a question in this place, asking for information to confirm whether your assertions are true or not. You don't make incredibly ludicrous statements in this place and expect to be taken seriously. The Hon. Mr Brokenshire, by contrast, comes in here and is respectfully asking for information, and that's exactly how it should be done. I will, therefore, take the honourable member's most important question to the Minister for Agriculture, Food and Fisheries in the other place and seek a response on his behalf.

ABORIGINAL HEALTH

The Hon. S.G. WADE (15:10): I seek leave to make a brief explanation before asking a question of the Minister for Aboriginal Affairs and Reconciliation.

Leave granted.

The Hon. S.G. WADE: Can the minister advise what action he has taken in response to the serious adverse findings that the Office of the Registrar of Aboriginal and Torres Strait Islander Corporations has made in relation to the Umoona Tjutagku Health Service in Coober Pedy?

The Hon. K.J. MAHER (Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Aboriginal Affairs and Reconciliation) (15:11): I thank the honourable member for his question. I know there have been concerns about governance to do with a range of issues in the Coober Pedy area with the Aboriginal community in particular in relation to the health service. I don't have any information on the specific matter that he raises but I'm more than happy to take that question on notice and bring back a prompt reply.

DEFENCE INDUSTRY

The Hon. G.A. KANDELAARS (15:11): My question is to the Minister for Manufacturing and Innovation. Minister, are you aware of any Liberals in this place or elsewhere standing up for the defence manufacturing industry in South Australia?

The Hon. K.J. MAHER (Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Aboriginal Affairs and Reconciliation) (15:11): I thank the honourable member for his very important question. Here is another fine example of a good way to ask a question. There can be only one, and there is only one in South Australia standing up for defence manufacturing here—just one.

Members interjecting:

The PRESIDENT: Order!

The Hon. K.J. MAHER: The only Liberal—

The Hon. D.W. Ridgway interjecting:

The PRESIDENT: Order! Sit down for one minute. It is totally inappropriate, particularly for the Leader of the Opposition, to behave in such a way. Just behave yourself. We want to hear, and I am very interested in hearing, the answer from the Hon. Mr Maher.

The Hon. K.J. MAHER: Thank you, Mr President. Notwithstanding the lack of leadership that is being shown on the front bench we see the Hon. Andrew McLachlan showing quiet, determined leadership on the back bench, however, when questions are being asked. There is one Liberal standing up for defence manufacturing in South Australia, the Independent Liberal member for Waite, my friend, minister Martin Hamilton-Smith. He, along with our Premier and our state government, has been ferocious—

Members interjecting:

The Hon. K.J. MAHER: We keep having interjections. The opposition members might have a cup of tea and good lie down. I know they don't like it but I'm going to tell them about what has been happening. The member for Waite, minister Martin Hamilton-Smith and the Premier and this state government have been ferocious in holding the federal government to account over their promises.

Members interjecting:

The Hon. K.J. MAHER: The members want to know some of the things that the Minister for Defence Industries has been doing. I will tell them some of the things that he has been doing. He has been forcing the federal government to ensure that there is a fairer and more transparent decision on the design and build of our future submarines. He has been forcing the federal government along with state government to do that. He has been advocating on behalf of South Australian defence industries and campaigning for a greater Australian industry content.

Members interjecting:

The Hon. K.J. MAHER: They continue to interject, Mr President. Minister Hamilton-Smith was a Liberal leader who actually had ideas. He did things. He was the only one we ever feared; not like what we've had since and before—he was the only one we ever feared. He put up policies when he was opposition leader; not like the current opposition leader who went on radio I think yesterday and admitted it and let the cat out of the bag: 'It's not our job to have policies and we're not going to have any.' The current opposition leader said that on radio this week.

But I digress. He let the cat out of the bag. He thought he would go up to another election and nobody would notice not having any policies. The Minister for Defence Industries has initiated a defence industry summit in South Australia at Parliament House regarding ship and submarine building. He is representing South Australia at federal parliamentary inquiries into shipbuilding in Australia. He was holding the former minister, minister Johnston, to account with the 'canoegate' scandal. That was such a massive swipe at South Australia. I know that was at the height when the Hon. Rob Lucas was the campaign manager for the failed Fisher campaign. The failed former treasurer is a failed campaign manager for Fisher, who certainly would not have appreciated the 'canoegate' scandal.

The minister has attended many major defence industry events in South Australia and interstate advocating for South Australia's industries. He has ensured the Defence Teaming Centre has received the funding and ability, as promised, to continue to represent its members. He has met with many primary contractors and many small defence companies in South Australia. He has attended Australian Strategic Policy Institute conferences in Canberra where he has met with the chiefs of the Australian Defence Force. He has been working with Defence SA's advisory board and Sir Angus Houston to represent the South Australian defence industry overseas and interstate. He has had South Australia's bid selected to host Land Forces 2016. This is Australia's premier land defence exhibition and leading defence forum for Australia and the Asia-Pacific region.

The Minister for Defence Industries, my very good friend Mr Hamilton-Smith, has visited many countries. He has particularly visited all three of the bidders for the future submarines project—France and Germany, and last week the minister visited Japan to meet with the Vice Ministry of Defence and the Ministry for the Economy, Trade and Industry and visited shipyards where they have had experience in building submarines.

Because he has done so much, minister Mr Hamilton-Smith is greatly respected throughout the defence manufacturing industries. He is doing hugely important work with the Premier and with this government. With the Premier and this government he has forced the federal Liberals to walk away from their secret plan to have all the submarines built in Japan without a peep from members opposite, without a peep from the state Liberals here. They did nothing and they did not care.

This is a great start that has been made. Now we just need to make sure the federal government keeps their promise to South Australia and Australia to make sure all 12 submarines—not eight, not part of eight and not the first one being built elsewhere—are built right here in South Australia. I know minister Hamilton-Smith and the Premier are working extremely hard to get this done and to steer the federal government around, like they have before, to get the concessions they have so far.

I know personally the importance of the work of minister Hamilton-Smith. Last month I was acting minister for defence industries. I met with a range of people who were here at the time, including the German Chief of Navy, Vice Admiral Krause, as well as other companies, such as Danish ship building companies, and what was clear to me was just what a positive impression minister Hamilton-Smith has made in the defence industry area; what a positive contribution and a great impression he has made already.

It is vital that potential defence manufacturing partners understand our capabilities and requirements, just as we need to understand theirs to make sure we get the best possible results for shipbuilding and jobs in this state. Those opposite might learn much from their former leader, not just about actually having a policy and not just about actually creating policies. They might learn much also from some of their Tory counterparts.

For example, Great Britain's Prime Minister, David Cameron, made a commitment to Scottish shipbuilding—a nearly £900 million pound investment in the next generation of the Royal Navy's Type 26 frigates. Prime Minister David Cameron said that, as well as keeping their country safe, the build was part of a long-term economic plan. I will quote Prime Minister Cameron when he said in relation to the Type 26 frigate program for the Royal Navy:

> We're not just building the most advanced warships in the world—we are building the careers of many young people with apprenticeships that will set them up for life.

It would be refreshing if both the state and federal Liberals could see this as well. It's not just about building ships. It's about setting young people up with apprenticeships and skills.

I am not sure if members opposite might have been listening and taking lessons from the media. Just this week, on 5AA, the respected Channel 7 reporter Mike Smithson was talking a great deal of sense about submarine building in SA and he said:

> We want 12, we don't want eight submarines and there is a reason for that. Because if you can get a build of 12, for instance welders that start on the first submarine, they work their way through one, two, three…six, seven, eight, and you might think that's fair enough, but the critical mass, speaking to defence industry experts, once you get to 12 that supports itself. Then you get an ongoing maintenance project as well.

That is what we understand, that is what the Minister for Defence Industries understands and, hopefully, with the pressure we have been putting on them, that is what the federal government will come to understand.

The PRESIDENT: The Hon. Mr Parnell.

Members interjecting:

The PRESIDENT: Order! The honourable member has the floor.

OIL EXPLORATION

The Hon. M.C. PARNELL (15:20): I seek leave to make a brief explanation before asking a question of the Minister for Sustainability, Environment and Conservation about proposed drilling for oil in the Great Australian Bight.

Leave granted.

The Hon. M.C. PARNELL: By next week, the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) is expected to make a decision on whether BP is allowed to drill for oil in the Great Australian Bight off the South Australian coastline. Whilst the drilling will take place in commonwealth waters, South Australia has a direct interest in what happens in the Great Australian Bight, particularly the environmental, social and economic impacts if something were to go wrong. All South Australians have an interest in what might happen to the whales and other endangered marine life that call this area home, and we all have an interest in the fishing and tourism industries that rely on a clean marine environment.

In assessing the risk, we have to be mindful of the fact that this company, BP, is also responsible for the worst oil spill in US history in the Gulf of Mexico just five years ago. That incident occurred in similar circumstances to what is proposed off our coastline, although here the risks are even greater with deeper water and a high energy ocean environment.

The Hon. T.A. FRANKS: Mr President, point of order. I cannot hear my colleague speak and I am sitting right behind him. Could you please ensure that we can hear what is going on in question time?

The PRESIDENT: I have the same issue and I was just going to mention something to them; but you have done it for me so thank you very much for your assistance. The Hon. Mr Parnell.

The Hon. M.C. PARNELL: Thank you, Mr President. I can't speak any louder: I am shouting, as it is. The initial Gulf of Mexico oil rig explosion killed 11 people and injured 17 others. It discharged five million gallons of oil into the environment over 87 days. The current estimate of the cost of the Gulf of Mexico oil spill is $54 billion. That is more than half the entire annual gross state product of South Australia. It is 20 times the total annual taxation revenue.

Recently, The Wilderness Society released independent modelling which showed the impact of an oil spill in the Great Australian Bight at different times of the year. A winter spill could send oil across most of the South Australian coastline and into Victorian and Tasmanian waters. A summer spill could also seriously impact the Western Australian coastline. My questions of the minister are:

1. Is the minister aware of the recent oil spill modelling released by The Wilderness Society, and is he worried by it?

2. Did the South Australian government make a submission to NOPSEMA and, if so, what did it say?

3. What steps will the minister take to ensure that South Australia's marine and coastal environment is protected from the oil industry operating off our coast?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (15:23): I thank the honourable member for his very important question. The Great Australian Bight is, of course, an area of significant importance for South Australians, particularly South Australians who live in the Great Australian Bight, marine species (including the southern right whales and blue whales) and, of course, other species. It is an iconic part of our state and many South Australians, of course, want to see it protected into the future.

I understand that all petroleum exploration and development activities in commonwealth waters are subject to Australian government environmental standards and reporting requirements. This includes assessment under the provisions of the commonwealth legislation, including the Offshore Petroleum and Greenhouse Gas Storage Act 2006 and, if required, the EPBC Act 1999.

I am advised that the Australian government has granted exploration permits to BP Exploration Ltd to conduct seismic surveys in the Great Australian Bight. However, the exploration permit areas are not within South Australian waters and will not affect the state's marine parks and, therefore, no state impact assessment processes apply to this exploration activity. Despite this the South Australian government has sought to be kept informed about BP's activities and its development of a new application for drilling exploration.

I am advised that representatives from the Department of Environment, Water and Natural Resources, the Department of State Development, Primary Industries and Regions, the Environment

Protection Authority, SA Police and the Department of Planning, Transport and Infrastructure have had regular updates on BP's planning of the drilling program. I have also met with BP on a number of occasions where I have made very clear to them my views, that in achieving a social licence it is crucial for BP's application for a drilling program to be made more public and transparent.

BP must assure the community on the West Coast, and, more broadly, the whole state, that BP is aware of the risks in the Great Australian Bight and is appropriately mitigating them. The only way to reassure South Australians is to be open and transparent, and I encourage BP to provide all interested stakeholders access to their data, including spill modelling in addition to the risk mitigation strategies, as well as regular briefings throughout the development and drilling application. I understand that the state government will also have an opportunity to comment on BP's proposal before an environment plan is submitted for approval.

Matters of Interest

SUNDAY PENALTY RATES

The Hon. T.T. NGO (15:26): In December 2014 the then Abbott government requested that the Productivity Commission (the commission) examine Australia's workplace relations system. The commission's task was to assess the performance of the workplace relations framework, focusing on key social and economic indicators important to the wellbeing, productivity and competitiveness of Australia and its people. A draft report released by the commission on 4 August 2015 found:

> Australia's workplace relations system is not dysfunctional—it needs repair not replacement. Contrary to perceptions, Australia's labour market performance and flexibility is relatively good by global standards, and many of the concerns that pervaded historical arrangements have now abated. Strike activity is low, wages are responsive to economic downturns and there are multiple forms of employment arrangements that offer employees and employers flexible options for working.

After that finding the commission then recommended cutting the wages of Australia's lowest paid workers by slashing their Sunday penalty rates. It said:

> Penalty rates have a legitimate role in compensating employees for working long hours or at unsocial times. They should be maintained. However, Sunday penalty rates for cafes, hospitality, entertainment, restaurants and retailing should be aligned with Saturday rates.

It is interesting that the report only recommends cuts for hospitality and retail staff. It does not recommend cuts to Sunday penalty rates in other industries such as manufacturing, doctors, nurses, police, etc., even those whose base pay rates are a lot higher. The commission implies that there is more intense community debate about penalty rates in hospitality and retail than other parts of the workforce such as manufacturing and health and emergency services, and that therefore their penalty rates should be cut.

That is the problem with this report. Just because an issue is being debated in public does not mean that it is a problem or that there are no problems elsewhere. Workers in retail and hospitality are mostly young, women and migrants and their employment is casual. They are definitely low income. These workers are very vulnerable to victimisation, and because of that their employers are in a position of power to constantly campaign to reduce their working conditions. It is as simple as that.

I am really disappointed with the commission which, I believe, is made up of intelligent people, but they do not seem to understand that. The commission's recommendations sees these workers as easy targets and therefore it is going to single them out. Why does the commission cite the case of New Zealand, where regulated weekend penalty rates no longer apply across all industries, yet the commission thinks it makes sense in Australia to target only the lowly paid by recommending cuts to retail hospitality workers?

Workers in hospitality and retail are people working in a bar after hours, people serving your food while you enjoy a football game, or people who serve you at the supermarket checkout on the weekend. The little extra that is earnt on a Sunday by these workers does not go towards an extravagant lifestyle: it often goes to ensuring that the bills are paid and food is put on the table.

There is no evidence or economic analysis that a reduction in penalty rates would increase employment and business turnover. The Fair Work Commission, in rejecting an application to reduce penalty rates in 2013, said:

> there is no reliable evidence regarding the impact of the differing Sunday (or other) penalties when applied upon actual employer behaviour and practice…There is also no reliable evidence about the impact of the existing differential Saturday or Saturday penalties upon employment patterns, operational decisions and business performance.

My questions to the commission are: why does it value the time workers from other sectors spend with their families on Sunday more than that of workers in hospitality and retail? Why does it think one group of workers missing out on taking their children and family on a picnic or to the playground is worth compensating for than some others? Does the commission think that one group of children is worth less than others because their parents are on struggle street?

UNITED NATIONS ASSOCIATION OF AUSTRALIA PEACE BOTTLE LAUNCH

The Hon. J.S. LEE (15:31): Today I rise to speak about the United Nations peace bottle launch and the Port Adelaide Festival. At this point in time, those of us who are familiar with the song *Message in a Bottle* by The Police may just start singing—but just hold that thought because I believe it might be against the council's convention, so we will not do it!

It was certainly a double celebration on 10 October 2015 in Port Adelaide. At the international level, the United Nations is celebrating its 70th anniversary. At the local level, the City of Port Adelaide Enfield is celebrating its 175th anniversary. This particular peace bottle launch was done in conjunction with the launch of the Port Adelaide Festival. Mayor Gary Johanson highlighted that the council has one of the highest concentrations in Australia of people from culturally and linguistically diverse backgrounds (CALD). Mayor Gary Johanson was such a great host. He also mentioned that diversity also includes a strong Aboriginal presence within the council.

This multiculturally diverse council represents a vast number of migrants who may still have residents and loved ones residing in war-stricken countries. Therefore, the council was very proud to work together with the United Nations Association of Australia South Australia to launch a symbolic United Nations peace bottle in one of South Australia's most multicultural cities. I was delighted to attend and support the launch of the particular festival, along with former senator and former president of the United Nations Association of Australia, the Hon. Robert Hill.

The United Nations Association of Australia South Australia committee members and volunteers organised a wonderful event. I place on the record my congratulations and thanks to the President, John Crawford, a true gentleman, along with the Vice-President, the lovely and most tenacious, Lidia Moretti, for their ongoing commitment and dedication to spreading the message of peace and the meaning of the United Nations to the wider community in South Australia.

