LEGISLATIVE COUNCIL

Thursday, 26 May 2016

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

Parliamentary Procedure

PAPERS

The following paper was laid on the table:

By the Minister for Employment (Hon. K.J. Maher)—

Third Party Premiums Committee Determination

ANSWERS TABLED

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

Question Time

MALLEE PRESCRIBED WELLS AREA

The Hon. J.M.A. LENSINK (14:20): I seek leave to make an explanation before directing a question to the Minister for Water and the River Murray on the subject of the Mallee Prescribed Wells.

Leave granted.

The Hon. J.M.A. LENSINK: A number of landowners in the Mallee Prescribed Wells Area who are irrigators had part of their water allocations taken away from them by DEWNR several years ago on the understanding that that was to assist with environmental flows. They were not using part of their allocations because it was held in reserve as a droughtproofing measure. So they were quite surprised to recently receive a letter of offer from DEWNR to purchase the water that they had had taken away without compensation at highly elevated prices. My questions are:

1. Was the removal of these water allocations, in fact, a droughtproofing measure?

2. What conclusions can we reach from the government reoffering this water to them? In fact, does the government no longer hold concerns about overallocation of water in that region, or is it just trying to prop up, once again, DEWNR's budget?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:22): I thank the honourable member for her most important question. The water allocation plan for the Mallee Prescribed Wells Area was reviewed and amended, I am advised, with extensive community consultation on the best available scientific advice from 2005 and was adopted in May 2012. The water allocation plan balances the needs of water users, provides certainty and security of access to water users through setting sustainable extraction limits and provides rules for water trading and the taking and use of water. Since the adoption of the plan in 2012, all area-based licences have been reissued as a volumetric allocation, the first time volumetric allocations have been issued in areas added to the prescribed wells area.

The South Australian Murray-Darling Basin NRM Board completed a review of the previous Mallee water allocation plan, as I said, in June 2005. Based on this review, the board recommended that the plan be amended in accordance with the Natural Resources Management Act. The Mallee Water Resources Committee, an advisory committee of the NRM board, made up of water and non-water users within the Mallee Prescribed Wells Area, assisted the board in developing the plan, meeting regularly between 2003 and the adoption of the plan in 2012.

The introduction of the volumetric licences in the Mallee Prescribed Wells Area has had a long history. The South Australian Murray-Darling Basin NRM Board commenced community

engagement on this issue in 2006. I am advised that Mallee potato growers were actively involved in this process. The process to convert area-based allocations to volume commenced in 2012, in accordance with the Mallee plan, and was completed in December 2013. There was provision in the plan, I am advised, for temporary auxiliary allocations. Temporary allocations could only be accessed in management areas where water remained after the volumetric conversion process was completed. Temporary allocations were granted in the 2014 and 2015 water use year and expired on 30 June 2015.

A water trading market is operating within the Mallee to allow licence holders access to further allocations if they require it, I am advised. The water allocation plan for the Mallee Prescribed Wells Area will form a component of the South Australian Murray Regional Water Resource Plan to fulfil requirements of the Murray-Darling Basin Plan. Some minor amendments to the Mallee plan may be required to ensure compliance with the basin plan, I'm advised also, and these minor amendments will occur in accordance with section 89 of the Natural Resources Management Act.

The Hon. S.G. Wade: It's a shame his brief is not relevant to your question.

The Hon. I.K. HUNTER: Well, it is all very important information which the Hon. Mr Wade doesn't seem to have a scintilla of interest in, Mr President.

The Hon. S.G. Wade: I was listening; it just had nothing to do with the question.

The Hon. I.K. HUNTER: Well, it is a novel change for the Hon. Mr Wade to admit that he is actually listening to answers in this place instead of scribbling notes or doing things on his flat screen, which is what he is usually doing.

The Hon. S.G. Wade: I'm sorry; I scribble notes because I am listening.

The Hon. I.K. HUNTER: Well, I accept that you say that, Mr Wade, but when you exhibit through your questions in this place obvious disdain for the answers that are given and you pay no attention to them, I have to say, Mr President, it says to all of us up here that—

The PRESIDENT: Minister, you are probably better served by just answering the question.

The Hon. D.W. Ridgway: If you want to chuck him out, we're right behind you.

The PRESIDENT: No, we are just interested in your answer.

The Hon. I.K. HUNTER: You are probably right, Mr President, but it is far more entertaining to dwell on the failings of those opposite. A pre-consultation draft of the Mallee Water Allocation Plan is anticipated to be prepared by June 2016. I have no knowledge of the letters that the Hon. Michelle Lensink refers to. It may well be that they relate to the water trading market that I alluded to. If you would like to give me copies of those pieces of correspondence, I will track them down and get a response for her.

The PRESIDENT: Supplementary, Hon. Ms Lensink.

MALLEE PRESCRIBED WELLS AREA

The Hon. J.M.A. LENSINK (14:26): Is the minister aware that he actually received a letter on this very matter dated 12 May from the member for Chaffey, and when does he intend to reply to it?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:26): All in good time, sir.

PRISONER SUPPORT AND TREATMENT

The Hon. S.G. WADE (14:26): I seek leave to make a brief explanation before asking questions of the Minister for Correctional Services regarding restraint of prisoners in health facilities.

Leave granted.

The Hon. S.G. WADE: In the Legislative Council yesterday, the minister advised that the SA Department for Correctional Services is working closely with New South Wales correctional

services, 'in the development of a soft form of restraint'. The minister later in his answer went on to say, and I quote:

…if these technologies become available that are appropriate and that are affordable and do meet all the necessary security criteria, then of course it will be something that we actively look at.

In a letter to the Ombudsman on 11 July 2012, the chief executive of the Department for Correctional Services advised the Ombudsman that, and I quote:

…the department agrees that soft restraints should be used for prisoners who are hospitalised, and, where suitable, in other cases of prisoner movement in non-secure locations. The department has commenced investigating suitable soft restraints. Until such soft restraints have been identified and procured, the department will continue to use the standard restraints but remains committed to introducing suitable soft restraints in the future.

This week, almost four years after that letter was written, after yet another Ombudsman's inquiry, the department is going to have another look. In the Ombudsman's most recent report, the Ombudsman reports:

…there was at least one occasion during Prisoner A's stay at the RAH where medical staff made an attempt to have the hard cuff regime moderated with softer restraints. Given Prisoner A's co-operative demeanour on admission and his heavily sedated state for much of his stay in the RAH, it is reasonable to conclude that the DCS compliance officer should have consulted with and sought [advice]…from relevant medical and mental health staff to assess whether a modified approach to restraint was warranted.

My questions are:

1. What was the outcome of the 2012 review of the department's use of soft restraints?

2. Considering that SA Health provides in-prison health services and out-of-prison health services, is SA Health being actively involved in the conversation between the New South Wales department and the South Australian Department for Correctional Services?

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (14:29): I thank the honourable member for their question. Yes, I appreciate the Hon. Mr Wade referring back to my remarks that I made yesterday during the course of question time. I have been very clear, I think with this chamber and with the Department for Correctional Services and, indeed, the South Australian public, that I have asked the Department for Correctional Services to come back to me and provide me not with what information that speaks to the recommendations that they will implement; I have asked them instead to come back to me and tell me what recommendations cannot be implemented and why?

I'm very hopeful that that information will be coming back to me as quickly as possible, which will give me an insight as to whether or not those recommendations are being implemented and, if not, why not. Regarding the soft restraints, I did refer, as the Hon. Mr Wade mentioned, to the fact that DCS is working closely and collaboratively with the New South Wales corrections service to develop a soft form of restraint. I am advised that that work remains ongoing. I'm happy to make inquiries and seek information from the department regarding the 2012 review.

What I would say generally, though—and I think it is really important that everyone is conscious of this when we contemplate this difficult situation—is that when a prisoner acquires an injury through a restraint, such as a handcuff, they must be acting rather—well, violently may be too strong a word but they must be acting in a very physically intense manner in order to be able to acquire the sort of injury of the likes of the one that we saw vision of on the ABC news the other evening.

It is important to remember that, if someone is wearing a restraint and they acquire an injury as a result of wearing that restraint, it is not the restraint alone that has caused it. It also takes a degree of force or repetitive action, in order to be able to acquire that injury which, in and of itself, may reasonably indicate why that person has been restrained in the first place. Yes, we want to make sure that we are treating all prisoners humanely. Of course we don't want to be seeing prisoners who are in hospital, for instance, with the view of having medical treatment, walking away with a different injury than they had when they walked in.

These are obvious principles which I would expect all to support. But, under no circumstances, can we find ourselves diminishing security standards and putting at risk the work of DCS staff—

The Hon. K.L. Vincent interjecting:

The Hon. P. MALINAUSKAS: —security staff, hospital staff or, indeed, the general public. The Hon. Ms Vincent interjects. I know that no-one is suggesting that that is the case, but you can't contemplate one fact without contemplating the risk that is associated with it, which is why we need to approach this subject in a methodical way, clearly thought through. But just so everyone is clear about what this government's position is and what my position is as minister, safety has to be paramount.

The safety of the general public, staff working within the hospital system and staff working within Corrections has to be paramount, first and foremost. If we can honour that objective and, at the same time, reduce risk of injury through restraints to inmates, then, that is great. That is something we all support, but we have to make sure that safety is at the top of the pecking order when it comes to priorities. That is a principle which I wholeheartedly endorse and which I very much hope the department stands by, but we look forward to advances of new technology that may come online in due course.

The PRESIDENT: Supplementary, the Hon. Mr Wade.

PRISONER SUPPORT AND TREATMENT

The Hon. S.G. WADE (14:33): I would like to reiterate my second question: will the minister fully involve health authorities in the discussions with the New South Wales and South Australian corrections departments? I ask that particularly because my understanding of psychiatric disability is that the form of restraint may actually escalate the behaviours, not suppress them, so I do not believe one should assume that because injury is caused, the restraint can be blamed.

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (14:33): I thank the honourable member for that contribution. In regard to the specific part of his question, my apologies; I neglected to answer that. I understand that the department of corrections does actively work with SA Health when it comes to all matters related to the movement of prisoners in or out of the health system. In respect to the development of the soft restraint, I will seek information from the department to ensure that that work is ongoing. I am advised that, up until this point, the work that is being undertaken is between the South Australian department of corrections and the New South Wales department for corrections. I will seek information regarding whether or not that exercise is also undertaking engagement with SA Health or the New South Wales health department.

PRISONER SUPPORT AND TREATMENT

The Hon. K.L. VINCENT (14:34): Supplementary question: is there any truth in the claim in the ABC article on Tuesday, which said that the Ombudsman found that staff from the Department for Correctional Services refused to take up an offer from nurses to use soft restraints? If that claim is true, why is the minister investigating future technologies when it seems that, if that is true, we already have them?

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (14:35): I thank the Hon. Ms Vincent for her question and her ongoing interest in this subject. I will have to seek information again from the department, and I am more than happy to make sure it is brought back to her with regard to the specific allegation—I think it is fair to describe her remarks as an allegation.

SOUTH AUSTRALIA POLICE

The Hon. T.J. STEPHENS (14:35): I seek leave to make a brief explanation before asking the Minister for Police a question about a police officer's right to protest.