The idea of the peace bottle was conceived by the creative and talented South Australian surrealist artist, Andrew Baines, to convey peace messages from Australia to the world. The peace bottle, which was coloured sky blue matched the logo colour of the United Nations and measured nearly two metres high and became the centrepiece for the morning. It was delivered to the Black Diamond Wharf by the well-known South Australian sailing ship the *One and All* and carried by many youth ambassadors of the United Nations. This big bottle was filled with peace messages from South Australian school students, youth and community leaders. I am very pleased to announce that on Thursday last week, 24 October, the peace bottle was sent to the United Nations in New York to mark the 70th anniversary of the world organisation; so I can safely say it was signed, sealed and delivered, so to speak.

Educating our youth and community leaders on global affairs allows us as individuals to realise how extremely lucky we are to live in a peaceful harmonious society, and that there are opportunities for us to be involved and make a change in someone else's life who may be less fortunate. Once again, I wish to congratulate the United Nations Association of Australia SA Division on their continuous hard work and dedication in promoting and contributing to the missions of the United Nations. The United Nations representative in Australia, Mr Christopher Woodthorpe, was also there and it was really great to meet him. I look forward to highlighting more of the achievements

of the United Nations in my private member's motion, which I will speak about and move in the following sitting week.

SUPERANNUATION

The Hon. G.A. KANDELAARS (15:35): Today I rise to express my concerns over the federal government's proposal to change the governance arrangements for superannuation funds. The changes appear to be directed towards the industry fund sector, where most of the funds have an equal representation model, with an equal number of employee and employer representatives on boards, usually with an independent chair. The federal assistant treasurer, Kelly O'Dwyer, is ignoring calls from industry representatives for the government to dump plans to make changes to the partisan equal representation model of super funds.

Under the government's proposal, all super funds will be required to have one third of the board seats filled by independent directors by July 2017 and a majority of independent directors on an if not why not basis by July 2019. The changes are designed to break the equal representation model of industry funds, whereby employers and employee groups each nominate 50 per cent of directors. Apart from the proposal to remove the equal representation model, the proposal is also seeking to replace the two thirds majority voting rule with a simple majority for board determinations; this is equally troubling.

This model has served the industry fund sector very well for nearly three decades, and it would appear that the motivation for change here is more ideological than pointing to any failures in the governance in funds based on the bipartisan equal representation model. It appears these changes are ideologically driven, because I believe the federal government changes are based on an obsession with many unions having representation on superannuation boards.

I can talk to my personal experience of the effectiveness of the bipartisan equal representation model. I was a director of Telstra Super for over nine years, a fund which was based on a similar model to many industry funds. My appointment was through the ACTU. The Telstra superannuation board consisted of four Telstra appointed directors and four ACTU directors, with the board nominating an independent chair. I can assure you that all directors took their roles very seriously to ensure that the retirement savings of members were guarded.

We were always looking at how member services could be extended, and worked hard to provide fund members with information on trends in the investment environment of the time and feedback on the performance of the fund. The fund even established its own financial planning arm to assess members' financial literacy generally, but particularly to assist members who were facing redundancy or moving into retirement.

The bipartisan equal representation model has worked well in the context of superannuation funds and should not be changed without good reason. The industry superannuation model has served members well, providing some of the best returns for members at generally much lower fees than retail super funds. Industry Super Australia chairman, Peter Collins, a former Liberal politician and New South Wales treasurer, has urged the Prime Minister to scrap its super governance legislation.

Industry Super Australia CEO, David Whiteley, criticised the changes for 'dismantling the governance structure of the successful not-for-profit super sector while not addressing the scandals and underperformance of the bank-owned sector'. Tom Garcia, CEO of the Australian Institute of Superannuation Trustees, the peak body for non-profit super funds, including industry, corporate and public sector funds, said he was hopeful that the reforms would get voted down in the Senate.

As you can see, there is widespread concern about the federal government's proposal to change the governance arrangements of superannuation funds. Industry super funds and not-for-profit superannuation funds continue to be industry leaders. They continue to work tirelessly to ensure members get the best possible returns for their retirement savings, with low administration fees, and have consistently been recognised for this. It is interesting to note that the not-for-profit funds have won the prestigious SuperRatings Fund of the Year Award for the past seven years.

STATE ECONOMY

The Hon. D.W. RIDGWAY (Leader of the Opposition) (15:41): I rise today to speak on a matter of interest, the matter being the state of South Australia's economy and the need for decisive and, most importantly, effective action. South Australia has a long and proud history of providing economic opportunities for those who are prepared to roll up their sleeves and have a go. Since the state was founded, our productive soils and strong entrepreneurial spirit, along with a range of other endowments, have enabled South Australians to enjoy a wealth of opportunities.

Building on our proud history, this state has real and significant opportunities ahead of it. We have some of the world's best tourism assets, the best soils and seeds for creating and adding value to our food and wine products, and strong capabilities across a range of service sectors, including the education, health, ageing and financial services.

Despite this proud history and strong opportunities ahead, as a state we are struggling. I know that earlier in the week the Premier in another place elected to use a range of different statistics to try to confuse the facts. I am not trying to talk down this great state, but in order to fix the problem we have to be frank in understanding exactly where we are.

South Australia is not growing at the same rate as the rest of Australia, and CommSec's latest State of the State Report shows that we lack the momentum to catch up. The National Bank's monthly business survey shows that our business conditions are ranked amongst the worst in Australia. Like the Premier said, we can pick and choose which numbers we use, but we cannot escape the fundamental reality that we are off the economic pace and falling further behind. This failure to grow the economy and create opportunities has a real human impact on South Australians, with some 70,000 people now unemployed and looking for work in our great state.

Governments, irrespective of what stripes they wear, are responsible to the people they govern. In South Australia the state government has the responsibility to deliver credible and effective economic policies, to provide the conditions in which the economy grows, and opportunities and jobs created for our people. This Labor government has had the better part of 14 years to provide these conditions to enable the creation of these opportunities and jobs. To the detriment of all South Australian people, 70,000 people are now unemployed, and those who want to work more have given up hope. This Labor government has failed.

South Australia is unique in many regards: there is nowhere else in the world where a person can live between 150 kilometres of beautiful beaches and an even longer range of hills, full of terrific wine districts, and wonderful restaurants to the north and to the south, amongst a largely safe and inclusive society.

However, the economic forces acting on this state are not so unique. To pretend otherwise is simply to cut off your nose to spite your face. Every other state and territory uses the same currency, every other state and territory is subject to the same commodity prices, and many other states have similar exposure to competition and traditional manufacturing and related industries.

But, other states and territories are finding ways to succeed. Although growth is slower than it has been in the other easier times, the gains being made are harder fought and the people, families and workers of other states are finding opportunities that we are not. I would argue that our people, our workers and our families are just as talented and deserving of these opportunities, but are suffering under a tired, apathetic, 14-year-old government that has failed to deliver the economic policies and business conditions needed to create them.

Labor's 10 economic priorities is a list of aspirations and empty platitudes. The statements are fine on paper, but what our state needs is effective policy action to create a set of conditions where businesses and people invest in our state and create enterprise, jobs and opportunities. Given his comments yesterday, I fear that the Premier and his Labor colleagues are content to wait for South Australia to fall to the very bottom of every league table on every measure before deciding to act.

South Australians deserve so much better than this. Our workers, our families, regardless of their vocation or the industry they work in, deserve better than this. We are working carefully and deliberately to prepare a set of policies that will deliver the conditions and change needed to create

confidence, encourage effort and support job creation for the benefit of all South Australians. When the time comes for delivering these policies, I will look forward to seeing and, insofar as I can, assisting our great state to achieve its full potential.

POKER MACHINE DOCUMENTARY

The Hon. J.A. DARLEY (15:45): On 20 October, the ABC aired the documentary *Ka-Ching! Pokie Nation*. This insightful documentary provided viewers with not often seen behind-the-scenes access to the poker machine industry. There is no question that poker machines are addictive, but *Ka-Ching!* went that step further and explored the methods poker machine manufacturers use to engage players and the methods used to keep them playing.

The founder of Aristocrat, Len Ainsworth, was quoted as saying that people can win when playing the pokies, and his advice to players was to know when to stop. However, in relation to machine development and the secret to his success, he says that it is a matter of 'building a better mouse trap', a trap to capture players and imprison them to the machine.

The documentary exposed facts which many of us have known for years but which are often ignored by governments, in particular. For instance, poker machine manufactures, such as Aristocrat, use sound engineers and composers to create soundtracks that will appeal to the player, entice them to play and keep their attention on the machine so that they continue to play. The tracks are purely positive to the point that machines will emit positive reinforcement for losses to disguise them as wins and avoid creating negative feedback.

Similarly, designers are used to develop games that will appeal to certain markets. Games with strong masculine characters which feature race cars may appeal to men, whereas games featuring exotic destinations may appeal to people who have a sense of adventure. Players ae given the illusion that they will be transported to and experience these exotic destinations if they play the machine. For punters facing problems in other areas of their life, the allure of the machine provides a form of escapism for them to a place where everything seems happy and positive—even losing.

Poker machine manufacturers use psychological manipulation to exploit the weaknesses of human nature. Research has found that it is not only when a person wins that the pleasure chemical dopamine is released but also when a person is anticipating winning. As such 'near misses', where a player is just one symbol away from a big win, are maximised. This stimulates the brain to produce dopamine, which increases pleasure and encourages people to keep on gambling.

Pokies are mathematically designed so that the odds of winning are less than other forms of gambling. Mathematicians use predetermined algorithms to maximise losses, depending on what level of return the machine owner would like to realise. In Australia, these returns are usually set between 85 to 92 per cent, which is higher than in other countries. In South Australia, the rate is set at 87.5 per cent.

This means that for every dollar gambled, on average, the punter will walk away with 10¢. However, because of the bells and whistles on the machines, the player still thinks they have won because their loss is disguised as a win. Little regard is had to the fact that, the longer a person gambles on a machine, the less likely they are of recouping any winnings and to the fact that rates of return apply over the life of machines, as distinct from a set period of time.

Perhaps one of the most striking messages from the documentary was the comments made about the Australian experience with pokies. Modern machines give players the ability to bet once every three seconds, sometimes at $10 per bet. In most other countries, these high-powered machines are found only in casinos; however, in Australia, they are found in the local pub. Comments were also made that Australian pokies manufacturers were known for their innovations in gaming machine technology and the stronghold the gambling industry has on lobbying and the governments due to the revenue it provides from gambling taxes.

I would like to make a special mention of Julia Karpathakis, who appeared in the program. Julia is a former poker machine addict who runs Pokies Anonymous in South Australia. Julia advocates tirelessly on gambling-related issues, and my office and I continue to work closely with her on gambling-related matters. Her contribution in this space is highly valued.

In closing, *Ka-Ching!* has certainly reinvigorated public discussion around poker machines which can only be a good thing. It is my hope that this government will take heed of the messages shared and the lessons to be learnt instead of continuing to rely hopelessly on the revenue generated predominantly off the backs of problem gamblers.

GILLMAN LAND SALE

The Hon. R.I. LUCAS (15:50): I refer to some extraordinary evidence that minister Koutsantonis gave to the ICAC inquiry into the Gillman land deal. That extraordinary evidence is based on the extraordinary claim that ministers and minister's officers do not make amendments to cabinet submissions that go to cabinet from their departments, and the only changes they make are grammatical. In my view not only is that claim extraordinary, it is also palpably untrue.

The context of this particular evidence is revealed on page 124 and onwards of the ICAC inquiry report. The context was that Commissioner Lander was skewering minister Koutsantonis over why the critical cabinet submission that went to cabinet did not include all of the needed information—that the Renewal SA board had previously rejected the proposed deal in relation to Gillman. The evidence is as follows with minister Koutsantonis answering:

A. Are you asking me why—why the Cabinet submission didn't contain the previous rejections and a subsequent approval of the Board?

Q. Yes.

A. I can't answer that, Commissioner. I don't know why the department didn't put that in; you'd have to speak to the people who drafted the submission.

Q. But isn't it your submission?

A. It's mine and the Premier's; yes.

I interpose there that the minister was always very quick to say, 'It wasn't just my submission; it was also the Premier's submission.' It continues with Commissioner Lander asking:

Q. Well, didn't you have to ensure that it's in there?

A. Well, that's something that the department does for me. I rely on their advice…I have carriage of it into the—into the—into the—into the Cabinet. And I rely on the agencies to draft my submissions; I don't have the expertise in my office to draft a Cabinet submission. And I rely on the advice of the department. They're the ones who give me the—the drafts and the only amendments that we make are grammatical. We don't make substantive changes to—to Cabinet submissions; we act on advice.

Q. Well, do you question the advice if the advice is clearly inappropriate?

A. Can you please explain the question?

Q. Yes. If you receive advice in a Cabinet submission, to put to Cabinet, which you think is inappropriate?

A. That I have not previously seen?

Q. Yes.

A. So something new that's in a Cabinet submission; do I question? I may. I may wish to call the department and ask them about it. But, again, it's not my job to write the advice that I receive. My job is to receive the advice and act on it; one way or another.

Q. Quite, I understand. But in a Cabinet submission you're giving advice?

A. No, I am giving to them no that's not how.

I am not sure what that means. The minister continued:

The Cabinet submissions are drafted for you by the agencies.

Q. I understand that.

A. Not by the political office.

The extraordinary proposition that the minister there is putting to the ICAC commissioner, as I said, is untrue. It is also an interesting commentary on the minister's own staff because he said, 'I don't have the expertise in my office to draft a Cabinet submission.' I note at the time that the minister's chief of staff was Mr Rob Malinauskas. He also had four ministerial advisers: Peter Labropoulos,

Tom Carrick-Smith, Nick Antonopoulos and Sarah Goodchild. Mr Rob Malinauskas has just been employed or recently employed by one of the leading mineral and energy companies in the nation in a senior executive position. So what minister Koutsantonis was saying was that Mr Malinauskas and the other four ministerial advisers did not have the expertise to even draft a cabinet submission; did not have the expertise to even question elements of a cabinet submission; all they were good for was to correct the grammar in the cabinet submission.

These people are paid between $100,000 and $150,000 a year. If that is the quality of the advice, if that is the quality of the performance of a minister no wonder this state is in serious trouble. As I said, it is just palpably untrue to say that a minister and a minister's office do not question and make changes in relation to cabinet submissions. The cabinet submission is a submission signed by the minister and, in this case, the Premier. It is a submission that they are making in terms of recommendations. They take advice and certainly they should not change facts, but they make recommendations to the cabinet. The evidence that minister Koutsantonis gave to Commissioner Lander is, as I said, not only extraordinary, but it is palpably untrue.

GREYHOUND RACING

The Hon. T.A. FRANKS (15:55): I rise to make some remarks on the greyhound racing industry. In February this year, *Four Corners* aired the program 'Making a Killing', and it certainly made a splash. The sickening footage showed the illegal practice of live baiting at trial tracks in New South Wales. The footage showed possums, rabbits and even a piglet being mauled to death at greyhound training facilities.

Since then, in South Australia, the government has taken some steps to address community concerns about this industry. The bill that the government has introduced, and that passed the upper house earlier this year, sat on the *Notice Paper* in the other place from May to September before being finally passed last month in the other place.

Despite this, the RSPCA have expressed their disappointment with that legislation, saying these reforms do not go far enough to protect the welfare of animals involved in the greyhound racing industry in this state. I note that, for their advocacy, the Minister for Racing, Mr Leon Bignell, accused them of grandstanding. They were simply doing their job and raising concerns, quite legitimate concerns, I believe.

Certainly, the Greens also raised concerns when the Animal Welfare (Live Baiting) Amendment Bill passed this place that the bill did not go far enough to address other serious issues that continue to taint this industry, including overbreeding, wastage and the fact that self-regulation has limited transparency and accountability.

We have seen in recent weeks, through the New South Wales inquiry, a document, which I will seek leave to table at the end of this MOI, that reveals the true nature of this industry. The document is marked 'Strictly Confidential' and is headed by Greyhounds Australasia and Greyhound Racing SA and is authored by Scott Parker and Matthew Corby and is dated 23 April 2015.

That strictly confidential document is titled 'Crisis to Recovery Program—Framework for Achieving Zero Euthanasia'. That document was only made available through the Commission of Inquiry into the Greyhound Industry in New South Wales because this state did not have such a commission of inquiry. It reveals that the industry is responsible for the unnecessary deaths of between 13,000 and 17,000 healthy greyhounds every year. Of this number, 7,000 greyhounds a year do not make it to the track and are never raced. That is highlighting the immediate wastage that occurs in this industry.

It is revealed in this document that the Greyhound Adoption Program only re-homes about 6 per cent of all pre-raced and retired greyhounds. In the industry's own words, from this strictly confidential report:

> Assuming the industry survives the current inquiries in four states, its greatest challenge to short, medium and long term sustainability remains this disturbing reality.

This is in reference to these obviously high destruction rates. We have seen government act on this industry interstate in Queensland, Victoria, New South Wales and Tasmania. We have seen here in South Australia, the racing minister, Mr Bignell, accuse the RSPCA of grandstanding on the issue. I

have to say that minister Hunter, who has responsibility for the animal welfare provisions, needs to find his voice on this issue and certainly pay heed to this document, which shows that not only are there unacceptably high wastage rates in this industry but that they are planned into the future.