Leave granted.

The Hon. T.J. STEPHENS: I know that the minister is aware of the strong campaign the Police Association of South Australia ran with regard to the WorkCover changes affecting police officers injured in the line of duty. From the outset, my Liberal Party colleagues, indeed all of my crossbench colleagues in this place, were in lock step with PASA on this issue. There was a march and demonstration at Parliament House before the issue was resolved to the satisfaction of PASA and the officers they represent.

I acknowledge that the minister was heavily involved in the negotiations to achieve an acceptable outcome. I believe there is no doubt that South Australia Police are definitely the proverbial thin blue line, keeping our community safe, and all officers are acutely aware of the danger they are in and the sacrifice they must be willing to make to keep the people of South Australia safe.

The hierarchy of SAPOL has seen fit to bring charges against a PASA member for merely wearing their uniform during the demonstration. This person is proud to be a police officer: is it really that strange for a PASA member to be wearing the uniform of the South Australia Police? This officer was there, standing in solidarity with their and for their fellow officers. I know the minister is aware of this issue, as I raised it with him at a recent PASA gathering. He should also appreciate the importance of demonstration/industrial action in securing certain rights at work, given that he was a union organiser for so long before entering this place. My questions, therefore, are:

1. Does the minister think it is appropriate for the officer to be charged with a breach of the police code of conduct, and that the offence should be considered in the most serious category of offending?

2. Has the minister discussed the matter with the police commissioner?

3. Why are our police officers different from any other public servant or emergency services officer when it comes to the right to protest?

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (14:37): I thank my honourable comrade for his question. I do thank the Hon. Mr Stephens for his question: he talks about an issue that is worthy of attention. I think all in this place would share a view that freedom of association, and the ability in our society to be able to protest in a peaceful way, is very much a cornerstone of our democracy here in South Australia. That is a statement which all would share a passion for.

The right of police officers to protest is also something that falls within that position, and that is well demonstrated by virtue of the incredible turnout the Police Association had here on the steps of Parliament House regarding the workers compensation issue, to which the honourable member has already referred. There is no question, I do not think, around the right or the ability of police officers to protest on a matter that they see as being important to their vocation.

Part of the Hon. Mr Stephens' question goes to a specific nature regarding a particular case. It is true that it would not be appropriate for me in this place to start commenting on an individual case. In fact, it is worth drawing the chamber's attention to section 48 of the Police Complaints and Disciplinary Proceedings Act 1985. Section 48 goes into substantial detail on requirements around secrecy of particular cases being dealt with under that particular act, so maybe I will speak in more general terms about the process.

There are three main pieces of legislation that govern police disciplinary matters in South Australia. They are the Police Act 1998, the Police Regulations 2014 and the Police (Complaints and Disciplinary Proceedings) Act 1985. Section 39 of the Police Act 1998 allows the Commissioner of Police to charge a member of SA Police for a breach of the code of conduct, and regulation 25 describes the obligation of the police commissioner to put in writing a charge of a breach of the code of conduct and forward it to the Police Disciplinary Tribunal. The workings of the Police Disciplinary Tribunal are set out in part 6 of the Police (Complaints and Disciplinary Proceedings) Act 1985.

Where a charge is laid in the Police Disciplinary Tribunal, the commissioner is obliged to indicate which category of punishment is likely should a guilty finding be made. These categories are outlined in section 39 of that particular act, and there are three categories of punishment: category A, which goes to termination or suspension of the officer's appointment or reduction in the officer's rank

for an indefinite period; category B, transfer of the officer or reduction of the officer's remuneration or reduction of the officer's seniority or imposition of a fine; or the lowest category, category C, withdrawal of specified rights or privileges, a recorded or unrecorded reprimand, counselling, education or training, or an action of a kind prescribed by regulation.

An officer may plead guilty to a breach or the Police Disciplinary Tribunal may be satisfied on balance of probabilities that an officer has committed a breach. The matter is then remitted to the Commissioner of Police for his or her delegate to impose a penalty. A charge of the breach of the code of conduct attracts penalties as laid out in section 40 of the Police Act. These sanctions, after being given, may also be challenged in the District Court.

The reason why I stepped through the process is that I want it to be completely clear that there is an appropriate process in place regarding the discipline of members of the South Australian police force. Incredibly importantly, within that process is a right of review, or a right of contest on behalf of either party, ultimately potentially leaving matters to the South Australian District Court. What I would say is that, if there are occasions when an officer is charged for a disciplinary purpose in a way that they think is not fair, is not appropriate or is excessive, there is a course that can be followed for them to contest that.

One of the things that South Australian police officers, I think, are lucky to have is a well resourced professional association to represent them, an industrial association to represent them, in the form of the South Australian Police Association, and I am sure that if there are incidents of a disciplinary nature that are worthy of contest from a particular member of the police force, then PASA will represent them accordingly through the appropriate channels and processes.

The PRESIDENT: Supplementary, the Hon. Mr Stephens.

SOUTH AUSTRALIA POLICE

The Hon. T.J. STEPHENS (14:43): Minister, given that you have outlined what is the punishment for a category A offence, and given your long history involved in industrial relations, can you explain why a police officer would be charged with a category A offence for wearing their uniform to a protest, given that if there were an incident while they were on their way to Parliament House, I am sure that they would act in the best interests of the people of South Australia? I think it is over the top, and I am interested to hear your views.

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (14:43): I am not in a position just at the moment to speak with great authority regarding the rules and regulations regarding a police officer's attire when off duty and whether or not it is appropriate for them to wear their uniform during the course of an act when they are not on duty. I am happy to seek information regarding that and report back to the honourable member.

It would not be appropriate for me to comment on any case that may or may not be going through a disciplinary procedure. I would have thought that the best person, or the best group, to be able to make that judgement is the Police Disciplinary Tribunal. As I said, if an officer is charged in a way for something that is deemed to be excessive or inconsistent with their rights under the law regarding freedom of association or the right to peaceful protest, if those rights have been impeded I would very much expect that the Police Disciplinary Tribunal would take that into account in any judgement that it makes.

SOUTH AUSTRALIA POLICE

The Hon. T.J. STEPHENS (14:44): I have a further supplementary question. Given that there were many officers who attended this particular rally and who were, for instance, detectives—and it is not for me to say that they were on duty but I believe that a number of them were on duty so they were actually here in perhaps government time, and nobody has raised that as a particular issue—can you find out from the commissioner as to why this particular incident has created what we can only assume is quite an unfair charge against one of the thousands of police officers who were here in a peaceful protest?

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (14:45): What I can undertake to do

for the honourable member, in light of his interest in this subject, is to make some inquiries of SAPOL. Of course, those inquiries will have to be dealt with through the course of being conscious of what due process is with respect to disciplinary matters.

I have not had the opportunity to speak to the police commissioner directly about this yet. As many honourable members will be aware, the police commissioner is currently overseas and is very busy on an important overseas program. Upon the police commissioner's return I am happy to raise this subject with him. However, I want to be very clear: we want to make sure that any requests for information are occurring in the context of following due process and, indeed, conscious of what the law is with respect to different sections of the various acts I mentioned, particularly section 48 of the Police (Complaints and Disciplinary Proceedings) Act 1985.

RESEARCH FELLOWSHIPS

The Hon. G.A. KANDELAARS (14:46): My question is to the Minister for Science and Information Economy. Can the minister update the chamber on how the state government is supporting the attraction of world-class researchers to South Australia?

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy) (14:46): I thank the honourable member for his question and his interest in economic matters in South Australia, particularly in terms of our education and research sectors.

We know that attracting world-leading researchers not only builds the state's research capabilities and knowledge base but also leads to the growth of new research centres and has the potential to provide significant economic benefits to the state. That is why we established, through the Premier's Research and Industry Fund (PRIF), the Research Fellowship Program.

The program was designed to expand the state's research capability and target research activities that provided direct economic benefit to industry by attracting world-leading researchers to South Australia. The program provides $1 million over four years to a research institution to assist in recruiting a world-class researcher to South Australia, with the research institution also being expected to provide $750,000 per annum over four years, comprising $250,000 cash per annum and in-kind support for the establishment of the fellow and the associated research program.

I am pleased to be able to inform the chamber that recently two leading Australian experts have arrived in South Australia to assist with projects aimed at putting the state at the forefront of healthcare innovation as a direct result of this program. Professor Anthony Maeder will work with Flinders University and Professor Robert McLaughlin with the University of Adelaide to develop innovative solutions to challenges aligned to the state's economic priorities in digital health and advanced manufacturing. The state government will provide $1 million to each university over the next five years through the Research Fellowship Program to support the appointments.

Professor Maeder, from the University of Western Sydney, is an internationally-recognised researcher and leader in the field of digital health. His extensive academic experience spans 30 years. He will bring to South Australia extensive research experience, including being appointed former research director at the CSIRO's Australian eHealth Research Centre. He also brings extensive international connections through his leadership of major international activities in standards development, education and research.

Using concepts developed at the University of Western Sydney's TeleHealth Research and Innovation Laboratory, the professor's work will complement other research being carried out at Flinders University in healthcare innovation. Professor McLaughlin comes from the University of Western Australia and has industry expertise in medical device development. He successfully pioneered the translational research program of taking the microscope in the needle technology to clinical trials, product development and commercialisation. The professor will be the Chair of BioPhotonics at the University of Adelaide and will develop the next generation of medical devices used to examine the response of human cells to environmental conditions and treatments.

The new science he will develop in association with the ARC Centre of Excellence for Nanoscale BioPhotonics will use his health research and it should have a positive impact on

South Australia's medical device manufacturing sector. The state government is committed to delivering policy and program settings required to attract world-class researchers to South Australia to grow research centres, particularly new research centres, and provide significant economic benefits to the South Australian economy.

As a result of looking at some of these programs, we are also announcing larger scale challenge-based research consortium-style projects. In late March this year the first round of the research consortium program was announced. The program provides funding for significant research collaborations between universities, other research organisations, the government and industry, to tackle major challenges in areas of critical need and strategic importance to South Australia, aligned with the state's economic priorities.

Expressions of interest are currently being sought for this program and will close in June this year. Applications will be invited from a shortlist of expressions of interest with full submissions closing late 2016, and, Mr President, I look forward to days like these when I will be able to announce such significant research consortia, hopefully later this year.

I also look forward to informing the chamber on the successful outcomes of the work undertaken by the two world-class professors, that will inspire South Australia's medical and health systems, and look forward to what comes from those, as well as those future research consortia programs.

NATURAL RESOURCES MANAGEMENT LEVY

The Hon. R.L. BROKENSHIRE (14:51): I seek leave to make a brief explanation before asking the Minister for Sustainability, Environment and Conservation and Minister for Water and the River Murray a question about the natural resource management levy.

Leave granted.

The Hon. R.L. BROKENSHIRE: Further to the minister's interest in my cows last week, I report that I have consulted with Daisy and Maribel—

Members interjecting:

The Hon. R.L. BROKENSHIRE: —and they say they are unhappy with the situation facing farmers in this state, and particularly, in discussion, my cows are very unhappy with what they describe as the fleecing of property owners through a rise in the NRM levy. The decision to raise the levy was not supported by the Hon. John Dawkins, Mr Peter Treloar, the member for Flinders, or by me because we all understand that raising levies is simply a further punishment to be heaped on farmers already feeling the heat from droughts and processor price issues. We know what it is like for farmers who struggle to do business under a state government that, given half a chance, clearly appear they would be willing to tax the very grass that Maribel and Daisy graze on and stand on.

The decision to recover $6.8 million of about $43 million in water planning and management costs from levy payers has not been taken well by South Australia's agricultural industry, nor indeed the councils that are forced to collect the tax on the government's behalf. In fact, in discussion with some councils, I report to the house that they say they are sick of doing the government's work for them, because they are the ones who have to deal with angry residents who are blaming councils when they see the levy added to their rates notices.

Therefore on behalf of my constituents and Maribel and Daisy, I ask the minister the following questions:

1. Has the minister met with the members of the LGA on this matter since their meeting in Coober Pedy and, if so, will the government now agree to remove the requirement for councils to collect the levy and instead use the government's own resources? Yes or no.

2. Is the minister willing to admit that the government's cost-shifting practices not only penalise farmers but have caused this state's farming producers to lose faith in the system, and, sadly, the NRM boards and also the government?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:54): I thank the

honourable member for his most amusing question, and I would encourage him to check that Daisy and Maribel are not concerned about his cold hands early in the morning—that might be the extent of their concern. Let's be clear: the real pressures facing the dairy industry are not caused by rises in the NRM levy. They are caused by a range of factors. We are facing, I understand, a global glut. Increasingly, dairy farmers are operating in a globalised market with intense competition. Then, of course, there is the behaviour of processors such as, as I understand it, Murray Goulburn, which I understand also is being investigated currently by the ACCC.

These impacts cannot be confused with the regional NRM levies, which are a way of sharing the cost of managing our natural resources, including water. I am informed that NRM boards have managed to ensure that there are no or little regional impacts and the sustainable management of natural resources in the state, in partnership with programs with business, NGOs and the community and the economic viability of primary producers.

Funding secured by NRM levies is used to generate significant regional economic, social and environmental benefits for primary producers, other agricultural businesses and industries associated with mining, and also tourism. The benefits include measures to help control pest animals and plants and water management initiatives to help ensure the sustainable use of the water resources of those regions.

NRM boards invested in social and economic impact assessments to help guide their decisions about the amount to be raised by levies. In the South-East and South Australian Murray-Darling Basin natural resources management regions, the independent assessments showed that, for most farmers, their combined levies (that is, land and water together) are less than 1 per cent of the total cost of running a farm.

While there was some variation between different enterprises, the boards deemed that in most cases the levy would not have a significant effect on food production or agriculture in the region or in the state. In fact, many members of the community, including primary producers, have expressed real concern about a loss of NRM funding and the negative impact that this will have on programs important to them, particularly in the regional areas.

The boards have worked hard to balance funding for natural resources management against an increase in levies. For instance, the South-East NRM Board consulted closely with their local councils on their business plan and listened to community feedback, including council feedback, on how to fairly and equitably apply a levy increase. On that basis, the board decided to change the basis for levy collection from capital value to a fixed rate based on land use, which resulted in most ratepayers paying a significantly lower levy rate.

Residents would have paid, I am advised, an average of $107 per annum and will now instead pay a fixed rate of $69 per annum, and that is because the NRM board responded directly to concerns raised with them by the community. The South-East NRM Board clearly listened to the concerns of farmers and chose a fixed rate based on land use as a new basis for the levy, as I said, and this has now been approved by the Natural Resources Committee of parliament.

When all water-related charges are taken into account, the NRM water levy rates paid by irrigators in our major food and wine producing areas, such as the South-East and the South Australian Murray-Darling Basin, are still low when compared to our competitors interstate. It is important that the honourable member knows this, and I will repeat it for him. For example, the $6.30 per megalitre water levy rate proposed in the SA Murray-Darling Basin for 2016-17 is well below equivalent charges in New South Wales and Victoria.

The Hon. R.L. Brokenshire: I'm not interested in New South Wales.

The Hon. I.K. HUNTER: No, he never is. Facts never interest the honourable member. Facts confuse the situation; they make him think and he does not like that. In the New South Wales Murray, the equivalent charge has been around $10.51 per megalitre, I am advised, assuming full use of entitlement.

In the Victorian Murray, the lowest equivalent charge has been around $11.05 per megalitre. All of this is set out in the ACCC's most recent water monitoring report. Similarly, the $2.58 per megalitre water levy rate proposed in the South-East for 2016-17 is less than half the rate

of the most common New South Wales groundwater charges, as outlined on the relevant New South Wales government website.

The decision to partially recover these costs is not just a measure that is consistent with NWI principles, but outside of those principles it is a budget measure that was decided by this government and passed by this house. My department has produced a fact sheet that provides easily digestible, indicative information about what it spends annually on water planning and management activity, and has also prepared information in relation to regional breakdown of spend for the benefit of PPSA and its members.

Again, I say and invite any organisation or representatives of organisations who want to go and drill down into those figures: they can come and do so, either with the NRM boards directly themselves, or with my department. I am very happy for that to happen. In relation to the honourable member's question about the LGA, I believe I met with them in my office about two weeks ago.

The PRESIDENT: Supplementary, Hon. Mr Brokenshire.

NATURAL RESOURCES MANAGEMENT LEVY

The Hon. R.L. BROKENSHIRE (14:59): What contingency does the minister have for collection of the NRM after this year if the councils say, 'No collection.'

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (14:59): From my understanding of the way legislation is framed and passed in this place, in this particular situation it puts a requirement on councils to collect that levy and pass it on, and I believe that they will abide by the law.

NORTHERN ECONOMIC PLAN

The Hon. R.I. LUCAS (15:00): I seek leave to make a brief explanation prior to directing a question to the Leader of the Government on the subject of the Northern Economic Plan.

Leave granted.

The Hon. R.I. LUCAS: Contrary to the angry yet erroneous interjections from the Leader of the Government earlier this week, there was a press release on the government's website dated 18 October 2015 from Premier Jay Weatherill, headed 'Northern Adelaide Food Park to be based at Parafield Airport'. In that press release, the Premier, on behalf of the government said, and I quote:

> The 2015-16 State Budget included $93 million over four years in targeted initiatives to deliver a sustainable future for northern Adelaide including $2 million over two years to help with the planning of the Food Park.

A sentence prior to that paragraph says: 'It will create jobs and drive business in a sector that is world-class.' My questions are:

1. How much of the $24.6 million announced in the January 2016 Northern Economic Plan release was already part of the $93 million over four years announced by the Premier on 18 October 2015?

2 Given that the minister has announced that the government will be creating 15,000 new jobs from the $24.6 million Northern Economic Plan announced in January this year, how many jobs is the government and the minister creating from the October 2015 release of $93 million over four years?

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy) (15:01): I thank the honourable member for his question. It is a very similar theme that he returns to and it's hello, hello, he is just doing the same thing over and over again. In terms of the Northern Economic Plan, I thank you very much for this question; it was all new money. The $24 million was all new money, not part of any money previously announced. I'm very glad that I can clear that up for him that that money was all new money.

In relation to programs that were announced in October by other ministers, I'm very happy to go away, take them on notice and find answers to those questions. I'm very happy if that is the way the honourable member wants to use question time to ask questions about things in other people's programs that I can take away, find answers for, nitpick about very, very little things, and I encourage him to do so. Frankly, I think it is a great strategy. That's what people really, really care about, that's what voters care about, so I encourage you to continue on with that strategy and continue advising your leader on that strategy.

TOURISM

The Hon. J.M. GAZZOLA (15:02): My question is to the Minister for Sustainability—

Members interjecting:

The PRESIDENT: Order!

The Hon. K.J. Maher interjecting:

The PRESIDENT: Will the honourable Leader of the Government allow the Hon. Mr Gazzola to ask his question?

Members interjecting:

The PRESIDENT: Order! You are wasting very valuable question time.

The Hon. D.W. Ridgway: That wasn't a waste; that was exactly what he wanted.

The PRESIDENT: Well, that's good. There are a number of people who want to ask questions and won't be able to because you are dragging this on. The Hon. Mr Gazzola.

The Hon. J.M. GAZZOLA: Thank you, sir. My question is to the Minister for Sustainability, Environment and Conservation. Will the Minister inform the chamber about the international exposure that South Australia's tourism icons have recently received?

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 most important question. There is no doubt about him; he is up with modern technology and those app things that you get on your flat screens. We are, of course, very lucky to have a world-class network of national parks, we know about that. Pristine landscape and scenery and magnificent wildlife is something that we all treasure, but word is getting out.

The beauty that our state offers, along with our great climate, and our bustling, vibrant city, with our very busy events calendar makes South Australia a very attractive place for people to visit. We know that the South Australian tourism market adds $5.6 billion to the state economy each year and the industry, I am advised, employs more than 32,000 people. The Premier has made it clear that he has intentions to build on this. One of the Premier's economic principles is to make South Australia a destination of choice for international and domestic travellers. Underpinning this principle is the goal to boost the industry to $8 billion a year and 41,000 jobs by 2020.

The environment department wants to play a role in boosting nature-based tourism in this state to attract visitors. The Department of Environment, Water and Natural Resources recently collaborated with the South Australian Tourism Commission to create the 'Nature like nowhere else' strategy. This strategy builds on the nature-based tourism assets we already have in this state. The government's commitment to nature-based tourism is exemplified by our $5 million investment in the Kangaroo Island Wilderness Trail, the $1.7 million investment in the Adelaide International Bird Sanctuary, and the $1.5 million invested to make the Mount Lofty Ranges an international mountain biking destination. With this strategy, we hope to inject $350 million per annum into the state's economy and create 1,000 new jobs by 2020.

One way to achieve the goals of this strategy is to increase our international coverage of the state and what we have to offer. I am very pleased to be able to advise that seven of the state's iconic tourism sites have just received a certificate of excellence from TripAdvisor. The seven sites that received the 2016 certificate of excellence are the Adelaide Gaol, the Cleland Wildlife Park, Kelly Hill caves, Mount Lofty summit, Naracoorte caves, Seal Bay and Tantanoola caves. TripAdvisor, I

am advised, is the world's number one travel website. According to its website, TripAdvisor offers advice from millions of travellers to millions of travellers and reaches over 350 million unique monthly visits.

TripAdvisor users are invited to give ratings about accommodation, eateries and attractions throughout the world. I am advised that the award acknowledges hospitality businesses that deliver consistently great service. The best part about these awards is that they are determined exclusively by mostly international travellers. So we have received these awards based on positive reviews by domestic and international travellers who have come to South Australia and had a great experience. I am told that positive user reviews are more influential than paid advertising and I understand that, impressively, 75 per cent of all TripAdvisor users are more likely to patronise a business displaying a TripAdvisor endorsement.