While there is a strategy outlined here to reduce those rates, they are an accepted part of the business that is fundamental to a racing industry which makes an enormous profit from the gambling that is associated with it. It has a responsibility and a duty of care to ensure that these animals are not unnecessarily euthanased. Healthy animals should be living good lives.

It is noted in the document as well that any moves to regulate breeding and ensure a reduction in the kill rates of pets will not, in fact, affect greyhounds. So a specific strategy is needed here. Urgent action is needed by minister Hunter and, if minister Bignell continues to accuse the RSPCA of grandstanding, Ian Hunter, as the minister responsible needs to perhaps—

The Hon. R.L. Brokenshire: Pull him into line.

The Hon. T.A. FRANKS: —pull him into line, as the Hon. Rob Brokenshire says. With that, I table this document by Greyhounds Australasia and Greyhound Racing SA.

Motions

CYCLING REGULATIONS

The Hon. J.A. DARLEY (16:01): I move:

That the regulations under the Road Traffic Act 1961 concerning Road Rules—Ancillary and Miscellaneous Provisions, made on 8 October 2015 and laid on the table of this council on 13 October 2015, be disallowed.

Members will note that, because there are three sets of inter-related regulations, it has been necessary to prepare three separate motions. For the sake of convenience and at the risk of repeating myself, however, I will speak to all three motions now but still move each one separately.

At the outset, let me be clear that these motions are by no means intended as any sort of anti-cyclist measure. It is extremely important to dispel any such suggestion at the outset. Whether you are a cyclist or not, I think we all accept that our roads and footpaths are there to be shared by motor vehicles, bicycle users and pedestrians alike in the safest manner possible.

That said, there is no question that the debate over the new rules relating to cyclists has certainly stirred up quite a bit of concern in the community, and I am sure I am not the only member to have received emails, calls and letters from constituents about this issue. Some people are supportive of the measures. Some are not. Some are supportive of some of the measures but not others. There seems to be real confusion over the new rules and it seems that some of the changes have not been thought out well enough.

Councils have also expressed very differing views about the changes, as well as concerns over their new responsibilities. The changes have also sparked debate over the need for cyclists to be registered in order to be more readily identifiable by road users. I note this is an issue that the minister ruled out during a recent briefing for members. It is a pity, then, that the government has chosen to deal with these changes through regulation rather than presenting a bill to this parliament for scrutiny. These are not minor changes—they are significant—and the fact of the matter is that they could have wide-reaching ramifications for all road users.

Because the government has chosen to deal with this matter by regulation, a move we often see adopted when it does not want new measures appropriately scrutinised, we cannot consider each individual regulation separately. Whether we have had notice of these regulations is, with respect, irrelevant. The fact of the matter is we are unable to debate them based on their merits. Instead, we have effectively been left with no option other than to disallow the entire raft of new regulations, which we all know is far from a satisfactory outcome.

I am not saying that I disagree with all of the new measures put forward by the Citizens' Jury but I do think that in this instance there is the very real possibility that the cure could be worse than the disease in regard to some of the changes. I am wholly supportive of making the roads safer for cyclists. However, there is no question that there is a lot of confusion over these new regulations.

One of the primary concerns certainly appears to be that, in order to avoid receiving a $375 fine, people may make decisions that they usually would not, which could lead to an increase in accidents. My position, which I think is shared certainly by the opposition, is that this issue needs to be the subject of much more extensive community consultation. There also needs to be much more consultation with councils, who will be responsible for the implementation of many of the measures that are being proposed. At the very least there needs to be a greater lead-in time and some further fine tuning, particularly with respect to some of the changes that are being proposed.

As I said at the outset, this is not about getting cyclists offside or ignoring their right to travel on our roads safely. It is about ensuring that we consult as broadly as possible with all members of the community and consider the needs of all road users, and footpath users for that matter. I certainly hope the government is willing to listen to the concerns that have been raised about communities and by councils, and address them in a more satisfactory manner.

In closing, I note that the Hon. David Ridgway has also given notice of the opposition's intention to move the identical three motions, for very similar reasons I am sure. I hope that the motions can be considered favourably by other honourable members. I commend the motion to the house.

Debate adjourned on motion of Hon. G.A. Kandelaars.

CYCLING REGULATIONS

The Hon. J.A. DARLEY (16:06): I move:

That the regulations under the Motor Vehicles Act 1959 concerning demerit points, made on 8 October 2015 and laid on the table of this council on 13 October 2015, be disallowed.

I will not repeat my speech. I commend the motion to the council.

Debate adjourned on motion of Hon. G.A. Kandelaars.

CYCLING REGULATIONS

The Hon. J.A. DARLEY (16:06): I move:

That the miscellaneous regulations under the Road Traffic Act 1961, made on 8 October 2015 and laid on the table of this council on 13 October 2015, be disallowed.

As before, I will not repeat my speech, but I commend the motion to the council.

Debate adjourned on motion of Hon. G.A. Kandelaars.

Bills

STANDARD TIME (ALTERATION OF STANDARD TIME) AMENDMENT BILL

Introduction and First Reading

The Hon. R.L. BROKENSHIRE (16:07): Obtained leave and introduced a bill for an act to amend the Standard Time Act 2009. Read a first time.

Second Reading

The Hon. R.L. BROKENSHIRE (16:08): I move:

That this bill be now read a second time.

I will be brief in my explanation at this point in time because the bill is very straightforward, but if it is passed by this council it will achieve three things. First, it brings back, for serious and democratic consideration, issues around our current time zone and what should be happening to our time zone into the future. It does not deny the people of South Australia, or indeed the parliament, their democratic right to debate this issue, unlike the Labor cabinet minister the Hon. Martin Hamilton-Smith, who was so determined to get through a shift to Eastern Standard Time that when he found the public overwhelmingly did not agree with or support the proposal he put up, he took his bat and ball and went home and did not allow any further debate on the issue. That is not democracy, but this bill now being tabled does deliver that democracy.

Secondly, at least 80 per cent of the people who went on the YourSAy website to express their viewpoints were opposed to going to Eastern Standard Time, which is a clear absolute majority. I did put out a poll as well, and later on in this debate I will declare to the council what that poll revealed. Suffice to say, in generalisation of the poll, because I want to put some comments on the record at another time, the absolute majority of people did support this bill; that is, they want to go back to the true meridian which is at a point between Port Lincoln and Elliston. That is where we were originally until there was a change to move us half an hour towards Eastern Standard Time. There would be some very clear advantages in doing that. The first and a very important one is that, again unlike Martin Hamilton Smith who was prepared to—

The Hon. S.G. Wade: The Labor cabinet minister.

The Hon. R.L. BROKENSHIRE: The Labor cabinet minister, the Hon. Martin Hamilton-Smith, who on behalf of his Labor government was prepared to divide the South Australian community and was so flippant about it when he said, 'If the West Coast people, Eyre Peninsula people don't like what we are doing, they can work on another time zone.' How disgraceful was that when those people are a key part of the state of South Australia.

It would be an absolute benefit to those people if we were to go to our true meridian. For those people who do not like extended daylight saving—and I declare I for one do not like extended daylight saving—this would be a very good compromise. Obviously by going to our true meridian it would offset some of the impacts of that ridiculous situation, such as when I am driving a tractor along the Victor Harbor Road with two bales of hay as I do at quarter past 7 in the morning in April with all my lights and flashing lights on because it is pitch black at Mount Compass. This would be a good compromise for that as well.

Also, I put on notice to the government that I will be calling for the document that the Labor cabinet minister (Hon. Martin Hamilton-Smith) says he had that showed how much money was allegedly going to be made by going to Eastern Standard Time. I want to see that document in this debate because it sounds like a dodgy document. It is about as dodgy as the email that the Labor cabinet minister (Hon. Martin Hamilton-Smith) produced on one occasion to do with the former premier Hon. Mike Rann. Let's see this dodgy, fake and phoney document and let us have a chance in the parliament to pull it apart and look at it properly, and let the media report on it.

I believe that one thing that does give us an advantage is to show to our growth markets such as Asia, Japan and South Korea that we are so committed to grow the South Australian economy with those good people in those regions that we are prepared to shift our time zone closer to them to assist them in doing business with South Australia. It is time for a debate. It is not time to pick up the bat and ball and run because it does not suit the government. They are the reasons for introducing this bill and I look forward to contributions from honourable members in this chamber. I commend the bill to the house

Debate adjourned on motion of Hon. T.J. Stephens.

Motions

MOTOR ACCIDENT COMMISSION

The Hon. R.I. LUCAS (16:14): I move:

That the Statutory Authorities Review Committee, as part of its current inquiry into the Motor Accident Commission, ensures that it investigates current regulatory arrangements and any proposed changes to those regulatory arrangements.

I referred to the background to this particular motion in my contribution to the government's Compulsory Third Party Insurance Regulation Bill yesterday, concerning the introduction of the independent regulator. As I outlined then, and I do not propose to outline in great detail today, the Liberal Party's original proposition was to refer that government bill at the second reading stage to the Statutory Authorities Review Committee, which is currently taking evidence on an inquiry into the government's proposed privatisation of the Motor Accident Commission.

However, that is not possible and therefore this particular device has to be considered and we suggest be used, and that is, that the Liberal Party will seek to adjourn debate of the government's

legislation at the second reading stage at an appropriate time and await the results of the Statutory Authorities Review Committee inquiry into the government's privatisation.

This motion is simply seeking to ensure something which is in part already occurring. It ensures that part of its terms of reference be that the current inquiry—the evidence that the committee takes—will look at the current regulatory arrangement as it relates to compulsory third party insurance and any proposed changes to those regulatory arrangements.

As I said, the committee has already taken some evidence on that. I am sure we would have been taking further evidence, but the government has legislation before the house which proposes a particular model. I have raised a small number of questions there, but as a member of the Statutory Authorities Review Committee, I would hope to be able to raise many more questions as we take evidence.

One of the questions that I put on the public record yesterday was why the government was proposing to remove the requirement for premium increases in the future to be fair and reasonable, which is a current requirement under the existing legislation. The government's proposal is to take away fair and reasonable as being a guideline for CTP increases and that clearly, I think, should be an issue that the committee would need to address.

As I said, I spoke in greater length as to the reasons why I would be moving this motion today. I give notice to members, but I will send the usual email around to members and their officers that, given that this inquiry is already taking evidence, there is therefore some urgency for the council to either agree or not agree with this particular motion. I propose bringing it to a vote at the next Wednesday of sitting.

Debate adjourned on motion of Hon. T.T. Ngo.

Parliamentary Committees

SELECT COMMITTEE ON STATUTORY CHILD PROTECTION AND CARE IN SOUTH AUSTRALIA

The Hon. S.G. WADE (16:19): I move:

That the Interim Report of the Select Committee on Statutory Child Protection and Care in South Australia, be noted.

On 21 May 2014 the Legislative Council appointed the select committee to inquire into and report on statutory child protection and care. The first report of this committee was to focus on the management of foster care, and this is the interim report that I am now pleased to table. Supporting our children to develop and protecting them from harm is one of the most sacred duties of our families, our communities and our institutions.

One of the most disturbing elements of the history of child protection and care in South Australia, and for that matter through the western world, is the fact that so often children removed from their biological families because of concern, proven abuse or harm go on to experience harm in the system that is designed to protect them. We have heard some horrific evidence about direct harm or abuse through the royal commission, but even when efforts towards care are well intentioned, they often have negative impacts.

For example, it is well established empirically that a child's prospects for healthy development, if they are in care, are substantially undermined if they experience multiple placements. One of the problems we have in our care regime is that, if the system is too quick to move children, if efforts are not made to do what we can to provide stable and healthy placements that are long-term, there is significant risk that the children in care will experience harm on an ongoing basis.

In relation to foster carers in particular, the inquiry found that foster carers often feel undervalued, not supported and not trusted by Families SA, and they are often reluctant therefore to raise issues or identify problems in case those problems are used against them as an indication of an inability to cope. The committee found that Families SA tends to not prefer foster care. This creates management issues. From the outset, Families SA, in the view of the committee, tends to direct effort towards keeping a family unit together, when it may well be in the best interests of the child for other arrangements to be made.

In this context the committee heard of a number of cases of unexpected and unexplained placement terminations. As I said in my comments earlier, that may well not be in the interests of the child, but it also creates bitterness amongst foster carers and contributes to carers exiting the foster care system, which actually makes it more difficult to place children in stable homes.

The committee found that there is an imbalance of decision making power between Families SA and carers, and considered that accountability should enhance the quality of decision making in the form of independent reviews and that independent reviews of Families SA decisions would be in the interests of children.

A total of 40 recommendations were put forward by the committee over a range of areas, including kinship care, foster care and providing information to foster carers, and there was an overview of world's best practice. The government's response when the report was released was informal, through the media, but at least it was positive. The government did say that it was open to good ideas from wherever they come, and I think the relevant ministers encouraged the committee to refer the report to the Nyland royal commission. The committee's next task will be to take on the next reference that the Legislative Council has given to us, which is to undertake an overview of the implementation of other reports that have been tabled.

As Chair, I would like to thank those who contributed to the report: the Hon. Dennis Hood, the Hon. John Gazzola, the Hon. Gerry Kandelaars and the Hon. Jing Lee. When I say 'contributed', the Hon. John Gazzola and the Hon. Gerry Kandelaars withdrew on 18 June. I would like to particularly thank the Hon. John Darley and the Hon. Tammy Franks for joining the committee at that stage, and I would certainly want to acknowledge the diligence with which they embraced the duties of the committee. They were very active participants in the latter stage of the hearings and also in the preparation of the reports.

I thank those who support us from the staff, the secretary being Anthony Beasley, and the research officer, Ms Lynette Mollard. The professional skills of Ms Mollard, in particular, in terms of assessing the evidence and preparing the report, were deeply valued by the committee. She showed a real capacity to both compassionately understand the issues that were being raised but to assess them in the context of what needed to be done in a policy and legislative sense.

Of course, most of all, we thank those who made submissions to the committee. There were 82 written submissions and 28 expressions of interest to appear before the committee. The committee met on six occasions to hear evidence from a total of 15 witnesses. Much of the evidence that was provided to us was provided by people who had experienced trauma (a word I cannot go past when describing their experience) by being involved in the foster care system. Many of the issues were very sensitive, and we are indebted to those who were willing to share their experiences, including negative ones, in the hope that things could be better.

I commend the report to the house. I know that there is legislation before the house at the moment to try to improve the statutory child protection and care regime. I have no doubt that within the parliamentary career of every member of this chamber, even the young Kelly Vincent, we will continue to be grappling with getting the statutory child protection care system right. It has been something with which our nation has experienced endemic failure. It will not be fixed overnight. We need to be diligent and cooperative. I am keen that this parliament move back to a bipartisan discussion on moving forward. The withdrawal of the government members from this committee was disappointing. The fact of the matter is that we will always have a robust debate on issues such as this, but we need to have a bipartisan shared commitment to developing shared solutions.

Debate adjourned on motion of Hon. K.L. Vincent.

Motions

MEDICAL CANNABIS

Adjourned debate on motion of Hon. T.A. Franks:

That this council—

1. Notes the release of the Victorian Law Reform Commission's landmark report recommending a controlled licensing scheme to produce medical cannabis and congratulates the Andrews

government in Victoria for indicating they will take steps to legalise cannabis cultivation for medicinal use;

2. Recognises the significant body of research supporting the benefits of medical cannabis to treat serious medical conditions including cancer, Multiple Sclerosis, HIV/AIDS, epilepsy and chronic pain;

3. Notes that more than a dozen countries, including Canada, Israel, Italy, Portugal, Spain and parts of the United States already permit the use of medicinal cannabis;

4. Notes the cross-party work led by Greens leader Richard di Natale, via the Regulator of Medicinal Cannabis Bill, which could become operational as early as next year; and

5. Calls on the Weatherill government in South Australia to follow the lead of the premiers of Victoria, New South Wales and Queensland by acting on medical cannabis reform to ensure that South Australians do not continue to suffer needlessly.

(Continued from 14 October 2015.)

The Hon. T.T. NGO (16:29): I rise to respond to the motion on behalf of the government. Before I outline my reasons I move to amend the motion as printed on the sheet that I handed out as follows:

1. Delete the words following 'medicinal cannabis'.

2. Delete the words, 'Recognises the significant body of research' and insert the words, 'There is some evidence'.

5. Delete the words, 'Calls on the Weatherill government in South Australia to follow the lead of the premiers of Victoria, New South Wales and Queensland by acting on medicinal cannabis reform to ensure that South Australians do not continue to suffer needlessly' And insert the words, 'Note the South Australian Government will continue to collaborate with the other jurisdictions to progress the evidence to inform best policy and approach for the safe and effective medicinal use of cannabis'.