The certificates of excellence showcase to the world what we have to offer here in this state. Some of the reviews for the Cleland Wildlife Park, for example, highlight just what sort of things people love about their experience here. One reviewer from Dallas, USA says about Cleland:

> I love this place! You can feed the kangaroos and wallabies and potoroos and enjoy strolling the whole place. It's a lovely location and the grounds are beautiful. You can touch a koala if you go at the right time. For an American, seeing all the animals was a real thrill.

Another reviewer from Quebec City describes Cleland as 'the best attraction in Australia by far' and says:

> We went without any expectation and we were blown away. Coming from overseas…one of our main goals in Australia was to see the Aussie animals and this is without a doubt, the best place to experience encounters. And it is actually affordable when compared to other zoos in the country. We pet and fed the animals! It was amazing!!

This type of international exposure from award-winning sites like TripAdvisor is instrumental in boosting tourism and driving economic growth in the state. It is not the only international exposure, of course, that South Australia has received lately, but it proves that Cleland Wildlife Park, one of the only places in the world where you can hold a koala, is a very big drawcard for our state. I am advised that the Cleland Wildlife Park is featured on the high profile Instagram accounts of Qatar Airways, Tourism Australia and the Eurovision song winner from, I think, two years ago now, Conchita Wurst.

In early May, tourism minister Leon Bignell announced Qatar Airways direct daily flights between Doha and Adelaide. The Qatar Airways Instagram account posted a photo of a Qatar Airways flight steward holding a koala at Cleland. The post has over 16,000 likes. More recently, the official Tourism Australia Instagram account also posted a picture of a koala at Cleland, reminding followers that Cleland is only a 20 minute drive from Adelaide and also promoting the Adelaide Hills. This post received, I am advised, over 46,000 likes. As I said, I cannot go past mentioning again my close personal friend Conchita Wurst. When she visited Adelaide and popped into the Cleland Wildlife Park, I am told that Conchita was especially excited to hold Steve, a resident koala, and her Instagram post received over 15,000 likes.

The value of these social media posts is that they are spontaneous and they are genuine and therefore very meaningful to people who consult sites such as TripAdvisor. I draw on these examples because they not only show how popular some of our tourist sites are to an international audience but also how we are capitalising on that popularity to grow our economy, grow tourism in this state and grow jobs in this very important sector.

SOLAR ENERGY

The Hon. M.C. PARNELL (15:09): It is hard to beat Conchita and Steve the koala, but I do seek leave to make a brief explanation before asking the Minister for Climate Change a question about solar panel uptake.

Leave granted.

The Hon. M.C. PARNELL: South Australia and the ACT are without doubt the best performing jurisdictions in terms of new renewable energy. Most of South Australia's success is from wind power. However, solar PV is also making an increasing contribution. It has been a point of pride in South Australia that we lead the nation in the uptake of domestic rooftop solar panels. However, figures released this week by the Climate Council show that Queensland has now overtaken

South Australia to claim top spot for the percentage of households with solar panels. They have 29.6 per cent of homes with solar panels while South Australia has 28.8 per cent.

The report, which is entitled 'Game on: The Australian renewable energy race heats up', also debunks the myth that solar panels mainly benefit the wealthy, with most of the top solar postcodes found in low to middle income areas. In South Australia, the top solar postcode is 5117 which is Angle Vale, and other areas with over 50 per cent solar penetration include Buckland Park, Virginia, Laura and Stone Hut. Richer suburbs and towns are way down on the list.

Outside South Australia, some jurisdictions are now mandating solar power for new housing estates, such as the Denman Prospect in Canberra, which mandates a minimum of three kilowatts of solar PV on every house, and Breezes Muirhead in Darwin, which mandates 4.5 kilowatts plus charging points for electric vehicles on every house. My questions are:

1. What will the government do to ensure that South Australia reclaims from Queensland its rightful mantle of Australia's solar champion state?

2. Will the government consider mandating solar power on appropriate new housing developments, in particular, public low income housing?

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (15:12): I thank the honourable member for his most important question, even though he did take every opportunity to drive home the fact that we have, only just recently and by less than 1 per cent, been pipped at the post by Queensland in terms of rooftop-installed PV.

The Hon. K.J. Maher: It was mainly a compliment. He was complimenting mainly.

The Hon. I.K. HUNTER: He was, mainly, in a backhanded way.

The Hon. K.J. Maher interjecting:

The Hon. I.K. HUNTER: Indeed. But it is an important question because it does outline, I think, some of the key issues that we need to deal with as a government, as a country and, indeed, as a world in terms of combating issues like climate change. Rooftop solar, often sneered at by many, is actually a way that people feel they can contribute to action on climate change. South Australians and Australians want governments to act on climate change. In fact, I can refer to a poll and a report in an *Age* of recent days which is headlined 'Turnbull not acting on climate: poll' and which states:

> Two-thirds of voters say the Turnbull government is doing 'not very much' or 'nothing at all' to combat climate change. And they are not alone—exclusive international polling for Fairfax Media shows a similar proportion in 22 other nations think their governments are doing little or nothing to address global warming.

It is little wonder, then, that citizens themselves are taking direct action—and it is not the direct action that the federal government has been championing around Paris and New York in recent times. That is indirect action, but we will come to that later on.

What it means, of course, is that citizens want action from their government on global warming and they are actually doing things themselves. They are not sitting back waiting for the national government of this country to act: they are actually acting themselves by installing, for example, rooftop solar. Even now, they are also getting into the market for battery storage, and some adventurous souls are looking at installing some micro wind turbines, which I am assured, the new generation, at least, don't make a lot of sound.

The Hon. D.W. Ridgway: Are they the ones Mike Rann put in that nearly didn't work?

The Hon. I.K. HUNTER: Well, this is a progression. Back in the day, the cost of those things was incredibly expensive, and now they are becoming cheaper and cheaper. Again, the same happens with PV.

The Hon. D.W. Ridgway interjecting:

The Hon. I.K. HUNTER: The Hon. Mr Ridgway says those things with big blades on them that go round and round don't work. But of course we know that on Sunday South Australia generated 100 per cent of its energy requirements on wind, the sort of wind the Hon. Mr Ridgway doesn't like.

Of course what we are seeing, as this is taken up more across the country, is that the price of electricity generated by renewables decreases and puts downward pressure on the cost of electricity.

The same thing happened to the technology behind rooftop PV—exactly the same thing: expensive in the beginning when very few people were taking it up, but now it is becoming so cheap and so common place that we have been pipped at the post by Queensland. Oh, how will we bear that? The honourable member asked very important questions about how this government is undertaking our plans on climate change separate from the federal government, which is doing everything it can to hinder states and also local governments acting.

Local governments right around the country are wanting to get in on this act, because they see their needs as local communities being absolutely ignored by the federal government, absolutely ignored. So, local government is now working with state government and local communities to drive the action on climate change. The sorts of things we are doing in the city, with the very progressive City of Adelaide, led by the very progressive Lord Mayor, is endorsing their programs to give grants to local businesses and households to install PV or other emissions abatement programs. We doubled their grant program last year from $150,000 up to $300,000. I understand that about $100,000 of that has been expended, and that $100,000 of expenditure, I am told, has generated just over $1 million worth of leverage of private investment.

So, from a small investment from the state government and the Adelaide City Council we have leveraged about 10 times as much private investment. That is a good investment in renewable energy. That is a good investment in working with local communities and businesses to drive the innovations we need, and the uptake in those innovations through rooftop solar, be it stored or battery storage, to a higher level so that we can drive down those costs again.

It is common knowledge and a common view that where the battery storage systems are right now is about where rooftop PV was 20 years ago. It is just hitting the ground—early adopters are picking up it. Early adopters are very keen to link it in to their rooftop systems, and some of the energy companies like AGL now offer products which give you rooftop solar and battery storage combined. We will see the price of those packages come down even further, providing more renewable energy into the South Australian market.

What we need from the federal government is action on the national electricity network to make it a truly national network, so that we can export across the border our excess renewables and bring down the cost of electricity right around the country.

LIVESTOCK THEFT

The Hon. J.S. LEE (15:18): I seek leave to make a belief explanation before asking the Minister for Police a question about livestock theft.

Leave granted.

The Hon. J.S. LEE: A report in *The Advertiser* last week outlined that a spike in the price of meat over the last three years has coincided with 276 separate cases of livestock theft, reviving calls for the return of a specialist stock squad in South Australia. South Australia Police figures obtained via freedom of information by my very hardworking colleague in the other place, the member for Chaffey, Mr Tim Whetstone, revealed the surprising number of cases that carry a combined value of almost $2.4 million.

Livestock stolen include mainly sheep but also cattle, wool bales, pigs, goats and equipment, and the documents reveal only four arrests for the crimes over the last three years. Livestock SA President, Geoff Power, advised that theft was happening regularly, and confirmed that SA no longer had dedicated officers and that the SA Police campaign Operation Poach, which was aimed at tracking down animal thieves, no longer had a stock squad.

Mr Power also said that police are not trained on a day-to-day basis in that speciality and that a lot of police probably have not had the experience or knowledge of livestock and probably do not understand the identification system. He would like to see a designated stock squad reinstated. My questions are:

1. Can the minister advise whether he has had recent consultation with Livestock SA about this matter, and what was the outcome of the consultation?

2. With 276 cases reported in three years, and a combined loss of $2.4 million, does the minister recognise this as a serious problem? If so, will the minister and SAPOL commit to reinstating a designated stock squad?

3. Will the minister confirm whether any additional training will be introduced to ensure country police are well educated on the issue and given a better understanding of the livestock identification system to handle the problems?

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:20): I thank the honourable member for her question. I am very glad that the honourable member referred to Operation Poach during the course of her question, because Operation Poach represents SAPOL's very substantial effort in taking the theft of livestock seriously. Operation Poach was introduced in July 2011, and that was done in direct response to concerns within some communities about the increased theft of livestock in the state. Of course, Operation Poach has been in place ever since. It is still active, and intelligence and statistical data are constantly being reviewed by SAPOL through Operation Poach to make sure that this issue is being addressed.

Currently, I am advised, SAPOL has 16 agricultural liaison officers, who have direct access to the national livestock identification system. Theft of commercial quantities of livestock has serious consequences for the South Australian primary production sector, which is exactly why effort is being put into this particular area of policing. I should note that Operation Poach does not deal with allegations or concerns about the theft of domestic animals. It is primarily focused on the management of commercial livestock.

What I am happy to share with the chamber today in response to the honourable member's question is that throughout the period of three years from 2012 to 2015, SAPOL records indicate, I am advised, that there have been four apprehensions and the value of theft recorded is an estimated $2.1 million. These are significant figures. With the same sort of statistics in mind, in 2015-16 there was one apprehension with respect to livestock theft, and a number of persons of interest are currently under investigation.

Let's be clear: SAPOL is taking this issue seriously. It has a devoted operation towards the theft of livestock in the state of South Australia. I am sure that it is something that the police commissioner receives regular updates about. If the need presents, then I am sure that if the police commissioner, upon evidence brought before him, on active intelligence efforts which are underway regarding livestock theft, feels the need that there are more resources that are worthy of allocation towards Operation Poach, then that is a decision that I am sure he will take.