In proposing these amendments to the motion as it currently stands, I make the following observations. Cannabis is a controlled drug under the Controlled Substances Act 1984. Possession, supply or use of cannabis is illegal in South Australia. The government takes the view that cannabis is not a harmless drug. The long-term harmful effects of cannabis include increased risk of respiratory disease associated with smoking, including cancer, dependence, decreased memory and learning abilities, mental health effects and decreased motivation in areas of study, work or concentration.

The government recognises the need for South Australians to have access to the optimal range of treatments and services to promote the best health outcomes. This includes the availability of medicines that are shown to be safe and effective.

Medicinal use of cannabis is subject to ongoing debate among health professionals and more research is needed into its safety and efficacy. On present evidence, medicinal cannabis would only be appropriate for a very restricted group of patients in specific circumstances. These patients would generally be people with severe and distressing symptoms not able to be relieved by existing medications.

The evidence for the efficacy of cannabis in the treatment of particular conditions varies in its vigour and there are gaps in the evidence, particularly in relation to the long-term safety of use of medicinal cannabis. The evidence is often anecdotal; studies are often small and the medicinal cannabis products are not tested against the accepted standards of care. For most conditions the current evidence would fail to meet the standards required by the Therapeutic Goods Administration for registration of medicines in Australia. Cannabis may potentially have value in treating the following:

- severe muscle spasms or pain resulting from multiple sclerosis;
- severe pain resulting from cancer, HIV or AIDS;
- severe nausea, vomiting or wasting resulting from cancer, HIV or AIDS;
- severe seizures resulting from epileptic conditions where other treatment options have not proven effective or have resulted in side-effects that are intolerable for the patient; and

- severe chronic pain.

The government notes that the Victorian Law Reform Commission Medicinal Cannabis Report, August 2015 was tabled in the Victorian parliament on 6 October 2015. The report proposes the following:

1. Access to medicinal cannabis in exceptional circumstances according to defined eligibility criteria and a licensing scheme for cultivation and manufacture of medicinal cannabis in Victoria.

2. Dosage forms would include tinctures, capsules, oils, sprays and vaporisable liquids.

3. The use of medicinal cannabis products would only be permitted under medical supervision, with supply via pharmacies. The Victorian Premier, the Hon. Daniel Andrews MP, said that, as a priority, the government will provide access to medicinal cannabis for children with severe epilepsy in early 2017.

Considerable resources will be needed to establish and maintain the regulatory framework for the Victorian medicinal cannabis scheme. There would need to be amendments to the Victorian and commonwealth legislation before the Victorian medicinal cannabis scheme could be implemented. The government notes that under the Victorian medicinal cannabis scheme, the medicinal cannabis products used by patients would be assessed for quality, but not for safety and efficacy.

The government will work collaboratively with the other jurisdictions to develop and share knowledge about the appropriate use of medicinal cannabis products. The New South Wales government has announced a program of clinical trials with funding of up to $9 million over the next five years. The program aims to build the evidence on cannabis and cannabis products in providing relief for patients suffering a range of difficult to treat and debilitating or terminal illnesses.

South Australia supports the New South Wales led clinical trials of medicinal cannabis and has observer status on the expert panel. Victoria and Queensland have said they want to collaborate in the New South Wales led trials. The New South Wales Ministry of Health will administer clinical trials in the areas of (1) adults with terminal illness, focusing on improving quality of life and symptoms, such as pain, nausea and vomiting and (2) adults with chemotherapy-induced nausea and vomiting where standard treatment is ineffective.

The optimum number of trial participants and study sites will be determined by the trial design. If there is a research benefit, New South Wales is willing to recruit participants for the trials from other states and territories. It is not likely the trial in adults will start before 2016. The government is open to facilitate participation of South Australians in the trials if that is possible.

There have been difficulties assessing international supplies of legal medicinal cannabis crops and products for use in clinical trials and to develop therapeutic products due to limited supplies and export barriers in other countries. The commonwealth Minister for Health, the Hon. Sussan Ley MP, announced on 17 October 2015 that the Australian government will create a commonwealth licensing scheme for controlled cultivation of cannabis for medicinal and scientific purposes in Australia.

Providing a safe, legal and sustainable Australian supply of cannabis is a key first step in providing medicinal cannabis products that have been subject to strict manufacturing processes and assessed for standardised dose, quality and efficacy. A commonwealth licensing scheme within the Department of Health would ensure that cultivation meets Australia's international obligation. In summary, it is the position of the South Australian government that it will continue to collaborate with other jurisdictions to:

1. progress the evidence to inform best policy and approach for the safe and effective medicinal use of cannabis; and

2. formulate a national approach to the regulation of medicinal use of cannabis.

The Hon. S.G. WADE (16:39): The use of cannabis for medical or other purposes is currently prohibited in all Australian states and territories. There is a growing body of national and

international research highlighting the benefits of medical cannabis. The New South Wales Premier Mike Baird and his government have initiated medical cannabis trials with the support of commonwealth-state agreements. These trials are expected to commence in early 2016, with results being available in two to five years.

The Victorian government is moving to legalise medical cannabis as early as the end of 2015, with a view to it being available to Victorian patients by 2017. The federal government has given in-principle support for a federal cross-party bill which deals with licensing arrangements by creating a regulator for medical cannabis and has announced that they will legislate to allow for cultivation of cannabis for medicinal purposes. The South Australian Liberal Party position is to support the New South Wales clinical trials. In a press release on 28 April 2015, my leader Steven Marshall made the following comments:

> The State Liberals are urging the Weatherill Government to join the national research effort to better understand the evidence relating to the medicinal use of cannabis to relieve symptoms for a range of debilitating conditions.
>
> South Australia is the only…State not engaged in clinical trials being conducted in New South Wales to explore the medicinal use of cannabis…The tardiness of the Weatherill Government in joining this national effort to improve the lives of people suffering a range of afflictions is disappointing.

Later in the release he noted that:

> South Australian medical researchers need to assess the best way that South Australia can enhance the trial and support South Australians suffering from these conditions.

He noted that:

> The [New South Wales] Government is leading the clinical trial with the support of the Commonwealth. They meet national and international standards for clinical trials. The outcomes of the trial will inform the Parliament's consideration of any legislative change.

Since the release, the Weatherill government has dipped its toe in the water. It has appointed an observer to the expert panel. The minister's so-called cautious approach, in my view, was that of what I have called passive opposition. A genuinely cautious approach would be to fully engage with these trials so that the parliament and the community would have the best information available as possible legislative reform is considered.

I am pleased to hear the comments of the Hon. Tung Ngo today in relation to the first statements that I have seen that the South Australian government is open to South Australians participating in the New South Wales trials. There is yet another opportunity for the government to engage, and that is to look at whether South Australian researchers could complement the trials with South Australian-led trials.

The state Liberals, as I have said, are taking a positive yet cautious approach. We support the New South Wales trials. We look forward to the results informing possible legislative changes. We are certainly more cautious than the Victorian approach, as I understand it, in the sense that they are not waiting for the outcomes of clinical trials. If the clinical trials indicate that there is benefit, the state Liberals' approach to legislative reform would be cautious.

We would want strict protocols for the cultivation and processing of medicinal cannabis and for its use to be managed under medical supervision. We certainly agree with the spirit of the motion in that South Australians who are suffering from a range of debilitating conditions should have access to the medical use of cannabis if trials show that that can be done responsibly. I support the motion.

The Hon. J.A. DARLEY (16:44): I rise to indicate my support for this motion and to commend the Hon. Tammy Franks for raising this very important issue in this place. There is no question that the debate over the use of medicinal cannabis is one that has gained significant momentum across Australia in recent times. We now have trials taking place involving three Australian jurisdictions, namely, New South Wales, Victoria and Queensland.

Earlier this month the Victorian government became the first state in Australia to announce that it would push to legalise cannabis cultivation for medical use. Then in mid-October the federal government announced it would legalise the growing of cannabis for medicinal purposes. As recently as yesterday, New South Wales Premier Mike Baird announced world-first trials of a cannabis-

derived drug, being used for children with severe epilepsy, to begin in early 2016. These changes are about delivering compassionate care and improving quality of life for people, including children with chronic, debilitating and sometimes fatal illnesses and health conditions.

In previous debates I have given examples of families who have risked it all in an effort to treat their children with cannabis-derived products, such as cannabis oil. I think this is also an opportune time to recognise the continuing efforts of Lucy Haslam, the mother of Dan Haslam, who has advocated fiercely on this issue. Those familiar with Dan's story would know that his own experience, involving using cannabis to relieve the pain of terminal bowel cancer, played an instrumental role in changing Premier Mike Baird's position on the medicinal use of the drug. Sadly Dan lost his fight with cancer in February this year, but his mother Lucy and his father Lou continue to play a pivotal role in political discussions over medicinal marijuana. Their son's story and their fight is widely recognised as the driving force behind the changes to cannabis laws that are taking place in Australia.

I appreciate that this issue raises all sorts of concerns over the misuse of marijuana and the risks that poses, as well as issues in relation to its illegal supply. However, my view is that this motion, and this debate more generally, is not intended to take anything away from those concerns. I think we need to separate any views we may have on the use of marijuana as an illicit or recreational drug from those concerning the potential health benefits that poses in a medical context. We need to concentrate on the positive benefits for those people who are suffering from medical conditions—in many cases, needlessly.

This point seems to be supported by a recent Roy Morgan survey, the results of which were published in *The Advertiser* two days ago. The survey found that 89 per cent of South Australian residents and 91 per cent of Australians believed that medicinal use of marijuana should be legal, with Australians aged 50-plus being strong supporters, as this group is most susceptible to several of the conditions that medicinal marijuana can provide relief from. According to Roy Morgan's chief executive, Michelle Levine, the results of the survey demonstrate that 'Australians understand that smoking and consuming marijuana for medicinal purposes are two very separate issues.'

Until now the South Australian government has chosen to sit on the sidelines on this debate. As recently as a few days ago minister Snelling made comments in the media to the effect that we should wait for the results of scientific data before proceeding any further. I think this response is out of step with other jurisdictions, and it is time we took a proactive approach on this debate. At the very least we should be exploring every possible avenue of including our own community members in the New South Wales trials. I support the motion.

The Hon. K.L. VINCENT (16:48): I will speak very briefly to lend my support to this motion. I would like to say that over the years I have been in this parliament I have been advocating for many individuals and alongside several groups on behalf of people with severe and chronic pain who find it very difficult to get adequate access to the already legal medications that would, if provided to the appropriate level, go a long way to alleviate the suffering they experience day in and day out.

The suffering is often so great that they are not able to get out of bed, yet they have to because if they require these already legal medications to a certain level they have to go and pick up that medication. Sometimes it is a week's supply and sometimes they can be given only a day's supply at a time because of the level of the medication they require.

These people with severe, debilitating chronic pain are forced every day or every week to go and pick up that medication, that medication that is already legal. I am incredulous, I have to say, that I went many years before I could even get a meeting with the health minister in this state about this issue, let alone getting the health minister to actually meet with those people and not just dismiss them outright as addicts; yet in a situation where people are already going without medication, particularly the level of medication that they need, the level of legal medication that they need to live a dignified life, there is still so much panic about denying people access to a medical substance that could alleviate their suffering in some way.

I am not a doctor, I am not an expert in these matters, but I do know that I have dealt with several constituents, particularly over the last year, who have found no relief available to them through other substances and who have found relief through the use of medical cannabis. The

Hon. Mr Darley has rightly pointed out that we need to separate the use of cannabis for recreational purposes and the use for medical purposes, because they are very different, so I will not go into that in any detail. The point I am trying to make is that it is hard enough for people to get an adequate level of legal medication where the benefits of that medication are already understood and accepted widely in society, yet there is still so much panic in a situation where someone is telling you, 'I get relief from this medication.'

I have to say as well that I am bemused by the fact that we can still, under law, legally in this country perform a hysterectomy on a young person with a disability because they might experience heavy periods or they might have trouble with parenting or childbirth due to their disability. Under law we can perform a hysterectomy on young women and girls in certain circumstances because of perceived hardship because of disability. We can do that just in case these situations arise, yet it is so difficult to provide people with adequate access to a substance that they are saying does definitely alleviate their suffering right now—not perceived but right here and right now.

There is a real need for this substance. I am bemused by the disparity between these two situations. I would certainly like to see South Australia fully participate in a trial and I am pleased to see the government is open to that, especially where people have already exhausted their current legal options. As a society we need to take a strong stance and to have a mature debate on how we can put aside the moral panic and put aside the fact that yes, some drugs can be misused—and many drugs with an existing medical property are already misused.

I think we need to put aside the moral panic and have a mature, objective, responsible debate on how we can provide comfort and some dignity to those people who have, in many cases, as I have already said, exhausted their current options. With those few words, I will support the motion.

The Hon. D.G.E. HOOD (16:54): Very briefly, I indicate that Family First will support the motion as amended by the Hon. Mr Ngo but oppose it without the amendments.

The Hon. R.I. LUCAS (16:54): I rise to speak briefly. I support the comments my colleague the Hon. Mr Wade has broadly made on behalf of the party. He has indicated the party room position and he has indicated some of the caveats between the position that the Liberal leader Steven Marshall has put on behalf of the party and others who might advocate in this particular area.

I just indicate that certainly in relation to the current drafting of the motion, the Liberal Party room, of course, was not aware of the amendments being moved by the Hon. Tung Ngo on behalf of the government; they were only circulated this afternoon. Clearly, we have not had the opportunity to discuss and debate those, and therefore our position remains the position that the Hon. Stephen Wade has put. It is not always possible, and certainly I accept that, so it is no criticism. I am just saying that with some of these difficult areas, the earliest advice possible would allow members and other parties to at least canvass the views to see whether or not they might be in a position to support them.

I just indicate while supporting the party's position on this that, having read some of the aspects of the government amendments, if they had arrived earlier I would have been sympathetic to some aspects of them, in particular the re-crafting, I think, into a slightly different balance in terms of the current drafting in relation to the evidence that exists at the moment in relation to the medical benefits of cannabis in this particular area. The government, I assume driven by the Minister for Health and the government, is proposing adding the words, 'However, medicinal use of cannabis is subject to ongoing debate among health professionals and more research is needed into its safety and efficacy.'

I suspect most people on all sides of this particular debate would accept that there are differing views on this particular issue in terms of the medical aspects of the debate as opposed to anything else. Certainly, the medical and expert opinion is not all one way or indeed the other. As to the words that are proposed to be inserted, as I said, if there had been earlier notice of those, the Liberal parliamentary party room would have obviously have had an opportunity to debate whether or not we were in a position to support some of those amendments.

The only final point I would make is that, whilst acknowledging that the party room has supported the motion as it stands, with the caveats that the Hon. Stephen Wade has put, I just add to those caveats, from a personal viewpoint, that our current position as enunciated by

Steven Marshall is to urge support for participation in the trials that are being conducted. Certainly, on my understanding we fall short of supporting the Andrews government's decision to legalise cannabis cultivation for medicinal use in the state of Victoria. That would be a separate step to what I understand the position Liberal leader Steven Marshall has put on behalf of the Liberal Party, which is urging participation in the current trials.

I just add to the caveats that my colleague the Hon. Stephen Wade has put in terms of the party's position on this particular motion, and also indicate that there were aspects of the Hon. Mr Ngo's amendments that, should they have been able to be debated by the Liberal Party room, they may well have had some support from some people—whether it was a majority or not, only time would have told.

The Hon. T.A. FRANKS (16:58): I would like to thank those members who made a contribution today: the Hon. Tung Ngo representing the government's position, the Hon. Rob Lucas and the Hon. Stephen Wade representing the opposition, the Hon. Kelly Vincent from Dignity for Disability, the Hon. John Darley from the Xenophon Group and the Hon. Dennis Hood from Family First.

I would like to start by addressing some of the amendments that the government has proposed. I note that they seek to remove the words 'and congratulates the Andrews government in Victoria for indicating that they will take steps to legalise cannabis cultivation for medical use'. I indicate that the Greens will oppose this attempt to amend the motion, and I point out to both the opposition and the government that they are not understanding that the federal Liberal government has this week announced that they are to introduce a bill to cultivate cannabis for medical use, or perhaps the state Liberal Party has a difference of opinion with health minister Sussan Ley, who said that the federal government is finalising their draft amendments to the Narcotics Drug Act 1967 to allow controlled farming of cannabis for medicinal and scientific purposes.

I also point out to the Labor members of the government benches that perhaps they meant to amend the motion simply to refer to the landmark report, which has suggested a controlled licensing system, but if they are taking steps to amend this motion to take out congratulating the Andrews government for indicating they will take steps to legalise cannabis cultivation, that is, growing of the product, then how do they expect the medicines for the trials to be produced, other than by expensive importation? So, I leave both the opposition and the government with that question to ponder to start with.