What we have to remember is that decisions around operational matters are best made by the police commissioner. It is not my responsibility or even my duty, nor would it be appropriate for me as police minister, or any other member of the government or indeed anyone in this chamber, to be telling the police commissioner how best to allocate his resources when it comes to operational matters. Operational matters, as I have said time and time again recently, are entirely within the purview of the police commissioner, and I have every confidence that if he feels it is appropriate to allocate more resources to Operation Poach, then he will do so.

Bills

DOG AND CAT MANAGEMENT (MISCELLANEOUS) AMENDMENT BILL

Final Stages

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

The Hon. I.K. HUNTER: I move:

That the amendments be agreed to.

I ask that the council votes to support the amendments made in other place to the dog and cat management bill. To briefly remind the council, the dog and cat management bill aims to stamp out

puppy and kitten farms by providing assurance to people that their new puppy or kitten comes from a reputable breeder, to enhance the ability of the authority to detect and prosecute puppy and kitten farms, to reduce the number of lost dogs and cats that end up in shelters, to ensure a safer and more sociable dog population and improving the management of cats in the broader community.

The amendments made to the bill in the House of Assembly can be bundled into two categories. First, the bill inserts 'livestock' into the title of the definition of working dog. This better reflects the intent of the proposed definition and aligns with the terminology used in other jurisdictions and by organisations like the Dog and Cat Management Board, the Working Sheepdog Association, the South Australian Yard Dogs Association, the Working Kelpie Council and Livestock SA. The definition of 'working livestock dog' remains unchanged.

Second, the amended bill from the House of Assembly corrects a change made in this place that allows the definition of 'desexing' to include methods that only prevent reproduction. The government instead maintains that the most appropriate definition of 'desexing' that will achieve the aims of the bill is a definition that requires procedures that prevent reproduction and diminishes the secretion of hormones that influences behaviour.

The government's position strengthens the effectiveness of the bill to reduce the tendency in dogs for aggressive behaviours towards people and other dogs, to reduce territorial behaviours in dogs and cats and to help to control the urge of dogs and cats to wander, thereby reducing the number of pets that arrive at shelters, and reducing the number of lost pets that are euthanased every year. I am advised that this position on desexing has been supported recently in the media by public health physician, Dr Katina D'Onise.

Dr D'Onise's research shows that the desexing of dogs significantly reduces the risks of dog attacks and bites. As she was quoted on 891 ABC Adelaide on Wednesday 18 May, Dr D'Onise said:

> I would love to see it mandatory to desex dogs and cats…desexing dogs reduces the risk of aggression…that's been known for a number of years, veterinary behaviourists know this to be true, dog owners know this to be true so this is just…taking it one more step…that reduction of aggression does also lead to a reduction in dog bite risk.

This is why the government is committed to legislating for mandatory, permanent desexing of dogs and cats that removes both fertility and the reproductive hormones. I ask that the committee agrees with the government's position on a definition of desexing, and support this bill and the amendments made in the lower house.

The Hon. J.M.A. LENSINK: The Liberal opposition maintains the position that we support the amendments that were moved in this place by the Hon. Tammy Franks. The other amendments, we accept, are really just procedural and I think the minister did put on the record the consultation which had taken place with the working dog stakeholders. However, the amendment that the government is seeking to reinstate, we believe, is too narrow. We think it limits the options that owners and veterinarians—who we should not need to remind the house are professionals of some several years of very difficult training—to come up with the best solution that they see fit. The Australian Veterinary Association maintains the position that they support the amendments, which were moved (and supported in this council) by the Hon. Tammy Franks for the Greens, for the same reasons.

I do not think the government has made a case. I saw in the briefing that they would provide me with the literature which supports their particular position, which I think arrived in my office while I was actually down here for question time, which I think is quite unacceptable. In the interview the minister referred to on ABC radio, I note that Dr Katina D'Onise was also asked by the interviewer, Ali Clarke, 'Do you know why it's rising?' in relation to dog attacks, and she says:

> It relates to the number of dogs in the community...a slightly rising number of registered dogs goes along with a rising number of dog bites.

Ali Clarke also says:

> I've got a text here...suggesting that desexed dogs are usually owned by more responsible people who train and look after their dogs better.

Dr D'Onise says:

That's a very good point...that could be part of the issue...desexing dogs reduces the risk of aggression...that's been known for a number of years.

I did ask in the briefing whether the government could verify that the procedures that they preferred could be outside of reasonable doubt that those are the ones which will reduce aggression; they have failed to do so.

On my reading of the document they have provided to me while I was down in the chamber for question time, I read it as a literature review which refers to desexing per se, not specifically those procedures that they are seeking to limit it to. The other point I would like to make is that, in most instances, the desexing procedures that are undertaken are the ones that they are seeking to do anyway, but I think they have cast this too narrowly and that it will cause difficulties for dog owners and veterinarians down the track.

I might add that the government came late to the compulsory desexing table in any case. Having supported it through the select committee process, they then abandoned it. I think they realised that they were going to have compulsory desexing forced on them by this chamber. Then they sought to put that to a citizens' jury; the overwhelming response came back that the citizens' jury supported compulsory desexing. Now they are seeking, in some bizarre way, to narrow the procedures which will limit the particular options that dog and cat owners and veterinarians may undertake. We continue to oppose that position.

The Hon. T.A. FRANKS: It will come as no surprise to the chamber that the Greens actually will be supporting what was a Greens' amendment in this house to remain in this piece of legislation. We do so not because it is a Greens' position, but because it is the position of not only the AVA (Australian Veterinary Association) of South Australia but the AVA nationally. Their press release of 20 May, which was sparked by this debate reads, 'There is more than one way to desex a dog.' They note:

With mandatory desexing soon to come into effect in South Australia, the [AVA] is urging the South Australian government to adopt a broader definition of 'desexing' so that veterinarians can perform effective desexing procedures based on the individual health and welfare of each pet.

'The original definition of 'desexing' as proposed by the government is very narrow and only allows for the removal of an animal's testicles or ovaries. The fact is that there are several methods that veterinarians can use to desex animals, all of which will achieve the ultimate goal of rendering the animals as incapable of reproducing.

'Removing an animal's testicles or ovaries is not always in the best interests of the animal, so it's essential that vets are able to use their expertise and their professional judgement to determine the best approach for desexing an animal. This narrow definition of 'desexing' effectively ties their hands, giving them no options,' said Dr Anne Fowler, President of the Australian Veterinary Association South Australia Division.

Dr Fowler says that with veterinary medicine constantly developing, new and less invasive techniques for all types of surgical procedures, including desexing, are becoming increasingly available and veterinarians should be able to use the most current and up-to-date methods, which a broader definition of 'desexing' would allow for.

The press release also concludes with:

Desexing is certainly not a silver bullet solution to the issue of dog aggression and attacks. There are many factors that come into play in terms of aggression including socialisation, training and human behaviour.

We do not believe that by forcing an animal to be spayed or castrated by keeping a narrow definition of 'desexing' will result in any great behavioural efforts [concludes Dr Fowler].

I seek leave to table the AVA press release dated 20 May.

Leave granted.

The Hon. T.A. FRANKS: I note also that this is no different to the position that the AVA of South Australia took on this bill in their consultations with all members of this parliament and, indeed, in their paper entitled 'Dog and Cat Management Bill 2015: Urban animal management in South Australia'. In that paper, under the topic 'Compulsory desexing of dogs' they already referred to the anticipated behavioural effect and noted that, in fact, dog aggression was:

…dependent on at least five interacting factors

- heredity (genes)

- early experience
- socialisation and training
- health (physical and psychological) and
- victim behaviour

They pointed to a recent paper by Patronek et al:

'Co-occurrence of potentially preventable factors in 256 dog bite-related fatalities in the United States (2000-2009)' which examined fatal dog bites in the United States over nine years. Risk factors for different variables could not be calculated for the study, but the variables that were found present in fatal attacks were:

- Absence of someone to intervene
- The dog and victim were unknown to each other
- The dog was not desexed
- Compromised ability of victims to interact appropriately with dogs
- The dogs were isolated from regular positive human interactions (possibly kept outside)
- Owners' prior mismanagement of dogs
- Owners' history of abuse or neglect of dogs.

Importantly, in the vast majority of fatalities at least four factors were in place. This is very relevant when we consider isolated measures aimed at addressing dog aggression.

I also seek leave to table that paper referred to in the AVA submission.

Leave granted.

The Hon. T.A. FRANKS: I note that the Hon. Michelle Lensink addressed Dr Katina D'Onise, public health physician, whose interview on 891 with Ali Clarke has been relied on by the minister, and quite rightly pointed out that she, in that interview, conceded that it was not a silver bullet for desexing and that there were other behavioural factors that come into play in terms of aggression and dog attacks. She, of course, was referring to the paper that we were promised by the Dog and Cat Management Board that the Hon. Michelle Lensink quite rightly noted she only received today during question time.

Fortunately the AVA in South Australia made that paper available to us when it was released. That paper being referred to was by Dr Susan Hazel and Dr Charles Caraguel, School of Animal Veterinary Sciences, University of Adelaide and was entitled 'Compulsory desexing of dogs and cats in South Australia—science, policy and public opinion'. I note that that paper concludes with a suggestion that 'Compulsory neutering[3] may offer this solution.' Footnote number three is:

With appropriate allowances for dogs not to be neutered under the direction of a veterinary surgeon.

So at least they understand the importance of the role of vets in this. It concludes in its final paragraph:

The risk of a dog attack will never be reduced to zero, no matter what interventions are used. As eloquently stated by Overall (2010) 'it is this propensity to need a guarantee of "safety" that has so misguidedly driven BSL and most of the inhumane training techniques…' (Overall, 2010 p.279). We do not need to repeat measures that have already been shown to be ineffective in other jurisdictions, such as BSL…

For the benefit of members, that is 'breed specific legislation', and I am at least pleased that the government has not proposed such ridiculous options as breed specific legislation in this particular legislation. It goes on to say:

Neutering of dogs is a humane measure likely to reduce the risk of a dog being involved in an attack. It is hoped that the result will be reduced dog attacks in South Australia in the long term, but only time will tell.

Now, that is no silver bullet for the minister in defence of his case, and it is certainly a long bow to draw.

With those few words, I note that the Greens brought this amendment at the request of the vets. The vets are the ones who will be performing these surgeries, not the Dog and Cat Management Board, not the minister. The parliament should listen to the experts in the profession who undertake

these procedures. We have listened on this side of the house. I hope that this chamber will now listen.

The Hon. I.K. HUNTER: I want to address some of the furphies that have been put in the contributions from the previous two honourable members. Honourable members need to understand, when the Hon. Michelle Lensink says she demands some proof beyond or outside a reasonable doubt, scientists do not work in those contexts. They cannot give you certainty, no scientist can. You might demand it, you might want it, but that is not how scientists work. They give you the best information they can, on the basis of the evidence they have before them.

No-one says, not the least me, and no-one has said, that there is only way to desex a dog. But we are not just focusing on desexing animals. That is an important part of what this bill is trying to do: to remove unwanted litters, to remove puppy farming, but it is not the only part, and if you support the amendment moved by the Greens, that is the only part you will get.