I will certainly on behalf of the Greens be opposing the other amendments to the motion. There may have been some scope for wordsmithing around the nature of the research; however, I think it was simply getting into pedantic point scoring in the way that No. 2 of my motion has been amended. I am incredibly disappointed that the government seeks to amend point 5 of my motion, which states:

> 5. Calls on the Weatherill government in South Australia to follow the lead of the Premiers of Victoria, New South Wales and Queensland by acting on medical cannabis reform to ensure that South Australians do not continue to suffer needlessly.

I do not understand which part of point 5 the Weatherill government seems to have a problem with. But I note that in the government's contribution (and I thank them for this) they have started to consider this issue and they have now made some public statements indicating that the health minister will indeed work collaboratively, not just with the New South Wales trials (and I welcome that we are an observer in that), but we need to be an active participant and we need to let suffering South Australians take place in these medical trials.

Sick children with epilepsy will be able to be medicated from 2016 through the New South Wales trials. Those children do not have to live in New South Wales. We know, because of the action and the leadership of the premiers of Queensland and Victoria, as well as, of course, Premier Mike Baird, that sick children with epilepsy, who have been resistant to treatments so far, will be able to access medicinal cannabis legally as part of the New South Wales trials from 2016. Those state premiers will be standing up for those sick children. I hope the Weatherill government will also stand up for sick South Australian children, like young Charlotte, whose father would dearly love her to be able to take place in those trials.

I note that minister Pru Goward of the New South Wales state Liberal government made an announcement yesterday that those trials will start in 2016, and they have secured and undertaken a partnership with a British company to ensure that the appropriate medicinal cannabis will be able to been administered to those sick children with epilepsy. She said that it was the proudest day of her political life.

I have heard those words before: they were the same words that Premier Daniel Andrews, the Premier of Victoria, said when he announced in his landmark report into medicinal cannabis that it would be supported and that that state would seek urgently to legalise medicinal cannabis and to cultivate it to ensure that not only was there a supply but also a safe crop to use, that production could be made and sick people would not have to play pharmacist to themselves, that they would be able to secure a medicine—yes, a medicine is a drug—safely and without falling foul of the law.

So, yes, I would say that that is rightly both minister Pru Goward's and Premier Daniel Andrews' proudest day of their political lives. I would love to hear such words from a Labor leader in this state. What I do draw to the attention of Labor members again is their federal leader's words, Bill Shorten MP, who I note has posted on the Labor Party website a picture of his meeting with young Abbey Dell and Abbey's parents. Abbey suffers from a rare genetic disorder which sees her suffer seizures, which are relieved only by small injections of medicinal cannabis. Labor leader Bill Shorten visited the Dells in their family home to hear their heartbreaking story. He says in his post on the Labor Herald of 18 October:

> I had the honour of visiting three year old Abbey to hear her and her family's story. No one can imagine how horrific it must be for someone to see their child, partner or parent in immense pain, knowing relief is available but illegal. Labor firmly believes the time has come for a national scheme for medicinal cannabis. Share if you agree too.

I note that they even have a Facebook square saying:

> Labor will ensure people suffering from terminal and serious medical conditions can access medicinal cannabis. Share and stand for a compassionate plan.

Where is that compassionate plan in South Australia? Seriously, Labor in South Australia is out of step with Labor across the rest of this nation. The article goes on to note, in fact, that the Labor National Conference voted in support of federal action on medical cannabis. So, it is very disappointing to finally hear from the government speaker on this motion, tinkering at the edges of my motion.

There has been a lack of leadership from the Weatherill government on this issue, but I do warmly welcome the announcement made in the speech today, if I heard correctly, that we will see South Australians who are sick and suffering able to participate in the New South Wales medicinal cannabis trials. I certainly have a list of people who would be very keen to take part in that, particularly children with epilepsy but also those, of course, suffering in other ways who fit into those categories.

The Labor leadership in this state should know that the people will be behind them. As the Hon. John Darley mentioned, there was a survey done this week by Roy Morgan which showed that, of a survey of 644 Australians, 91 per cent and 89 per cent of South Australians believe medicinal use of marijuana should be legal and, indeed, the 50-plus age range were the strongest supporters. So, there is nothing to fear from showing leadership on this issue, and there must be further leadership, otherwise we will be standing by the sidelines while sick and suffering South Australians go on suffering needlessly.

I ask the Weatherill government to step up on this issue to help the Fulton family come back from Canada. Tabetha and Georgia-Grace, those two little girls with the lung condition, have responded to medicinal cannabis in Canada and have gone through a system where they have a prescription for treatment. They deserve to come back home and live here in their state of South Australia, in their home town of Victor Harbor, with the rest of their family, with their father and their older brother and with his family. That family has been torn apart by the lack of compassion shown in this state to help those two little girls with their medical condition.

I have written to the minister, and I am now pushing for him to meet not only the Fulton family but other constituents. I do welcome the minister's words today and, indeed, more recent indications that he would be willing to have those conversations. The minister has previously corresponded with me saying that there is nothing he can do to help the Fulton family. Well, there is something he can

do. I will be bringing back legislation that will amend the act to ensure that we have ministerial discretion under compassionate grounds, as Pennsylvania and California do, and as many other places across the world can and have done. South Australia can do that too.

It is not rocket science: it is simply helping the sick. To buy into the hysteria of saying that this is a dangerous drug, while ignoring the many dangerous drugs we prescribe to people in this country every day, is simply not standing up for suffering South Australians. As I have said, the Greens will continue to show leadership. I commend not only the Liberal state leadership on this issue, who have long advocated that South Australians be able to participate in the trials, but also the federal cross-party leadership of the Labor Party, the Liberal Party and the Liberal Democrats—

The Hon. D.W. Ridgway: Of the Greens.

The Hon. T.A. FRANKS: Of the Greens, of course—take some credit. Of course, Senator Richard di Natale has that bill to establish a regulator of medicinal cannabis but, in particular, minister Sussan Ley deserves great congratulations for her leadership on this issue in recent times, and the fact that the federal government has indicated that it will ensure that medicinal cannabis can be grown in this country. That we will soon see a bill debated on the regulator means that South Australia has no more excuses and nowhere to hide, and it needs to step up and lead the way and support sick and suffering South Australians.

Motion carried.

Parliamentary Procedure

VISITORS

The PRESIDENT: I would like to welcome our friends from the Hungarian community. It is the 50th anniversary this year of the Hungarian Club. Welcome, and it is good to see you here.

Honourable members: Hear, hear!

Motions

HUNGARIAN CLUB OF SA

The Hon. J.S. LEE (17:11): I move:

That this council—

1. Congratulates the Hungarian Club of SA in achieving a significant milestone in celebrating their 50th anniversary in 2015;

2. Acknowledges the excellent work that this club has done over the last five decades and also other related associations in the promotion of Hungarian culture, food, language and support of Australian Hungarians and the broader community; and

3. Recognises the long-standing commitment by community leaders, business leaders and volunteers of the Australian Hungarian community for making important economic, social and cultural contributions to South Australia.

It is with great honour today that I rise to move this motion standing in my name to convey my sincere congratulations to the Hungarian Club of South Australia for 50 years of wonderful achievements in South Australia. Mr President and honourable members, I draw your attention to the presence of so many wonderful faces sitting in the Stranger's Gallery who are representatives from the Hungarian Club. I thank you for making the time to join me for afternoon tea and to be in the chamber listening to this speech. I table a document with their names.

It is indeed a historic day to see the Hungarian Club of SA being recognised by the Parliament of South Australia on this day on 28 October. The Hungarian Club of SA was incorporated on 6 August 1965, and ever since 1968 its residence has been Osmond Terrace in Norwood. Over the last five decades, the clubhouse has grown with the community and therefore the club bought a number of cottages at the rear of the property, allowing the club to have two street frontages.

The club was established by a group of Hungarians, most of whom were immigrants fleeing Europe following the end of the Second World War. With many migrants running away from their

war-torn countries and ruined homelands, they found refuge in South Australia between 1949 and the early 1950s. They sought a fresh start and a better future.

Like many other migrants, the Hungarians wanted to recreate and retain their cultural heritage for their own benefit, their children and their grandchildren. This strong vision motivated the Hungarians living in South Australia to preserve their culture and traditions, and to educate the future generation to be rightful custodians of the Hungarian heritage. The club became a very important part of that preservation and was a home away from home for many of the first wave of immigrants. The club provided essential social and cultural connections, allowing newly arrived migrants to have a sense of community and support.

This community framework remains a paramount structure ever since the club's establishment for they continue to provide regular social functions for members of all ages, along with the commemoration of important significant dates on the Hungarian calendar, as well as providing adult language classes, hosting a Hungarian community radio program and—who would ever forget—the wonderful goulash nights at the Hungarian Club.

The Hungarian Club, as a venue, is a home for seven other Hungarian organisations: Hungarian ethnic radio, which I mentioned earlier; the Hungarian Caritas Association; Council of Hungarian Associations in SA; Veterans' Association; Knights of the Order of St. Laszlo; Hungarian Language Class for Adults; and the Knightly Order of Vitez SA Branch. Pardon me if I did not pronounce the Hungarian properly.

From 1970 onwards, there have been triannual events hosted by the various states of the country. These events were called Australian and New Zealand Hungarian Cultural Conventions. The Hungarian Club in South Australia hosted five of these events. Those were in 1976, 1988, 1997, 2003 and 2013 (which I attended together with your patron, Steven Marshall, the member for Dunstan).

Artists from overseas were invited to perform and participate, and guests from all over the world were invited to attend. It is a wonderful convention with all the like-minded Hungarians sharing their very rich culture. It is always a great program and I really enjoy it.

The Hungarian Club is responsible for the creation of its monthly newsletter which is distributed either digitally or in hard copy form to members and others as well. The Hungarian Club organises concert celebrations, fundraising events, dinners, and the monthly Goulash Night Dinner Dance. The Hungarian Club has also been visited by many celebrities, the most recent of whom was actor Miriam Margolyes who loved coming to your Wednesday Seniors Lunches for several consecutive weeks.

Not only that, but I think your ability to engage and interact with other communities is really quite a highlight of your club for inclusivity. Your management focuses not only on keeping the old traditions alive, but you promote multiculturalism by welcoming all nationalities to use your venue. To name just a few, you had the Fiji Social Club host several large social events annually at the Hungarian Club, the Liberal Party often hold our many conventions at your club as well, Riding for Disabled fundraising events are held there, Turkish dancing and belly dancing has also been held at the club, West Coast Swing, and many others.

Recently, you combined your resources with the Polish community in organising the Polish—Hungarian Friendship Day which, all in all, shows just how diversified you are in welcoming and promoting multiculturalism.

On your very kind invitation, I was honoured, along with a number of other VIPs, to participate in the 50th anniversary celebration of your Hungarian community on 2 August. It was a wonderful day. I call it the golden anniversary as it was 50 years. It was a time to celebrate and reflect and pay tribute to a club that has offered astonishing services to the Hungarian and the wider South Australian communities over the last five decades.

His Excellency the Hon. Hieu Van Le, the Governor of South Australia, and Mrs Le enjoyed the celebrations along with Dr Endre Domaniczky, Consul for the Republic of Hungary. They were all there. Of course, one very important guest that the Hungarian club always looks forward to seeing is no other than the club's local member (the member for Dunstan), state Liberal leader,

Steven Marshall. Mr Marshall is a strong supporter of the club and has a strong friendship with the Hungarian community.

On the day of celebration it was also great to see support from my other parliamentary colleagues, particularly the Hon. John Darley, the Hon. Mark Parnell and the recently retired senator Penny Wright. From the other place, the Hon. Michael Atkinson, and Tony Zappia, the federal member for Makin, were also there for your celebration.

A birthday celebration such as a 50th is a celebration of pride and resilience. Such a celebration provides a chance for members to reflect on their many achievements and the journey that has led them and their community to this important milestone. There were challenges and obstacles that influenced the operation of the past and the future of the community. It was your hard work, determination and strong community cohesion that ensured the Hungarian Club of South Australia remains strong, supportive and dynamic, and serving the community at large on a daily basis.

I wish to congratulate everyone who has shown leadership and made contributions to make your club so great. I know that one of your members specifically said that it will be unfair to pick out individual names but, for the purpose of this particular historical day, I cannot go without mentioning some of the committee members, if I may go beyond your request.

I would like to put on record my friendship and sincere thanks to the President Lazlo Lado and your family; the Vice President Margaret Nyerges and your family; the Secretary Stella Nemeth and your family; Treasurer Anna Sulyok and your family; and the Event Coordinator Ildi Wetherell, OAM. Ildi, I am sorry: you specifically asked me not to mention individual names but I have done it anyway. I ask for your forgiveness.

Also worthy of mention is Istvan Nagy and Maria Nagy of the Association of the Hungarian Aged and Invalid Persons in SA. I believe the whole family has contributed a significant 30 years of their lifetime volunteering, so I would like to put that thanks on the record as well. I also want to put on the record thanks to Ms Katalin Toth, Honorary Consul of Hungary, for her service to your community, although she is not here today but I think I would like to put that on the record as well.

With that, I wish to acknowledge all the past presidents, committee members and volunteers who have contributed to creating a wonderfully warm and welcoming community hub for South Australia's Hungarian migrants. Over the years, it has been home away from home, a base where so many immigrants from Hungary felt so proud. I think your sacrifices in volunteering your time and making sure that everybody is valued have been enormous, so I would like to express my heartfelt gratitude for your continuous service.

Not only have you actually contributed socially and culturally, but I would like to also say you have contributed economically. I would also like to mention a number of key business leaders in the community: Vili Militsis from Vili's Pies, and George and Olga Ujvary from Olga's Fine Foods, who are exporting their food and creating a global presence. They are from South Australia, South Australian Hungarians, and that is something to be proud of. In conclusion, the establishment of the Hungarian Club has truly brought cultural harmony and community cohesion, and has given the Hungarian community the opportunity to flourish.

This is a very important motion, because I feel that in congratulating your club in achieving the significant milestone of celebrating its 50th anniversary in 2015 we acknowledge, as politicians, the excellent work your club has done over the last five decades, as well as other related associations that have been involved in the promotion of Hungarian culture, food and language and the support of Australian Hungarians for this generation and future generations. We recognise the longstanding commitment by your leaders, both community and business, to contribute to making important economic, social and cultural contributions to South Australia. With those remarks, I wholeheartedly commend this motion to the chamber.

Debate adjourned on motion of Hon. G.A. Kandelaars.

MARRIAGE EQUALITY

Adjourned debate on motion of Hon. I.K. Hunter:

That this council—

1. Notes the Irish public have overwhelmingly voted 'yes' in the referendum on the 34th Amendment of the Constitution (Marriage Equality) Bill 2015; and

2. Congratulates the people of Ireland for voting in favour of legalising same-sex marriage.

(Continued from 3 June 2015.)

The Hon. D.G.E. HOOD (17:27): I rise to speak briefly to this motion, and it will not surprise members to hear that Family First will not be supporting it. Quite apart from one's position on same-sex marriage—and I acknowledge that there are obviously deeply held views on both sides of the debate in this chamber, and indeed in the wider community—there are a few issues in this motion which specifically deserve highlighting, in my view.

The first point I would like to raise is that while Ireland did vote in support of same-sex marriage, as the motion says, it was not the overwhelming or resounding voting success that it has been touted as being through the general media. Indeed, it is quite often quoted that 62 per cent of voters favoured same-sex marriage in Ireland; however Paul Sheehan of the *Sydney Morning Herald* noted that 40 per cent of the electorate did not even vote in the referendum, and furthermore something in the order of 300,000 adults are not registered to vote. That means it was actually 34 per cent of the total adult population that voted in the referendum; about one-third of the adult population actually voted.

Conversely, that means that about 66 per cent of voters simply did not vote. Thus it is more accurate to say that 62 per cent of the 34 per cent that actually voted supported same-sex marriage or, in whole figures, around 21 per cent of the Irish voting age population—roughly one in five. Hardly a resounding endorsement. These figures are almost never included to provide context in this debate, as they now have been in the debate on this motion.

My second point is that the push for the recognition of same-sex marriage is not universal, even in democratically-governed nations where it has received most attention. For example, in Finland recently a gender-neutral marriage bill was passed by the parliament, only to have the required 50,000 people sign a petition against the new laws, thus requiring their parliament to once again debate the issue, potentially—although it is not certain—leading to the scrapping of those laws. This remains to be seen; we simply do not know. Nonetheless, they have the required signatures to require the parliament to redebate the issue.

Further, and again this may not be widely known, the Austrian parliament has recently voted against same sex marriage by a margin of roughly 4:1, with 110 votes opposing the proposed law and only 26 supporting it; in fact, slightly better than 4:1, if you like. Legislating same-sex marriage is by no means universal as some would have us believe.

The third and final point I would like to raise is that, as we know, same-sex marriage is obviously a federal issue. As the High Court has determined this is a federal matter and therefore debate, commentary and motion should rightly be conducted in the federal parliament, in my view. I do not believe it is a good use of this parliament's time as the High Court has made it clear the federal parliament has jurisdiction over marriage. Same-sex marriage is an issue which has been raised in the national parliament on a number of occasions, and quite rightly so, and, in my view, it is properly debated there and therefore not here. I do not support the motion.