The person I was referring to was not a veterinarian, she was a public health physician, a public health physician talking about dog bites and dog attacks. She was not adopting the veterinarians' position about the purity of desexing, be it done by physical means of removing testicles or ovaries, or being done by chemical means, which certainly stops reproduction for a time, but only whilst you administer the chemicals, not forever, but it certainly has nowhere near any impact on those hormone-driven behaviours that we talked about in the other side of the debate, which is to reduce aggression, to reduce wandering and to reduce attacks.

That is the other half of the debate. If you support the Greens' amendment you will be supporting certainly the desexing by chemical means, and that will be part of what we want to do with this bill, to reduce the number of unwanted litters, but you will be missing out on the opportunity also to drive down the increase in dog attacks, which we are seeing, for all sorts of reasons—

The Hon. J.M.A. Lensink: We have not established that at all.

The Hon. I.K. HUNTER: I think the facts have been established about an increase. The reasons behind them have not particularly been established, but we do know—and I have read this into the *Hansard*, and I will read it again:

> I would love to see it mandatory to desex dogs and cats. Desexing dogs reduces the risk of aggression. That has been known for a number of years. Veterinary behaviourists know this to be true. Dog owners know this to be true. The Hon. Duncan McFetridge, the member in the other place, knows it to be true, and argued it in the Liberal Party room but was not supported.

So, I say to honourable members in this chamber—

The Hon. J.M.A. Lensink: How do you know what happens in our party room?

The Hon. I.K. HUNTER: Well, you leak about it all the time.

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

The Hon. I.K. HUNTER: You leak about it all the time. Look, I am not saying, and I have never said, there is a silver bullet. We need to work together with a whole suite of actions to derive the outcomes we want through this legislation; and if you only go with the Greens' amendment you are tying your hands behind your back. Most of the other interventions are outside of our control. We do not have any control over dog training. We do not have any control over the breeds. We do not have any control over the responsibility, or otherwise, of the owners. What we do have control of, as legislators here today, is an ability to put into the legislation that we want to have desexing options that not only reduce the sexual reproduction but also reduce aggressive behaviours, and the only way you can do that is by not supporting the Greens' amendment, but by supporting the amendments made in the other place.

The Hon. J.M.A. LENSINK: I would just like to get on to the record, because I would hate to be misrepresented by the government—which does happen from time to time—that members on this side of the chamber are not concerned about dog attacks: we are. My interpretation of what has happened with this piece of legislation is that there has been a particular person, whom we could describe as an expert, a public health expert, who has a particular view, who has convinced members

of the Dog and Cat Management Board that this is going to be a silver bullet for behavioural issues. Behavioural issues are important and should not be diminished in any way.

I would just like to point out for members of the chamber, once again, that most of the procedures that would be undertaken in terms of mandatory desexing will be what the government wants, but we do not think it should be limited to the specific procedures that they say because there are other issues that need to be taken into consideration. Can I just point out that the select committee reported on the situation in the ACT, which had a significant reduction in dog attacks, as follows:

> …the Domestic Animal Service in the ACT—

which is a municipal service of the ACT government—

> has recorded a 47 per cent reduction in dog attacks since 2001 when legislation requiring all dogs and cats to be desexed was introduced.

In their legislation, section 73—Meaning of *de-sex* and *permit* for pt 3 provides:

> In this part:
>
> *de-sex*, in relation to a dog or cat, includes perform a vasectomy or tubal ligation on the dog or cat.

So, it includes other procedures. There was a drop in dog attacks in that jurisdiction when they introduced mandatory desexing and not the specific procedures that the government is seeking to introduce.

I think what has happened is that the government has decided that this is a silver bullet for dog attacks and, unfortunately, they are getting caught up in that particular point of view and not listening to all of the other views. They are ignoring a whole range of other published research which demonstrates that there is a range of reasons why dogs attacks occur. This is not going to stop dog attacks in South Australia. In fact, their own person, whom I quoted previously, when interviewed on the radio, basically said that if you have more dogs, you have more dog attacks.

The Hon. K.L. VINCENT: As someone who cares very deeply about animals, I have been listening to this debate very carefully and I just wonder if the minister could clarify a few points. Firstly, is he of the view that his amendment, as it is worded, does not necessarily preclude the use of chemical restraint? Secondly, does he believe that there is perhaps room for something of a middle ground where chemical restraint might be used in the first instance or in the majority of cases and then more physical restraint might be used in more severe cases where the behaviour has not been rectified by other methods, such as training and the other methods that the Hon. Ms Franks has mentioned?

The Hon. I.K. HUNTER: I thank the honourable member for her question. The advice I have just received is that castration and spaying are a starting point in the act. If a veterinarian, using her or his professional skill and experience, believes that some other procedure, or no procedure at all, is more appropriate, then they are entitled to make that decision. I am advised that vets remain at the heart of the proposed process and can make that determination.

The Hon. J.A. DARLEY: I indicate that I will be supporting the amendment.

The ACTING CHAIR (Hon. G.A. Kandelaars): Any further contributions? If not, I will put the minister's motion that the amendments be agreed to.

The Hon. T.A. Franks: Will we resolve it as one—because there are different positions on each one.

The ACTING CHAIR (Hon. G.A. Kandelaars): Do you want to have them taken separately? Minister.

The Hon. T.A. Franks: We need to take them separately.

The Hon. I.K. HUNTER: Mr Acting Chairman, if it assists the house, I could suggest what I think might be the simplest way forward—vote en bloc if you support the amendments made in the lower house, or against them, and then any carving up of those amendments could be done through a deadlock conference process, if I lose the vote today.

The ACTING CHAIR (Hon. G.A. Kandelaars): Just to clarify this, the minister has—

The Hon. T.A. FRANKS: Mr Acting Chairman, members have indicated support for some but not all amendments. Surely they should be taken separately, as is standard process in this place.

The ACTING CHAIR (Hon. G.A. Kandelaars): If there is a desire to separate these amendments, then I will put each one separately. I will start with amendment No. 1.

The Hon. T.A. FRANKS: We need to know what amendment No. 1 is.

The ACTING CHAIR (Hon. G.A. Kandelaars): Amendment No. 1 is:

Clause 5, page 5, lines 31 and 32 [clause 5(8), inserted definition of *desex*]—

Delete the definition and substitute:

Desex means to castrate or spay an animal so as to permanently render the animal incapable of reproducing (and *desexed* has a corresponding meaning);

Is it clear which amendment we are putting?

The Hon. T.A. FRANKS: Yes, but it is in the format that, if you support the government's position you would vote yes, and if you do not support the government's position you would vote no. I simply wanted that clarified.

The ACTING CHAIR (Hon. G.A. Kandelaars): That's clear, yes, that is the way it is.

Amendment No. 1 disagreed to; amendments Nos 2, 3, 4 and 5 agreed to.

The following reason for disagreement was adopted:

The council prefers its position in the bill.

SUPPLY BILL 2016

Second Reading

Adjourned debate on second reading.

(Continued from 25 May 2016.)

The Hon. T.T. NGO (15:55): I rise to speak in support of the Supply Bill 2016. As we all know, the Supply Bill is an important piece of legislation that allows for the funding of government services that are vital in helping to foster a fair, compassionate society. Paying the wages of our public servants in fields like health and education is instrumental in improving the quality of life for all South Australians and this is the purpose of passing this bill.

Perhaps the primary question that we face as a state, as well as a country, is how we will continue to sustain our very high standard of living by world standards. The only way the government, as well as private enterprise, will continue to be able to offer good, sustainable wages without government spiralling into unmanageable debts, or inflation running rampant, will be through an improvement in three areas: first, greater productivity improvements within our existing industries; secondly, a bigger South Australia, sustaining a greater population that will enhance rather than denigrate our way of life through a greater demand for services that can be effectively and efficiently supplied; and thirdly, through the establishment of new industries that in the long run are able to attract private investment and contribute to the productive capacity of our state's economy.

Addressing these areas will provide structural surpluses for our state's many budgets into the future. Therefore, we will have the necessary funds to continue to be able to pass the Supply Bill long after my time in this council. This is the philosophy. I want to talk about what this means for South Australia in practice. Improving efficiencies within current industries and their enterprises is something that will be particularly crucial with our defence industry. As members of this council know, I have been campaigning for a very long time for a continuous build here in South Australia, particularly in relation to the submarines contract. I am pleased and optimistic that the federal Liberal government has finally arrived at this position. I thank the Prime Minister and his ministers for this decision.

I would like to use this opportunity to also thank all those involved in this campaign to have the 12 submarines built here. I know that behind the scenes, the state government, through Defence SA and *The Advertiser* newspaper, started this campaign to lock former prime minister Tony Abbott into making this decision prior to the last federal election. This campaign started at least four years ago, when I was an adviser to the then defence industries minister.

The federal government's intention for a continuous build in South Australia is a shot in the arm for South Australia's economy through the medium to long term. It is not, however, the silver bullet. Lessons must be learned from the Collins class and air warfare destroyer builds, in particular the need to constantly evolve and adapt innovative practices to ensure productivity improvements across the life of our 20 years' worth of building, to deliver a better build and better value for money for the Australian taxpayer.

Just as the Swedes worked with us on the initial stages of the Collins class build, so will the French with their Shortfin Barracuda. Only this time I hope that we build enough of our own intellectual property to be able to get to a stage where we could export our own technology and products beyond 2036. I am pretty sure I will not be in this place at that time, but I hope that I can at least say, 'I told you so.' We do not know what governments will be in place over the next 20 years, but our defence industry needs to insulate itself from any potential political attacks by constantly innovating and collaborating. There is nothing stopping a future federal government reneging on part of South Australia's continuous build contracts.

Before building has even commenced, we already have a key advisory body to the federal government, the Australian Strategic Policy Institute, questioning South Australia's defence industry's ability to get the job done on time and on budget. The institute's senior analyst, Mark Thomson, has stated:

> …past experience shows that local production, developmental projects, and their fellow traveller, the dreaded 'Australian-unique requirement' are correlated with elevated costs, schedule delays and performance risk.

We saw how conservatives railed against our car industry and have driven it out of the country because, according to them, it was an inefficient use of taxpayers' money, with workers being paid too much. My question is: how then is Germany sustaining a car manufacturing industry when their workers are very well remunerated? The reality is that Holden's internal supply chain was very productive and was as efficient as it could be. The real problem was the plant's lack of scale in a globalised economy where our dollar was at record highs, which left our car industry with no other choice in the absence of government support.

We can see in Western Australia how its mining industry and government have been left unprepared with the price shock in iron ore and other resources. You can bet your bottom dollar that when the Western Australians were receiving record prices for their commodities and the value and volume of its exports went through the roof, not much attention would have been paid as to how it could, and should have, improved the productivity of its exports, not just in labour but through new technologies to lower the cost of exporting its minerals.

The Western Australian government, having run a budget in structural deficit for many years, having wasted the mining royalties on unproductive spending instead of investing in real productivity growth is now left with an almost $40 billion debt, and the terms of trade are now working against it. As a state, how do we insulate ourselves when external factors like global economics work against us to a point where even our productive industries and enterprises feel the squeeze?

This leads to my second and third points: one way is by facilitating greater supply and demand locally. This government has adopted relatively ambitious population targets which will be aided by the planning reforms that are being proposed by the government. As Western Australia has plummeted from the top to the bottom of Australia's economic ladder, it has been the heavily populated capital cities of Melbourne and Sydney that have picked up the slack.

In South Australia, whilst we have the geographical constraints of the beaches to the west and the Hills to the east, there are still significant opportunities for sustainable growth without repeating the failures of Sydney. We can grow our domestic economy through population growth without the need for Sydney's excessive commuter times or its exclusive housing markets which are

locking out young people. Population growth done properly will improve our standard of living rather than denigrate it.

Finally, in terms of my third point about the establishment of new industries, we now have a once-in-a-lifetime opportunity to investigate whether South Australia should play a greater role in the nuclear fuel cycle. I take this opportunity to congratulate the Premier for the process he has established in advancing this issue. We have had an independent royal commission releasing its findings which will now be deliberated on by two citizens' juries and a bipartisan select committee of parliament with equal numbers of crossbench, opposition and government members of both houses.

An honourable member: That is tripartisan.

The Hon. T.T. NGO: Tripartisan.

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

The Hon. T.T. NGO: Multipartisan, thank you. It was a little bit disappointing to hear the opposition leader, Steven Marshall, question the use of citizens' juries. This is a very sensitive issue in the community and it is important that we get the consultation process right at this early stage. As Kevin Scarce said in his report, the community has got to be brought along for it to work. This issue is so important to the future economic prosperity of the state in decades to come. I urge the opposition, who have been, to date, so supportive of this process, to continue to hold the line and support the Premier. With that in mind, I commend this bill to the council.

The Hon. T.J. STEPHENS (16:10): Before I start, I would like to thank the Hon. Tung Ngo for his contribution and the Liberal blue tie he is wearing today. I can just feel some of that liberalism coming out in some of the things he had to say today.

The Hon. T.T. Ngo: I did praise the Prime Minister.

The Hon. T.J. STEPHENS: Yes.

The Hon. J.S.L. Dawkins: That might have been bought for him by his staffers.

The Hon. T.J. STEPHENS: Exactly. I rise to speak to the Supply Bill 2016. This is a formality in that the date of the budget has been set in June in recent times, although it has been postponed to 7 July due to the upcoming federal election. Therefore, in order to allow full debate of the Appropriation Bill, a Supply Bill must be passed in order to guarantee the government continues to function between 1 July and the date of assent of the Appropriation Bill.

The amount being sought is in excess of $3.4 billion, which gives an insight into government spending during the first quarter of the financial year: no small amount. The vast bulk of this figure is for wages for an ever-growing Public Service, which should be of concern to all in this chamber. I think at this point in time we have to ask: is $3.4 billion really necessary for wages? The government now provides 13 per cent of the South Australian workforce with a job, and this number is on the rise. South Australia is meant to be a free market economy.

The further we decline into government-provided work, the closer we go to being a planned economy—the word 'economy' being purely academic in that case, as a planned economy is not economic at all. This, of course, is the socialist way, and the Labor Party, under Premier Weatherill, is moving further and further to a European social democratic style where there is no freedom in terms of the economy, no freedom in terms of faith, and no freedom in terms of expressions of conscience.

A planned economy is a false one. It is the macroeconomic equivalent of robbing Peter to pay Paul. The government gives a citizen a job and pays his salary; it then levies taxes in order to pay the wages of the same citizen. It is utterly farcical. What is not mentioned is that, because of union influence within both the public sector and the Labor government itself, wages are around 17 per cent higher than the private sector. This statistic, coupled with the generous entitlements which are part and parcel of public sector enterprise bargaining agreements, lead to a far more attractive package to a prospective employee.

Many graduates choose the cushy and secure public sector path over the far riskier private sector when it comes to their initial employment choice, and who could blame them? Public sector

wages and entitlements is an area which really should be looked at in terms of revitalising the South Australian economy to ensure true competition within the workforce. For every graduate employed in the public sector, it is one that the private sector loses. It is a bright mind that could provide the spark in a company or organisation desperate to innovate. To suggest that innovation can occur in the Public Service when it is largely at the whims of its political masters and is stifled by its bureaucratic culture and life tenure is nothing but a pipe dream.

Is it really necessary to have a public sector this large? I have just outlined why having higher wages and better benefits vis-a-vis the private sector is bad for the economy. However, what is just as harmful is the duplication of services. If a private enterprise or NGO provides a service, why then is it necessary for a government department or enterprise to provide the same or similar service in direct competition? It is an abject waste of public money which could be redirected elsewhere: to hospitals and schools, for instance.

By extension, if the private sector can offer the same service under contract, then the government should farm out these very services. It only makes sense not to do this in the case of natural monopolies or public good, such as road infrastructure, where privatising would actually be less efficient and therefore worse for the citizen consumer. To further answer the question, more investigation should be done on an annual basis, auditing the necessity of each and every position within the Public Service. This is done in all types of organisations to ensure funds are spent as efficiently as possible, but also to prevent bureaucratic clogging of the decision-making process and subsequent outcomes. These types of audits can then identify areas which are deficient throughout the government and a reallocation of resources can occur to ensure that public moneys are spent where they are needed most and we no longer have waste.

The member for Schubert from another place is looking into many instances of government waste, and one example was actually on the front page of *The Advertiser* on Tuesday 24 May in an article entitled 'Money to burn', where the former chief of the Metropolitan Fire Service was offered a redundancy package under the guise of the ill-fated plan to merge all emergency services under one government department—a brainchild of the former minister, the member for Light, Mr Tony Piccolo.

Greg Crossman was hired to replace Grant Lupton only two weeks after Mr Lupton was made redundant. As the member for Schubert pointed out, if the position is truly redundant, then they cannot and should not be replaced, and obviously the government then saves about $290,000 in salary. The carelessness for waste and efficiency is astounding and angers not only us on this side of the chamber but most South Australians.

To an entirely unrelated issue but one close to my heart, the City of Whyalla is on the brink of some tough times and I welcome any temporary support that the government can offer. The loan scheme for supporting business and industries is commendable and has been well received. Unfortunately, Arrium's situation has been caused by poor commodity prices, in addition to imprudent management during more favourable operating conditions. A good example of this is the negotiations for the most recent enterprise bargaining agreement with the appropriate unions which led to above-award wages, overly generous leave entitlements, tenure for almost all positions and many other benefits which were above market and irresponsible considering the troubled times the industry was heading into.

However, my major criticism on the Arrium issue is reserved for the Weatherill Labor government and the Treasurer in that we have had major infrastructure projects completed in recent years without any guarantees of local steel or other materials until well after those projects have been started and/or completed. How much local steel was used at Adelaide Oval? How much has been used in the new Royal Adelaide Hospital? How much has been used in the O-Bahn project? How much will be used for the north-south corridor projects? The government has failed to answer these questions accurately. The reality is that prioritising the use of local materials is an indirect stimulus for local businesses, and if more of this was done by government in the beginning then there would be no need for bailouts at the backend.

Bailouts are a crude use of taxpayer funds to prop up failing businesses purely for the sake of keeping people in jobs which are by and large redundant or at the very least unsustainable. However, I am sure that the Arrium case will be well made in the end and it will be a longstanding viable businesses. A good example of what happens when governments do not prioritise local

merchants is the case of KW Wholesaler Stationers, who I have mentioned a few times in this place. KW has many sizeable contracts with the education department but due to a knee-jerk reaction to the 'cartridgegate' scandal a few years ago, all government contracts were to be centralised through one office which led to the contracting of overseas giant, Staples, taking over a majority of government stationery contracts.

All this did was take tax dollars from these local stationers and give them to a large overseas giant who had already been pricing them out of the market. Prior to this at least some of their tax dollars were returned in the form of government contracts. However, it was a genuine transaction and not a subsidy. In making this knee-jerk reaction, the Weatherill government was putting dozens out of work (in fact, it was nearly hundreds) and making it very difficult for local businesses purely because of the bad press it was copping over the 'cartridgegate' scandal. This example, like many, demonstrates just how Labor is no longer the party of the worker.

Moving to Aboriginal affairs now, one issue that has been prominent of late is the servicing of renal dialysis patients on homelands. Currently, the government pays for Aboriginal dialysis patients living remotely to travel to regional centres and remain there whilst receiving dialysis treatment. This leads to patients having to remain off their homelands and away from family and support groups. On top of this, according to the Northern Territory government, it is actually more expensive than providing dialysis treatment on homelands either through a third-party provider such as Purple House or through self-administered dialysis with portable units. In such a case where the preferred and more innovative option is also the cheapest then it must be implemented. Only a special kind of bureaucracy would prevent progress such as this.

I will leave my contribution here, but to summarise it is clear that overall there are too many mistakes being made by the Weatherill Labor government. There is far too much money being wasted and it is being spent in the wrong areas. This government is tired and I fear for the future of this state if they continue past 2018. This state needs true revitalisation; the status quo will not do. By convention we allow this bill to pass, but we do so reluctantly.

The Hon. J.S.L. DAWKINS (16:18): I rise today to support the second reading of this bill which provides, I understand, some $3.444 billion to ensure the payment of public servants and the continuation of state government services from 1 July until the Appropriation Bill passes both houses. As we know, the Supply Bill gives parliamentary authority to the government of the day to continue delivering services via pubic expenditure and the government is entitled to continue delivering these services in accordance with the general approved priorities—that is, the priorities of the last 12 months—until the Appropriation Bill is passed. Before making some comments on one area in particular and, more generally, on two other areas, I note that the use of the money is for the work of public servants to service the constituents and residents of South Australia.

I want to particularly refer today to the regional development portfolio. I note that I have had a long time interest and, I suppose, responsibility at different times in that area. Before I became a member of parliament, certainly, as the chair of the Liberal Party's rural and regional council, I conducted a piece of work on the future of rural communities. Once I was elected, I was asked by the then deputy premier, the Hon. Rob Kerin, to continue that work here in the parliament with the development of a rural communities task force. In subsequent years, I have served in that portfolio as shadow parliamentary secretary and shadow minister for regional development.

I have always had a close relationship with, initially, the 13 regional development boards and, more recently, of course, the Regional Development Australia boards that now exist across the state of which one, rather bizarrely, includes the metropolitan area. I want to specifically refer to the Brock agreement, the so-called 'Brockument' which was tabled by the government on 6 May 2014, just over two years ago. It was an agreement between the Hon. Geoff Brock MP, who had become minister for local—

The Hon. K.J. Maher: You've called points of order on others for getting completely off the topic, Mr Dawkins.

The Hon. J.S.L. DAWKINS: On what?

The PRESIDENT: I will determine whether or not they are on topic—

The Hon. T.J. Stephens interjecting:

The PRESIDENT: —and the Hon. Mr Dawkins can continue.

The Hon. J.S.L. DAWKINS: I'm not sure what the minister's objection was because he was mumbling it, sir, so I did not hear. I referred to the Hon. Geoff Brock and his correct title.

The PRESIDENT: The Hon. Mr Dawkins, I don't think it was appropriate to call the honourable minister 'an idiot', if that's what you called him.