Debate adjourned on motion of Hon. G.A. Kandelaars.

EUROVISION SONG CONTEST

Adjourned debate on motion of the Hon. J.S. Lee:

That this council—

1. Congratulates Guy Sebastian on representing Australia and placing fifth at the 60th Eurovision Song Contest in Vienna;

2. Acknowledges the importance of having Australia represented at Eurovision, one of the longest running and most popular television shows in Europe; and

3. Notes that Guy Sebastian is one of Australia's most successful male artists and has been an active member and contributor to the South Australia community.

(Continued from 17 June 2015.)

The Hon. K.L. VINCENT (17:31): 'Can you hear the drums, Fernando?' Mr President, for the purpose of this speech you will be playing the role of Fernando. You have no lines but just think Eurovisionary Fernando thoughts.

Can you hear the drums, Fernando?

When you hear our voices call

you won't be lonely anymore

All we need is lightning

with power and might

When you're down down low

and there's no place you can go

Rise like a Phoenix…

We are the heroes of our time

I'm a warrior

And if we die tomorrow

What'll we have to show?

All the wars for nothing, it never ends.

Mr President (or Fernando as the case may be)—

I better let you go...

No I won't sleep tonight

If tomorrow comes I'll lose my mind…

Forget tomorrow

we can do tonight again.

With these words, carefully chosen from the artists and songs of Eurovision over the years, which I believe speak to the boldness and gallantry of Guy Sebastian's performance, Dignity for Disability would like to support the Hon. Ms Lee's motion in congratulating Adelaide's own Guy Sebastian for his wonderful performance representing Australia in Eurovision this year.

Although I might have my own views as to whether or not the English language should actually have a place in the Eurovision Song Contest, Mr Sebastian continues a long and proud tradition in this state of our musicians playing at the forefront of popular music locally, nationally and internationally, and regardless of which language he chooses to do that in, on behalf of Dignity for Disability I salute him.

The Hon. T.T. NGO (17:33): I would like to 'Rise like a Phoenix' to support this motion congratulating our 'Golden Boy', Guy Sebastian, on his performance in the 2015 Eurovision Song Contest. 'Summer's Here' and 'Winter's Gone', we can 'finally see the sun,' but this motion gives us the opportunity to cast our minds back to May and to relive this wonderful celebration of European music.

The Eurovision Song Contest is certainly very familiar with Australian artists, with the likes of Olivia Newton-John, Johnny Logan and 'Ooh, Aah…Just a Little Bit' of Gina G competing for other countries in previous years. As Eurovision is so 'Popular' here in Australia, in 2014 we were invited to perform as the Interval Act at a contest in Copenhagen. Jessica Mauboy got ready, put her 'Lipstick on' and performed to a 'Sea of Flags'. Like 'An Angel in Disguise', she won over the European Broadcasting Union (EBU), who, as the 'Heroes of our Time' invited Australia to participate as a part of its 60th anniversary this year.

After 'Playing With Numbers', SBS as our lead broadcaster knew that the only Australian who could perform a 'Beautiful Song for the Radio and our TV Show' was Adelaide's very own Guy Sebastian. While some of the native countries questioned, 'Is it Right?' for Australia to be in the

competition, most of Europe welcomed us with 'No Prejudice' inviting us, saying, 'Be Our Guest'. This was Guy's 'Time to Shine'. He was not going to waste it and certainly did 'Live it up' with his song, *Tonight Again*.

Over 4.2 million Australians tuned in and were filled with 'Euphoria' and begged the question, 'Why can't this Moment Last for Evermore?' as they cast their votes for their favourite entries. They hoped that Europe would 'Love us Back Today'. It seemed that Guy's performance was a 'Party for Everybody', 'Party for Everybody' and proved to be 'One Tough Act to Follow' as he did us all very proud, finishing in fifth position. Our Guy proved to be far more popular than any of the 'Eastern European Kind of Funk' music. In fact, against the might of Europe, you could say that he was a 'Warrior'. As we say 'Goodbye to'—

The PRESIDENT: The Hon. Mr Ngo, I am just about to get the Black Rod to throw you out.

The Hon. T.T. NGO: As we say 'Goodbye to Yesterday' and we look for a 'New Tomorrow', we urge the EBU to invite Australia back to continue participation in this song contest. In short, we want Europe to ask us to 'Stay!' And if the EBU does accept the 'Gravity' of our desire and 'Feel the Passion' Australia has for this competition, allowing Australia to be a regular competitor would be like 'Coming Home' for many of our European migrants who watch the Eurovision Song Contest from afar and remember they are 'Never Alone'.

'Maybe' Australia will be invited back to compete. If we are, it will be a 'Miracle', a 'Miracle'. While the negotiations no doubt go 'Round and Round' until we have word from the 'Sweet People' of the EBU, we will be 'Standing Still'.

Should the EBU be so 'Taken by a Stranger' that they want to have us back, I urge SBS as the broadcaster to again look for a South Australian to represent us. We have over 'A Million Voices'. In fact, 'You and I', Mr President, could even partake in this great event. It could be 'Me and My Guitar' and I could even sing a 'Cliché Love Song'.

I digress. 'I Should Have Known Better', 'Believe in Me', 'I'm a Joker', and I am sure that with all the fantastic talent around South Australia we can 'Find Something Better'. Inviting Australia as the first non-Europe based country has already been 'Playing with Fire'. If we are welcomed back it will be 'Glorious'. However, if we miss out there will be no words, 'Only Teardrops, Only Teardrops'.

I will finish up now, because 'I've got a cake to bake—I have no clue at all', but I do promise that it will be a 'sweet cheesecake' or else I will give you 'Money, Money, Money' to buy one. I finish by saying 'This is the Night, This is the Night'. I support this motion because I 'Celebrate' Guy and this fantastic competition, and I commend this motion to the council.

The PRESIDENT: Mate, I just hope your *Hansard* does not get into the wrong hands. Also, you will have to suffer another preselection, mate, because you certainly will not have a singing career.

Motion carried.

FREE TRADE AGREEMENTS

Adjourned debate on motion of the Hon. J.S. Lee:

That this council—

1. Recognises the benefits of free trade agreements to South Australian businesses and the economy; and

2. Acknowledges the work of the commonwealth government to establish recent free trade agreements with Korea, Japan, and China.

(Continued from 13 May 2015.)

The Hon. T.T. NGO (17:42): I rise today to support this motion that recognises the benefits that free trade agreements have for South Australian businesses and the economy. In particular, I want to acknowledge the free trade agreement between China and Australia. China is the world's second largest economy, making it a suitable country to further benefit Australia's economy with the implementation of the free trade agreement.

China is the largest importer of agricultural produce from Australia, worth around $9 billion to Australian farmers and the broader agriculture sector. China is Australia's largest market for resource and energy products, with Australia exporting over $90 million worth of resources, energy and manufactured products to China in 2013 and 2014. China is also Australia's largest services market, with Australia providing services, including education and financial services, with exports valued at $7.5 billion in 2013-14.

China's investment in Australia has grown significantly over the last 10 years from $2 billion to $65 billion at the end of 2014. China is Australia's largest trade partner, buying nearly a third of Australian exports, valued at nearly $98 billion in 2014, with total trade being worth more than $150 billion. China has already made a significant contribution to Australia, but has the potential to further contribute to Australia's economy. More specifically, South Australia has been a beneficiary of this China-Australia relationship, especially the sister state relationship developed with Shandong Province.

China is currently South Australia's most significant and substantial trading partner, contributing over 25 per cent of the state's total export, approximately $A3 billion in the 12 months leading to October 2014. China has been a significant contributor to the economy of this state, with the implementation of the free trade agreement furthering its contribution and benefiting the people of South Australia. Australia has been one of the very few developed countries that has been able to secure a free trade agreement with China. As one of the very few countries, the implementation of the FTA will allow South Australian businesses to benefit substantially over other international competitors.

The negotiations of the China-Australia free trade agreement concluded in November 2014, with the enabling legislation for the agreement passing the House of Representatives just six days ago, on Thursday 22 October. This prolonged period of time from the conclusion of negotiations to the passing of the enabling legislation could have been largely avoided. This agreement has unfortunately been subject to the game of politics, with the agreement being put at great risk because of a few minor details, losing sight of the bigger picture.

The Premier of South Australia, the Hon. Jay Weatherill MP, and the premiers of Victoria and Queensland, voiced their support for this agreement as it would have come with great benefits for the states and the people of Australia. However, the failure to listen to the states has needlessly jeopardised this agreement.

During the time that federal Labor opposed the legislation of the China-Australia free trade agreement, Labor was accused of telling racist lies, an outrageous claim made by the federal Liberal government. Neither I nor the state government agree with the opposition to the agreement. It could be suggested that the opposition to the FTA was somewhat misguided but not racist. This opposition against the legislation does not automatically entitle it to be labelled as racist. The word 'racist' has long been overused to score points in the game of politics, causing the word to be desensitised. The word 'racist' no longer carries the capability to stimulate a response, consequently being unable to evoke emotions on matters that are truly racist, making it irrelevant.

The federal Labor Party was concerned that the deal would have allowed employers to hire 457 visa workers without having to advertise jobs for local workers first. Labor was also concerned that mandatory skills assessments for important trades would be abolished. The concerns raised regarding certain elements of the FTA were purely based on the ALP and the unions wanting to ensure that Australian jobs were not undermined, not the pursuit of a racist agenda, as the Liberal Party would like you to believe.

I am pleased that these shortcomings will be overcome by amendments to the migration regulations, which will apply to workers from all nations, put forward by the federal Labor opposition, which the current Liberal government has agreed to. These include the requirement to pay market rates for overseas workers employed under the 457 visa and the requirement for workers to obtain the relevant trade licences, as well as the need for businesses to advertise locally before applying to hire overseas workers under the 457 visa. These are strong and prudent measures which will ensure workers' rights are protected. The Labor Party has a long and proud history of standing up for Australian workers to ensure that they get the best deal possible.

The agreement currently before the Senate is expected to be approved when the Senate next sits, during November. Once fully implemented, the China-Australia free trade agreement will dramatically decrease or eliminate tariffs, allowing 95 per cent of Australian goods exported to China to enter duty free. This liberal access to each other's markets for goods, services and investment will allow Australia to take advantage of China's rapid growth.

Australia has also signed on to the Trans-Pacific Partnership which means Australia is liberalising trade with China as well as America, Japan and its allies. Not many other countries are in this privileged position; a position that allows Australia to be competitive and open new trade and investment opportunities.

The Hon. A.L. McLACHLAN (17:50): I rise to speak in support of the motion that this council recognises the benefits of free trade agreements to South Australian businesses and the economy, and acknowledges the work of the commonwealth government to establish free trade agreements with Korea, Japan and China.

The federal government first began to scale back its economic protection of Australian industries in the 1980s. At this time Asia was undergoing a phenomenal surge of growth and, in Australia, we began to realise that we were increasingly becoming reliant on our trade with Asia and sensibly commenced trade liberalisation. This resulted in a remarkable shift in Australia's pattern of trade as products from Asia that were previously excluded by tariffs were now able to enter our economy.

The result of the economic growth in Asia was that Australia, for the first time, was placed within the fastest-growing region of the world. Today, Australia is somewhat unusual compared to other wealthy nations because its trade profile is still dominated by commodity exports, mainly minerals, oil and gas. Australia's heavy reliance on the export of primary resources has been responsible for driving Australia's economic growth over the past decade. Going forward, an ongoing reliance on certain sectors threatens to leave the Australian economy vulnerable.

Australia's most important trading partners in order of importance are: China, Japan, the US, the Republic of Korea, Singapore and the United Kingdom. This trade profile reflects Australia's close proximity to Asia and its ability to provide a reliable goods trade. The federal government's recently-established FTAs will provide better Australian access to Chinese, Korean and Japanese markets and improve the competitive position for Australian exports, greater prospects for increased two-way investment and reduced import costs for Australian businesses and consumers alike.

Recent research undertaken by the Department of Foreign Affairs and Trade suggests that the trade of Australia's natural resources is slowing and Australia will need to develop new markets in the region if it is to remain competitive. The Department of Foreign Affairs and Trade reports that:

> Mining accounts for about two-thirds of Australia's exports to Asia, and even more to China. But this boom will pass, and Australia must become better at selling other things to affluent Asia.

In South Australia the state government has reported that manufacturing remains an industry of great promise for small and medium enterprises that are able to produce high-quality innovative products for a niche global market; however, their ongoing success will be determined by the ability of the companies to operate under a business model which delivers value by differentiation through innovation.

This changing approach means that despite the forfeiture of more than 100,000 manufacturing jobs across the country over the last seven years, South Australia has opportunities to develop its manufacturing sector. The key to making the most of this opportunity will lie in the ability of business and government to work together to ensure that manufacturing in Australia encourages innovation.

To succeed, global manufacturing relies on a strategic approach to innovation with an emphasis on quality and design, high-calibre management and workforce skills which can only be effectively cultivated in a supportive policy and investment environment.

The Global Innovation Index is a global comparative study of 142 countries undertaken each year by Cornell University, INSEAD and the World Intellectual Property Organisation, and provides a useful overview of the strengths and weaknesses of areas of the economy which are seen to foster

innovation. According to this dataset, Australia ranks 17th overall on the global scale, behind Switzerland at the top, the United Kingdom, the United States, Singapore, Ireland, Canada and Norway, amongst others.

It is interesting to note that, according to this guide, that Australia outstrips Switzerland in some areas, including ease of starting a business, levels of university enrolment, access to non-agricultural products, and amounts of human capital and research, but performs well below Switzerland on areas such as knowledge creation, scientific and technical publications, and high-tech exports. These areas represent capacity for improvement in Australia and should be developed and encouraged accordingly.

The federal government's recent FTAs established with China, Japan and Korea are representative of the importance and focus of Australia's trade relations; however, in order to build Australian competiveness we cannot become complacent. Australia cannot just rely on its reserves of raw resources. They will not last.

As a state in the federation, we need to harness the potential of industries, such as high-tech manufacturing, by allocating adequate community resources to encourage creativity and design integration. In this way, we will create the conditions ripe for investment in innovation. I commend the motion to the chamber.

The Hon. J.S. LEE (17:56): I would just like to thank the Hon. Tung Ngo and the Hon. Andrew McLachlan for their contributions to support this free trade agreement motion. I am pleased to find out that through the course of various different negotiations Mr Bill Shorten, the federal leader of the Labor opposition, has finally come to his senses with his party to support the free trade agreements that were proposed and put in place wonderfully by the commonwealth government of the Liberal and National Party Coalition. I do thank them for their contributions and I wish all the South Australian companies, the enterprises, pursuing their export opportunities in Japan, China and Korea all the great success of capitalising on the free trade agreement. I commend the motion.

Motion carried.

Bills

LOCAL GOVERNMENT (STORMWATER MANAGEMENT AGREEMENT) AMENDMENT BILL

Introduction and First Reading

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (17:58): Obtained leave and introduced a bill for an act to amend the Local Government Act 1999. Read a first time.

Second Reading

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (17:58): I move:

That this bill be now read a second time.

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

Leave granted.

The *Local Government (Stormwater Management Agreement) Amendment Bill 2015* will enhance the governance arrangements for cooperative stormwater management in South Australia. With this Bill, the State Government upholds its commitment to introduce legislation to give effect to the Stormwater Management Agreement, as executed by the State and the Local Government Association of South Australia in late 2013.

Members may recall that the Government and the Local Government Association originally entered into a Memorandum of Agreement on stormwater management on 14 March 2006. That was a significant milestone, with the Agreement clearly setting out for the first time responsibilities for stormwater management.

Historically, stormwater has been viewed more often than not as a nuisance issue. In recent years, stormwater has come to be seen also as a potential resource for harvesting and reuse. A contemporary and integrated approach is warranted if we are both to manage the risks and to harness the benefits of stormwater.

As I said, that original Agreement addressed responsibilities for stormwater management and provided the basis for joint and collaborative action by both levels of government to deal with the threat of flooding and to better

manage the use of stormwater as a resource. Fundamentally, the Agreement provided a basis for whole-of-catchment approach to planning for stormwater.

As part of the Agreement, the State Government committed to a long-term funding arrangement for stormwater management and flood mitigation works, providing $4 million per annum, indexed, over 30 years. The Agreement was given a statutory footing via amendment of the *Local Government Act 1999* in 2007.

Amongst other things, the insertion of Schedule 1A to the Local Government Act 1999 established the Stormwater Management Authority as a statutory corporation and established the Stormwater Management Fund. Consistent with the Agreement, the Authority was tasked with being the facilitator and coordinator of stormwater management planning, including through the administration of the Stormwater Management Fund.

Under the auspices of the Agreement, a total of $34.5 million has been approved between September 2006 and 30 June 2015, supporting 105 projects worth $81 million. These projects comprise both floodplain mapping and planning projects, and infrastructure works, across the metropolitan area and in regional South Australia, undertaken in partnership with local councils. To date, 59 projects have been completed.

The Local Government Association and councils are to be commended for these outcomes.

The Government has continued to work closely with the Local Government Association to develop long-term solutions for better managing stormwater. In 2011, the Government released the *Stormwater Strategy – The Future of Stormwater Management*.

One of the key recommendations arising from the Stormwater Strategy was to establish a new operational model for the Authority by giving it on a more strategic outlook. In that sense, the Strategy was a catalyst for the State and Local Government Association to enter into a new Stormwater Management Agreement in 2013.

The new Agreement provides for the Authority's functions to include supporting the development of an urban water plan for Greater Adelaide and leading the implementation of the stormwater elements of that plan. The urban water plan will establish a framework and agreed priorities for how stormwater resources are developed and managed with other water resources available to Adelaide, and work is already underway to develop this plan.

The Agreement requires the Authority to develop a ten-year strategic plan setting out the strategic approach to be taken by the Authority in relation to implementation of the urban water plan for Greater Adelaide (as it relates to stormwater), and in relation to stormwater management in regional South Australia. The Authority recently prepared its first strategic plan, and is due to be published shortly.

The Authority will also now prepare three-year business plans to clearly articulate how the Authority will conduct its operations and prioritises catchments where stormwater management plans and works are to be focused.

In renewing the Agreement, the State and Local Government also agreed a number of refinements to the governance and operations of the Authority, including as to the composition and procedures of the Authority. For instance, it will no longer be necessary for members nominated by local government to be representative of particular geographic areas of the State – the renewed Agreement rightly places the emphasis on members' skills as a primary consideration, while retaining an equal number of local government-nominated and State-nominated members.

In other respects, the fundamentals of the Agreement are unchanged: the Authority will continue as a statutory corporation to work closely with councils to progress stormwater management plans and implement stormwater infrastructure works with the support of the Stormwater Management Fund.

The renewed agreement foreshadows the need for legislation to give statutory effect to certain aspects of the agreement. This has culminated in the Bill that is being introduced into Parliament today.

The Bill is necessary to recognise the revised Agreement itself, and to give effect to changes contained therein. There has been an extensive consultation process with the Local Government Association to develop the revised Agreement in the first place and now on the specific measures set out in the Bill, which the LGA supports in its current form.

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—Substitution of Schedule 1A

Schedule 1A—Implementation of Stormwater Management Agreement

This clause substitutes a new Schedule 1A into the *Local Government Act 1999* dealing with implementation of the Stormwater Management Agreement entered into by the State of South Australia and the LGA on 30 August 2013.

The Schedule contains the following provisions:

- an interpretation provision containing definitions for the purposes of the Schedule;
- a provision approving the 2013 Stormwater Management Agreement;
- a provision setting out the objects of the Schedule;
- a provision specifying that the Schedule is in addition to and does not limit or derogate from the provisions of any other Act;
- provisions continuing the Stormwater Management Authority (the *Authority*) and setting out its functions, namely:
    - to liaise with relevant public authorities to ensure the proper functioning of the State's stormwater management system;
    - to contribute to the urban water plan for Greater Adelaide and lead the implementation of elements of that plan relating to stormwater;
    - to facilitate and co-ordinate stormwater management planning by councils;
    - to formulate policies and provide information to councils in relation to stormwater management planning;
    - to facilitate programs by councils promoting the use of stormwater to further environmental objectives and address issues of sustainability including the use of stormwater for human consumption, for the maintenance of biodiversity and other appropriate purposes;
    - to ensure that relevant public authorities co-operate in an appropriate fashion in relation to stormwater management planning and the construction and maintenance of stormwater management works;
    - to provide advice to the Minister in relation to the State's stormwater management system;
    - to carry out other functions conferred on the Authority under the Schedule or by the Minister with the agreement of the LGA;
- provisions with respect to the Board of the Authority (which is to consist of a presiding member and not less than 6 other members, of whom half are to be appointed on the nomination of the LGA and half are to be appointed on the nomination of the Minister);
- a provision dealing with documents to be prepared and maintained by the Authority, including a strategic plan, a business plan, a code of ethics for board members and a guide for persons wishing to apply for money from the Fund;
- a provision allowing for establishment of a Stormwater Advisory Committee;
- provisions with respect to the preparation of stormwater management plans by councils and for approval by the Authority of stormwater management plans prepared by councils and provisions giving the Authority power to require the preparation of a stormwater management plan;
- provision for the Authority to make an order requiring action by a council where a council has failed to comply with a requirement to prepare a stormwater management plan or has failed to comply with an approved stormwater management plan or where the Authority is satisfied that action by a council is necessary to provide for the management of stormwater or to preserve and maintain the proper functioning of any stormwater infrastructure that the council has the care, control and management of. If a council fails to comply with an order the Authority may take the necessary action and may apply monies from the Fund to cover the costs and expenses of taking the action or recover the costs and expenses (or a portion of them) from the council as a debt;
- provisions with respect to the Stormwater Management Fund, including the circumstances in which payments can be made out of the Fund and requirements relating to accounts and audit;
- miscellaneous provisions dealing with the exercise of powers in relation to land, notice to occupiers, a power of the Minister to vest land or infrastructure, liability, assessment of costs and expenses, evidentiary matters, annual reports and regulations.

Debate adjourned on motion of Hon. J.S.L. Dawkins.

STATUTES AMENDMENT AND REPEAL (BUDGET 2015) BILL

Second Reading

Adjourned debate on second reading.

(Continued from 27 October 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) (17:59): I would like to make some concluding remarks in relation to this particular bill. I understand that all second reading contributions have been completed. There were a number of questions asked by the Hon. Rob Lucas and I intend to use this time to put on record answers to his questions.

In relation to the LGA seeking consideration of a rebate scheme, I am advised that the bill makes royalty payable on the minerals recovered by councils in South Australia from their borrow pits at a royalty rate of 55¢ per tonne from 1 July 2015, with the first royalty payment due on 31 January 2016. The budget measure aims to neutralise the competitive advantage provided to local councils where private quarries are being priced out of the market in the supply of extractive minerals for council works.

The Mining Act 1971 holds the overarching premise that everything below the subsurface belongs to the Crown and that, only upon the payment of royalty, does the ownership of the minerals pass to a third party (section 18 of the Mining Act 1971). With this in mind, the government's objective is to ensure consistent and equal treatment of the recovery of minerals through the payment of royalty.

Following the announcement, I have been advised that several meetings have been held with the Minister for Mineral Resources and Energy, the Department of State Development and the Local Government Association to discuss the impact of the announcement. In the course of the meetings, it was highlighted that the minister would be open to considering any reasonable proposals based on the premise that all extractions would require the payment of royalty due to the commercial and industrial nature of the use of that material.

I am also advised that, as part of the abovementioned discussions, an agreement in principle has now been reached that effectively allows the budget measure to go ahead, with recognition that in some instances councils that may be disproportionately affected by the change, particularly given their remote location and size of operation, are not disadvantaged in reaching this common sense and practical adjustment. The minister and the department have had extensive discussions with both the LGA and Cement Concrete and Aggregates Australia (CCAA). Once this in-principle agreement has been confirmed by the government, amendments will be moved to effect the required changes.

Further, I am advised that the bill provides an option of an application to waive royalty in accordance with section 17(10) of the Mining Act 1971. Royalty may be waived wholly or in part or at the rate at which the royalty is payable. The rate at which it may be payable may be reduced having regard to the effect of the royalty payment on the viability of the mining operation for the recovery of minerals. I am advised that, where distances from private quarries to the council roadworks are unreasonable, the local council could argue in the affirmative and the minister would consider a waiver of the royalty payable.

In relation to stamp duty changes, I am advised they can be summarised as following. In 1990, section 66AB was amended and renumbered as section 67 of the Stamp Duties Act 1923 by the Stamp Duties Act Amendment Act (No. 2) (No. 33 of 1990) (the '1990 bill'). Debate in the House of Assembly regarding the 1990 bill reveals member concerns with the potential for proposed section 67 of the Stamp Duties Act to capture circumstances where a purchaser acquires property from two independent arm's-length vendors. In response, the Hon. Frank Blevins (then member for Whyalla) stated that the policy intent in amending/introducing section 67 of the Stamp Duties Act was to:

> …counteract the tax avoidance practice of dividing land into smaller portions to avoid increased rates of stamp duty on higher value transactions. The same problem has again arisen but in relation to other property.

Upon being presented with the specific issue causing concern and then questioned as to whether the tabled amendments would apply to the circumstances presented, Mr Blevins responded:

> Where a person enters into quite separate contracts to buy land—it may be adjoining, but under separate ownership—they are not covered by a proposed new section 67. There are clearly two separate contracts bought from two separate people, and this section would not apply.

Due to Mr Blevins response, an amendment tabled by Mr Stephen Baker, then member for Mitcham, to prohibit the application of section 67 in these circumstances was considered unnecessary.

In the 8 September 2015 sitting of the House of Assembly the member for MacKillop advised the house that he had a constituent who acquired three adjoining properties from arm's-length vendors, to which the Commissioner of State Taxation (the commissioner) applied section 67 of the Stamp Duties Act. In the 9 September 2015 sitting of the House of Assembly the Treasurer, the Hon. Tom Koutsantonis, responded to the member for MacKillop by stating:

> we rely on crown law advice, and whatever the intent of the act was the words are the important aspect here and they are interpreted for us independently of what you and I may think or the parliament's intent, and courts and lawyers give us advice. We take that advice and that is the outcome. If the member is not satisfied, move an amendment, but regardless of the intent that is the outcome of the clause.

The Treasurer further advised that in 2000 the commissioner received comprehensive advice in relation to the application of section 67 of the Stamp Duties Act. The advice, which reviewed all prior section 67 advices provided by the Crown Solicitor, was requested as RevenueSA required additional guidance in determining when and when not to apply section 67 of the Stamp Duties Act. I am advised that this was triggered by an advice received regarding a taxpayer's objection which at first appear to be an anomaly when compared to previous advice. Clarification was therefore sought by RevenueSA, and the Crown Solicitor undertook a comprehensive review of all section 67 advices in response to RevenueSA's request.

I am advised that the comprehensive advice received is applied to this day and is the basis upon which RevenueSA issued its document guide in 2008. The advice also confirmed that section 67 of the Stamp Duties Act is not limited to contract splitting and can sometimes apply where the vendors of two parcels of property are not the same. In these circumstances the test to be applied is whether, in all circumstances, there is a relationship or a connection or an interdependence between the transaction that gives them the required unity of purpose, and this makes it necessary to ascertain the intentions of the parties in entering into several contracts.

In the objections the commissioner has been successful in, there has been an additional factor which has served to tip the balance in order to establish the essential unity required for this section to apply. I am advised that the commissioner has been successful, for example, in relation to an objection where the vendors were not identical but where the properties in question are intended to be used for a singular purpose. Each matter must be assessed on its own facts and circumstances, however, to ascertain whether the essential unity exists. The commissioner is bound to follow past advice in relation to this issue and must interpret the words of the statute as they stand.

I am advised that additional advices since 2000, received in the course of considering taxpayer objections, have continued to slightly modify RevenueSA's application of section 67 of the Stamp Duties Act, but not so as to prevent the application of section 67 to the circumstances described. It should be noted that the circumstances of concern to Messrs Williams and Lucas are not commonly encountered by RevenueSA when considering section 67 of the Stamp Duties Act. Accordingly, any amendment to section 67 of the act to restrict its application in these circumstances would have very minimal effect on the state's revenue. Given the minimal impact on the state's revenue and the representations made by the government in 1990, the government will consider amending section 67 of the Stamp Duties Act in a similar way to that proposed by Mr Baker in 1990 as part of next year's budget.

In relation to questions asked relating to clause 8, section 13A, I am advised that proposed section 13A(9)(a)(i) in the bill is a restatement of the original provision, except for the addition of 'but does not include an interest consisting of a right to occupation'. This addition was made to address earlier submissions by practitioners concerning the potential for section 13A of the Land Tax Act to apply to life interests, assuming one could value and express the life interest as a percentage.

The submission seems to assume that it is possible to value and express interests such as a life interest as a percentage of interest in the relevant property such that sections 13A(2) and (3) of the Land Tax Act are enlivened. I am advised that the minor interest provisions do not and will not apply to life interests or rights of occupation. The additions to proposed section 13A(9)(a)(ii) in the bill concern trust interests only.

The interests referred to are beneficial and potential beneficial interests. I am advised that an explanatory note was released with the draft Land Tax (Avoidance and Other Matters) Amendment Bill 2014 (which subsequently formed part of the bill) to explain how the provisions will operate with respect to beneficial and potential beneficial interests. The provisions are of an anti-avoidance nature and are thus drafted broadly to accommodate avoidance practices.

Nevertheless, the provisions only apply when a beneficial, potential beneficial or legal (as trustee) interest is expressed as a percentage interest in the relevant trust document or by the registry, the LTO (respectively). There is no intention to attempt to value any other interest that could be considered 'beneficial' so as to assign a quantified percentage to that interest in the property. I am advised that existing sections 13(1) and (2) of the Land Tax Act (in conjunction with definition of 'owner') are the relevant provisions which deal with varying interests in property and to the extent such interests are ownership interests for the purposes of the Land Tax Act.

I am also advised that there have been no issues experienced by RevenueSA to date and any changes to the proposed amendment so as exclude additional interests in property would have no impact on the operation of section 13A of the Land Tax Act. In relation to concern about the requirement of section 13A that one of the purposes of holding the interest is the reduction of land tax, I am advised there are numerous examples where the commissioner has chosen not to apply sections 13A(2) and (3) of the act due to genuine commercial reasons for the creation of the minor interest. These provisions have worked very effectively for a number of years other than in relation to the issues with trusts which are being dealt with in the bill. The thresholds stipulated in sections 13A(2) and 13A(3) of the Land Tax Act are not insurmountable thresholds.

In relation to the question about clause 9—section 19(2), I am advised that the relevant amendments ensure that land tax is treated on par with the other taxes subject to the Taxation Administration Act 1996. The extent of any default is again determined, having regard to the normal definitions of 'reasonable care' and 'deliberate' under the Taxation Administration Act. The proposed provision specifically targets situations where RevenueSA has been misled through the provision of incomplete information with respect to exemption applications.

In relation to questions asked about clause 10(3)–Retrospective Operation of section 13A, I have been advised that amendments to section 13A of the Land Tax Act ensure the original policy intent of the section is maintained. The amendments fix a loophole in the provisions which in RevenueSA's experience has been exploited. The operation of the amendments is consistent with the retrospective operation of section 13A of the Land Tax Act when it was introduced in 2008-09 financial year. To do as suggested would render amendments ineffective and meaningless as existing trust structures would continue to avoid aggregation.

In relation to questions asked about part A–Amendments of the Stamp Duties Act 1923, I am advised proposed part 4AA to be inserted into the Stamp Duties Act will provide an exemption for transactions in which a person acquires a prescribed interest or increases such an interest in a land holding entity from another member of the same corporate group and which would otherwise give rise to duty under part 4 of the Stamp Duties Act.

The exemptions provided at sections 102G(3) and (4) of the Stamp Duties Act are to be repealed, as they are most likely to apply to the same transactions to which the proposed part 4AA exemption applies, but are not subject to the same eligibility criteria. The provisions are not necessary and only contribute to confusion as to how the Stamp Duties Act should be interpreted. I am advised that the discretions in sections 102G(3) and (4) of the Stamp Duties Act have never been needed.

To the extent that other intragroup transactions give rise to duty under part 4 of the Stamp Duties Act and it is obvious that the incidence of duty is harsh in the circumstances, the Treasurer retains the discretion to provide stamp duty relief on a case by case basis. Given the breadth of the exemption in proposed part 4AA, this is unlikely to occur.

In relation to the question relating to clause 24, Corporate reconstructions, I am advised that the definition of 'hold' in proposed section 102H(1) includes references to a person controlling the exercise of rights attached to the property.

I am advised that in this context a person controls the voting rights attached to property, such as shares, if they have the power to check, restrain or govern how the votes are used. A shareholder of a company may agree in a contract to exercise the voting rights in a particular manner for the benefit of another person.

A company can issue different classes of shares. The rights and restrictions attached to shares in a class distinguish it from other classes. The commissioner and parliamentary counsel are comfortable with the drafting as it stands. This is a conjunctive 'and' and this is consistent with the collation intended to operate as 'hendiadys' or at least something similar.

In relation to the proposed section 102H(2) using 'and' at the end of each paragraph, I am advised that the use of the word 'and' in section 102H(2) is a drafting preference of the parliamentary counsel. The frequent use of the word 'and' does not give rise to any interpretive issues.

In relation to the question about a member of a partnership having a proportionate interest, I am advised that in determining the proportionate share of a partner and partnership assets, the commissioner will take into account the terms of any partnership agreement and any instrument effecting a change of partnership which clearly stipulates each partner's proportionate share. The guidance provided by the Stamp Duty Land Holder Guide to Legislation, which addresses equivalent provisions in part 4 of the Stamp Duties Act will be followed when determining partnership proportionate shares. Any guide issued in relation to the operation of proposed part 4AA will provide similar guidance in relation to partnership proportionate shares. This is not a new concept.

In relation to the question about section 71E applying to a particular transaction, I am advised that section 71E of the Stamp Duties Act applies to a transaction which results in the change of ownership of a legal beneficial interest in land. Such transactions that involve conveyance of land from a member of a corporate group to another member will be exempt transactions if proposed part 4AA applies. The commissioner and parliamentary counsel are comfortable with the drafting as it stands.

In relation to the question about commissioner exemptions, I am advised that as an exemption provided by the commissioner may be revoked, it is important that any instrument that gives effect to, acknowledges, evidences or records the transaction exists.

In response to the question about duties being paid on an assessment, I am advised that the provisions of the Taxation Administration Act clearly provide a mechanism for the provision of a refund of duty in the event that the commissioner provides an exemption to a transaction under proposed part 4AA on instruments where stamp duty has been paid. I am further advised that there is no entitlement to interest on any refund where the duty has already been paid. Applications for an exemption under proposed part 4AA of the Stamp Duties Act can be made at any time before the transaction and within 12 months after the transaction. Timely applications for an exemption can preclude the payment of any duty.

In relation to the question regarding the five-year period proposed by this bill, the government agrees that extending the period of application for the proposed corporate reconstruction exemption to five years from the date of the transaction ensures consistency with the commissioner's reassessment powers under section 10 of the TAA and other rights of refund under the act. Amendments will be moved to give effect to this.

The Hon. Rob Lucas asked what was the position with respect to already stamped documents and how this provision might apply. I am advised that for corporate group restructure transactions that have been completed before an application for exemption is made, the instruments that give effect to, acknowledges, evidences or records transactions are submitted with the application. If the commissioner is satisfied that proposed part 4AA applies to the transaction, the commissioner must assess any relevant instrument. The application form provides guidance in relation to the submission of executed instruments.

Questions in relation to section 102M(5) being extended to the statements to be brought into existence under section 71E and under part 4: I am advised that section 71E of section 102B statements are considered to be within operation of proposed sections 102M(5). In relation to questions about the words 'asset' and 'property', the government agrees that consistent use of the term 'property' is preferable to alternate use of the term 'assets', at proposed sections 102H(2)(c) and 102K(d), and amendments will be moved to that effect.

In relation to the provisions applying to companies limited by guarantee and Indigenous corporations, I am advised that the provisions do not apply to corporate groups involving companies limited by guarantee or Indigenous corporations established under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Commonwealth) unless those corporations are the ultimate parent corporation of the restructuring corporate group. This is because such bodies are not organisations with issued capital that can be subject to acquisition, and as such they cannot form part of a corporate group as defined in the bill.

In relation to the question on clause 25, definition of land, I am advised that a leasehold interest does not fall within the proposed definition of 'land' as an interest in land, much like a lease constitutes a land asset for landholder purposes. Generally speaking, a lease has nominal value, and assignment transfer of such would be stamped by the commissioner with the nominal stamp duty. However, ad valorem stamp duty may be imposed on the assignment transfer of a lease or an interest in a lease in the following circumstances:

- when section 64 of the Stamp Duties Act applies;
- for longer term leases, which in any event generally include consideration for the assignment/transfer of the lease and thus would be subject to section 64 of the Stamp Duties Act; and
- when the landholder provisions apply.

Revenue SA reserves the right to seek the opinion of the Valuer-General should Revenue SA suspect the assignment/transfer of a lease possesses a more significant market value (that is, above nominal).

It is the government's intention that an aquaculture lease granted under the Aquaculture Act 2001 (SA) should not be included in the definition of land. It is therefore agreed that such leases should be expressly excluded and amendments will be moved to give effect to this. I am advised that the commissioner will not assess the transfer of a commercial lease for nominal consideration by reference to the value of any prescribed goods.

In relation to leases of commercial properties being exempt after 1 July 2018, I am advised that amendments to exclude leases of less than five years would prevent the capturing of premiums paid for the assignment of such leases, and has the potential to create a loophole in the Stamp Duties Act.

In relation to the question asked on clause 26, instruments to be separately charged: I am advised that the amendments to section 14 of the Stamp Duties Act seek to amend that the instrument that conveys multiple items of property—some items exempt, some items taxable at ad valorem rates and/or some items taxable at 'phase out rates'—can appropriately be stamped.

In relation to the question: what does type of property mean, I am advised that the use of the word 'type' must be read in conjunction with its surrounding words, which add clarification to the type of property to which the section relates. The type of property targeted is property that is dutiable at ad valorem rates, property that is dutiable at a discounted rate, and property that is exempt or not taxable. 'Type', therefore, refers directly to the dutiable treatment under the Stamp Duties Act.

I am further advised that the purpose of this provision is to ensure that taxable property can be treated differently to non-taxable property when conveyed by the same instrument. Notwithstanding this, the government agrees that different terminology should be used to describe the property targeted by proposed section 14(2), and the appropriate amendment will be moved.

In relation to the question raised regarding calculating stamp duty, I am advised that to calculate stamp duty on a conveyance of units in a unit trust scheme which holds land including

South Australian land, the net value of the South Australian land will be ascertained. In determining the net value of the South Australian land held in a unit trust scheme the commissioner will deduct from the market value of the South Australian land any liabilities which relate to the land. The primary example of a liability that will be deducted from the value of the land is a mortgage secured against the land. Business or commercial loans which are not secured over any assets of the trust will be apportioned in accordance with the value of each asset.

Questions in relation to the proposed section 14(2), the use of the word 'or' between 'an instrument relating to types of property': I am advised that proposed section 14(2) can be applied multiple times to the situation described. An example: assume an instrument which conveys a property dutiable at full ad valorem rates, property which is chargeable at a phase-out discounted rate and property which is exempt. The words 'type of property chargeable with duty and type of property not chargeable with duty' would apply to split the instrument into two separate instruments.

The exempt item of property now being in one instrument and the two chargeable items of property in the other instrument. The words 'type of property that are chargeable with different rates of duty' can be applied to the instrument with the remaining two chargeable items of property, the result being that three instruments notionally exist in order to apply different stamp duty treatments. Parliamentary counsel is comfortable with this drafting. Given the hour of the day I seek leave to have the rest of my summing-up incorporated into *Hansard* without my reading it.

Leave granted.

In relation to the question asked regarding Clause 27—Section 31 Amendments. I am advised that the Commissioner's Revenue Ruling SDA008[V3] makes it clear that RevenueSA has always interpreted the 'date of the sale' to mean the date the property in question is conveyed or transferred. In the context of real property, this has meant that the 'date of the sale' is the date the Memorandum of Transfer is executed. Therefore, 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 RevenueSA when determining the market value of property.

To resolve any potential ambiguity regarding the application of section 60A(1) of the *Stamp Duties Act*, the Bill seeks to retrospectively amend this section to confirm RevenueSA's long-standing interpretation. Taxpayers are therefore not adversely affected by the retrospective application of these amendments, especially given that, in RevenueSA's experience, most taxpayers have relied and acted on the advice in Revenue Ruling SDA008 [V3].

In relation to the statement that the proposed section 31(2){a} refers to the value being greater than the consideration specified in the contract. It should refer to the value of the interest under the conveyance being greater than the consideration expressed in the contract or the value of the property if the Commissioner has assessed the contract on that value under section 31(1b).

The Government agrees and will move an amendment to address the issue.

In relation to the question asked regarding Clauses 31 and 40—Section 67, I am advised that the insertion of section 67(5) into the Stamp Duties Act is taken to have occurred from the date of the Budget announcements (18 June 2015). Proposed section 67(5) could be considered to have retrospective effect assuming an instrument which forms part of a series of instruments is executed after 18 June 2015. In circumstances where the phase-out of stamp duty has not commenced, this 'retrospective' application has no adverse effect on taxpayers. Proposed section 67(5) ensures that a consistent rate of stamp duty can be imposed on an aggregated market value where a series of transactions straddles phase out dates.

The proposed retrospective amendment of section 67(2)(b) is complimentary to the amendment made to section 60A of the *Stamp Duties Act*. The policy for the retrospective amendment of section 60A of the Stamp Duties Act is covered elsewhere in this response.

In relation to the question asked regarding Clause 32—Repeal of Section 71B I am advised that the exemption contained at section 71B of the *Stamp Duties Act* 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, it is considered appropriate that this exemption be removed.

In relation to the question asked relating to Part 9—Amendments to the *Stamp Duties Act 1923*, clause 38, I am advised that the defined term 'dutiable land transaction' is a stylistic drafting preference of Parliamentary Counsel and the Government is comfortable with the current drafting. No explanation has been provided as to why the suggested alternate definition should be adopted.

In relation to the question asked regarding the proposed section 104B(2), I am advised that the proposed section 104B(2) in the Bill ensures the continued unimpeded operation of the land holder provisions and section 71(3) of the Stamp Duties Act (whether relating to unit trusts or not). This is why the proposed section does not merely refer specifically to the circumstances suggested. The provision is to be inserted out of an abundance of caution to ensure that other provisions within the Stamp Duties Act which impose stamp duty on interests in land are maintained.

With respect to issues raised in relation to section 104B(4) I am advised that it is considered that proposed section 104B(4) in the Bill adequately lists business assets which are exempt from stamp duty as of 18 June 2015. These excluded assets mirror those listed in section 91(1) of the Stamp Duties Act. I am advised that the operation of the landholder provisions and proposed sections 104A to 104F in the Bill with respect to goods will be identical. However, the Government agrees that the wording in proposed sections 1048(4) and 91(1) with respect to prescribed goods should be more closely aligned. An amendment will therefore be moved in that regard. The definition of 'primary production' can be adequately gleaned from general concepts. The definition of 'business of primary production' in section 2(1) is needed for section 71CC of the Stamp Duties Act for example.

In relation to questions asked regarding Clause 39—Section 109, I am advised that it was considered appropriate to provide a specific anti-avoidance provision in connection with proposed sections 71DC and 105A rather than amend Part 6A of the *Taxation Administration Act* given that it will only be required for the next three years. Part 6A of the *Taxation Administration Act* should not be referring to specific tax heads under specific transitional circumstances when it was designed to be a generic anti-avoidance provision for all tax heads.

In relation to Clause 40—Transitional Provision I am advised that similarly, for the reasons given above, retrospective effect is warranted.

In relation to the question raised about the proposed amendment to section 60, I am advised the proposed beneficial amendments to section 60 of the Act ensure that voluntary dispositions inter vivos are not taxable under any other provision of the Stamp Duties Act where the exemptions in section 71(5) of that Act apply. There is no need to limit the provisions which actually charge instruments stamp duty.

In relation to issues raised relating to Clauses 42, 43 and 49, I am advised that, with respect to the issues raised, the Crown Solicitor consistently advised as early as 1990 (and most likely earlier, however, record keeping has prevented earlier searches by RevenueSA) that it is the date of actual conveyance and not the contract date which is relevant for calculating stamp duty. This long held position was never successfully challenged by a taxpayer on objection nor, more to the point, taken on appeal by any taxpayer. This is notwithstanding claims in this House that RevenueSA's position was clearly wrong at law and contrary to the history of the *Stamp Duties Act* which has been described. Accordingly, the position of RevenueSA was widely known, accepted and applied by taxpayers, since at least 1990 and probably earlier.

In any event, in more recent advice from the Crown Solicitor dated 14 August 2013, that long held position was called into question. Due to the potential resultant revenue impacts should that long held position be abandoned, the Treasurer obtained Cabinet approval on 16 December 2013 to amend the Stamp Duties Act retrospectively. On 19 December 2013, the Commissioner released Revenue Ruling SDA008 which stated:

> *'RevenueSA has always interpreted the 'date of the sale' to mean the date the property in question is conveyed or transferred.*
>
> *In the context of real property (or land), this has meant that the 'date of the sale' is the date the Memorandum of Transfer is executed.*
>
> *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 RevenueSA when determining the market value of property.*
>
> *To resolve any potential ambiguity or disagreement regarding the application of Section 60A(1) of the Act, Cabinet has approved the drafting of retrospective amendments to this section that if passed into law will confirm and reflect RevenueSA's long-standing interpretation of this section.*
>
> *To give effect to this Cabinet approval, suitable legislative amendments would need to be approved by Cabinet and then introduced into and passed by Parliament.*
>
> *If such amendments are passed into law, instruments subsequently found to have been processed via RevNet using an alternative interpretation of this section will be assessed appropriately."*

I am advised that, at the time, it was envisaged that if the Crown Solicitor's new interpretation of section 60A of the *Stamp Duties Act* was adopted, this would encourage illegal but hard to detect exploitation of the new interpretation by taxpayers and/or their representatives, particularly by means of back-dated contracts/agreements or contrived long-term settlements between non-arm's length parties.

In response to issues relating to Retrospective Operation—Penalties and Interest I am advised that given RevenueSA's position was widely known, accepted and applied by taxpayers, RevenueSA moved quickly to ensure taxpayers were clearly aware of RevenueSA's position on any alternative interpretations of the *Stamp Duties Act*. Accordingly, taxpayers that chose to self-endorse conveyances on the value of property as at the date of contract would have chosen to disregard RevenueSA's published position.

As advised by RevenueSA in SDA008[V3], instruments subsequently found to have been processed via RevNet using alternative interpretations of the relevant sections will be assessed appropriately, with interest and penalty tax only applying to any such instruments processed via RevNet on or after 18 June 2015. That is, instruments self-endorsed clearly in contradiction to RevenueSA's published position post 18 June 2015.

In relation to Part 11—*Stamp Duties Act 1923*, I am advised that the Commissioner intends to rely on the Valuer General's land use codes to provide certainty to taxpayers. If a taxpayer disagrees with the Valuer General's assigned land use code and the Commissioner's reliance on the same, the taxpayer can object to the Commissioner's determination.

In relation to the proposed section 71DC(2) and the use of the expression 'after taking into account information provided by the Valuer-General'. I am advised that the suggested amendment proposes including an explicit discretion for the Commissioner which does not seem to provide any further clarity, especially given the words 'appropriate in the circumstances' would elicit interpretation issues and provide a point of contention. It is clear the intent is to rely on the Valuer-General's land use codes. If a taxpayer disputes a determination by the Commissioner as to land use, the taxpayer may exercise their rights of objection and appeal.

In relation to the issue raised about the classification to be determined at the time of the conveyance not the date of the contract of sale. In view of the difficulties described above about what is the relevant date, this should be explicitly stated. The Government agrees with this submission and will move an amendment to rectify the issue.

In relation to the question about how broad acres under development for sale as residential allotments are to be classified, I am advised that tl1e land use determination will be made at the date of conveyance.

In relation to the question raised relating to Part 12—*Stamp Duties Act 1923*, I am advised that following the first reduction in conveyance duty for non-residential property on 1 July 2016 South Australia will have some of the lowest conveyance duty rates for non-residential property in the nation. When duty is abolished from 1 July 2018 South Australia will be the only State to not levy duty on non-residential real property transfers providing a significant competitive advantage. This will make South Australia a very attractive place to invest and should lead to an increase in transactions.

I am advised that the phased abolition of conveyance duty on non-residential property was introduced following advice from experts in the property sector about the potential impact on the market. The three year phase out reduces the potential for market disruptions, although there may be some delays just prior to a phased abolition date.

The Treasurer has also previously stated that he reserves the right to bring forward the phased abolition dates should there be any adverse impacts on markets.

In relation to the statement regarding Part 13—*Supreme Court Act 1935*, I am advised probate Fees exist is each state and I'm advised the introduction of a tiered fee is consistent with similar arrangements in New South Wales, Tasmania and the Australian Capital Territory.

In relation to Part 14—*Taxation Administration Act 1996*, I am advised that as a matter of policy these decisions are considered non-reviewable to avoid the escalation of disputes as a strategy to avoid paying the relevant tax. Taxpayer's can potentially lodge appeals as both a strategy to procure a settlement from the Commissioner (without ever intending to dispute the matter before a Court) and to provide more time for the taxpayer to meet the outstanding liability.

I am further advised that in matters where a taxpayer lodges an appeal to the Commissioner's assessment/decision or the Treasurer's determination on objection and 50 per cent of the tax in dispute is paid, it will be the Commissioner's policy that no further interest accrues and action to recover the remaining outstanding debt will not be taken until any appeal is determined. Where required, RevenueSA will however take some form of action to protect its interests such as placing a charge or caveat over property.

Bill read a second time.

STATUTES AMENDMENT (TERRORISM) BILL

Final Stages

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

At 18:29 the council adjourned until Thursday 29 October 2015 at 14:15.