The Hon. J.S.L. DAWKINS: I didn't. I didn't use the word.

The Hon. T.J. Stephens: No, that was me, Mr President, by interjection. I'm sorry.

The PRESIDENT: You said it?

The Hon. T.J. Stephens: I think I did.

The PRESIDENT: Just be careful of those sort of—

The Hon. K.J. Maher: The Hon. John Dawkins is far too polite; he's a country gentleman.

The PRESIDENT: He is; that's what I thought. The Hon. Mr Dawkins, continue.

The Hon. J.S.L. DAWKINS: I have been accused of things I did not do, sir. I did stand to talk about the agreement between the Hon. Geoff Brock—and I used his correct title—who had become the Minister for Local Government and the Minister for Regional Development and who is, of course, the member for Frome. That agreement with the government, amongst other things, increased the Regional Development Fund from $1.6 million per annum to $15 million per annum over four years to establish a once-off $10 million Jobs Accelerator Fund in 2014-15, to guarantee greater interaction between the government and the regions and to provide the state's seven RDAs with $3 million in annual funding over three years.

On that particular matter, I remember with some displeasure actually learning of the protracted, frustrating process that the good people who run those RDAs went through with the minister and the department in trying to secure that funding. In fact, I well remember a meeting of what was then known as the Murray-Mallee local government association at Pinnaroo in October 2014. The minister and some of his officers attended that meeting to answer questions about this issue from some very passionate local government people who were also involved in regional development.

It will remain in my memory that the minister was unable to answer any of the questions. He had to refer to his officers to be able to answer anything. It was a stark performance. Many of the people in the meeting that day were strong supporters of the Hon. Mr Brock; they thought it was wonderful that a local councillor, who had then become mayor at short notice, had gone on to be an Independent and was now minister for their portfolio, and they thought they would have a wonderful advocate. What happened that day in the Pinnaroo Institute indicated that it was anything but that case. I will move on.

Since this agreement, the 2014-15 Auditor-General's annual report has shown that Regions SA expenditure in its major programs to be as follows: for Regional Development Australia, the budget for 2014-15 was $3 million, actual spending was $2.768 million, so a shortfall of $232,000; the Regional Development Fund for 2014-15 had a budget of $15 million, the actual spend was $2.232 million, so a shortfall of $12.768 million; and, the Jobs Accelerator Fund, the budget figure was $10 million, the amount spent was $200,000. So, of the $10 million budgeted $9.8 million was left.

This agreement also, as we know, made the member for Frome the Minister for Local Government and Minister for Regional Development. Whilst we have had one piece of legislation through the parliament in the minister's term as Minister for Local Government, no acts are committed to the Minister for Regional Development in the administrative arrangements order of this government.

To move to the 2015-16 picture of the Regional Development Fund: last week the Minister for Regional Development heralded the increased Regional Development Fund, which he demanded

in the document as critical to job creation and economic development in the regions, and that this had been reinforced by an analysis done by Ernst & Young. However, the $33 million in expenditure now benefiting the regions was actually the policy of the Liberal Party at the last state election. It is interesting that the minister tries to claim credit for what he thinks is a wondrous achievement, the one successful element of his demands to form government with the Labor Party. Let us wait and see whether the performance is similar to what I have just highlighted.

The South Australian Regional Loans Scheme was also part of the so-called Brockument, and that demanded $4 million for a taxpayer-funded loan scheme to regional businesses as part of the Jobs Accelerator Fund. It is listed on the government's promised tracking website as delivered for SA. It is included as part of the promised $10 million Jobs Accelerator Fund. However, it was revealed in an article in *The Advertiser* on 19 April this year that the program had been abolished after failing to find a single taker.

Whilst $2 million of the funding apparently was spent on the Upper Spencer Gulf & Outback Futures Program, the details of where the other $2 million has gone, and where it will be spent for the benefit of regional South Australia, seems to be very grey at best. The minister has simply stated that half the fund 'remains committed to funding projects aimed at creating jobs in the regions'. I could spend some time going over and comparing this record with many of the commitments made to the regions by the Liberal Party prior to the last election. I will not delay the house, because there is a very long list, but certainly the Regional Development Fund was something that was significantly different to what we have seen; RDA funding was $1.8 million more than what was part of the Brockument, and was over three years rather than four years. There are many other areas of commitment that we have yet to see the government come forward with.

Another area that I wish to touch upon today, and one that the Leader of the Government is very familiar with, because he knows I have raised it a number of times, relates to the Northern Economic Plan. We have seen this year the announcement and the publication of the government's Northern Economic Plan entitled Look North. On the surface, it appears to be a partnership between the state government and the cities of Salisbury, Playford and Port Adelaide Enfield, with buy-in from business.

Besides the fact that I have become aware that the word 'partnership' may be overselling the relationship between the parties, due to the government's control of the process—the fact that I think certain decisions taken through the process, or claimed by the government to have been signed off by the three mayors—we have certainly had some disputation about the manner in which they participated in the process, there seems to be little that has been achieved by Look North since the rather glitzy launch of the plan. I have been eagerly looking to see some of the benefits of that.

In addition, I, along with many who are familiar with the northern suburbs and the immediate inner Lower North of the regional areas, am puzzled as to why the Town of Gawler was not invited to the table. As the very good Mayor of Gawler, Ms Karen Redman, told me recently, there are as many Holden workers who live in the Town of Gawler as there are in the City of Port Adelaide Enfield. Why Gawler was excluded remains a mystery. The minister and I have discussed this on a number of occasions, and, whilst I respect the fact that it has been concentrated on those three larger cities, I do not think he has ever come up with a proper reason as to why Gawler was excluded from it.

I do hope that perhaps further consideration can be given to the inclusion of the Town of Gawler in that program. I understand that you cannot go to every local government area, and certainly there are a number of others where there are people who work at Holdens, and also in associated industries, and certainly you could think of any number of any other councils: Light, Mallala, Adelaide Hills, a number of others, Tea Tree Gully, in close proximity. My understanding is that the numbers in Gawler are as concentrated as they are in Port Adelaide Enfield. Anyway, I will look forward to having those further discussions with the minister in due course.

I was invited earlier by a member of the government to elaborate on my passion for suicide prevention and work in mental health areas in this speech. It had not been a plan of mine to do that, and I am not going to delay the house very long. I do want to indicate another area that I have seen the development of in recent years, which is the great emphasis on people who have a lived experience with mental health issues, generally, or with suicide attempts.

There was an article in *The Advertiser* last Saturday 21 May by Lauren Novak that highlighted the area of self-harm. I give Ms Novak great credit for writing a very good article. Where do you actually draw the line between an attempted suicide and an act of self-harm? In many cases it is very hard to determine the difference. That is where, I think, the work that is being done by the Office of the Chief Psychiatrist with the development of not only the networks around this state, but the assistance and encouragement to other bodies to get involved in this area, is crucial.

I am delighted that there are many more people getting involved. There are more aspects of the government involved. I was pleased recently that the Minister for Police brought back a response which indicated that there is some considerable work within police on this matter, because it is not that long ago that SAPOL and many other facets of government were almost saying, 'We don't have that problem.' So I am pleased to have seen those changes. I do commend the article in the paper last Saturday for people to have a look at.

I also indicate that I am delighted that we have had a change of minister for mental health. I think it is important that the Hon. Leesa Vlahos is supported, as certainly there are members across this chamber from all sides of politics and across the parliament who have supported me over the years. I think a lot of that came to me because the previous minister for mental health was not interested, and was completely not interested in suicide prevention. We have had a change of minister and I would suggest that those who have come to me—and I have had a member of the Labor Party come to me today for advice about setting up a network—while I am happy to continue to provide that, we now have a minister who is interested and I urge all members to include the new minister in their work in this area.

With those remarks, I am very pleased to support this bill. I again indicate its importance because it provides that $3.444 billion that enables the work of public servants in their service to South Australia to continue until the Appropriation Bill passes both houses. I support the bill.

The Hon. J.S. LEE (16:38): I rise today to also make a contribution on the Supply Bill. The Supply Bill 2016, as we know, is for the appropriation of money from the consolidated account for 2016. The government is asking for approximately $3.4 billion of taxpayers' money to enable the continued payment of public servants and public services. As a standard procedure here, we will always support it because it is important that provisions are made for the ongoing delivery of important public services in South Australia.

I congratulate the state Liberal leader, Steven Marshall in the other place; shadow treasurer, the Hon. Rob Lucas; the opposition leader in the upper house, the Hon. David Ridgway; the Hon. Terry Stephens; and the Hon. John Dawkins for their significant contribution in highlighting the many important issues facing South Australia.

They highlighted the wrong priorities of this Labor Weatherill government, and they demonstrated how the people of South Australia have been let down by an incompetent and tired 14-year-old government. Everywhere we look, whether it is in metropolitan Adelaide or regional South Australia, the Labor government is not putting the right policy setting in place to encourage growth or pave the way for a bright future for South Australians. Our economy is stagnant. After 14 years of Labor, South Australia is at the bottom of the ladder in key performance indicators in comparison to other states in Australia. The release of ABS April labour force statistics on 19 May last week marked 17 months—

There being a disturbance in the gallery:

The PRESIDENT: Could I just remind members in the gallery that the Hon. Ms Lee is giving a very important speech. I think she should be respected and allowed to do that in silence.

The Hon. J.S. LEE: Thank you, Mr President, for that wise counsel and those words of support for me. The release of ABS April labour force statistics on 19 May, which was last week, marked 17 consecutive months when South Australia has had the highest unemployment rate in the country. Not only do we have a very high unemployment rate but there has been a sustained fall in full-time employment in South Australia, with the loss of 6,700 full-time positions since April 2015. Indeed, there are currently fewer South Australians in full-time employment than there were in April 2013. After 14 years, South Australia is becoming a part-time employment state.

South Australia has tens of thousands of individuals and families desperately searching for jobs. Some of the most disadvantaged groups of people in underemployment come from the culturally and linguistically diverse community. Some of these people are highly skilled and qualified, but due to the state's poor economic conditions and job prospects they are facing great difficulties in finding jobs. It is not a laughing matter that South Australia is facing a number of economic challenges. The Labor government has no plans for job creation. It relies heavily on the work of our industries, and it relies on the federal Liberal Coalition government to come up with solutions.

The state Liberals very much welcome the announcement from our federal Liberal Coalition government that 12 submarines will be built in South Australia, along with the previous commitments to build offshore patrol vessels and future frigates. Australia's next generation of submarines will be critical to our nation's defence capabilities and for employment opportunities in South Australia. The quarterly survey of 1,000 small and medium-sized businesses found that South Australia had the lowest level of confidence in the nation and that this negative mood was infecting businesses in Adelaide and the regions.

A total of 45 per cent of businesses believe that the economy is slowing, compared to just 6 per cent that believe that the economy is growing. Confidence amongst Adelaide businesses plummeted 14 points in the March quarter, which is far behind the national average of plus 35. South Australia deserves much better. It deserves a clear vision, strong leadership and capable government to fully represent the entire state. The state Liberals recognise that South Australia is a small and medium-sized business economy. Our small businesses and exporters are key drivers of our economy. I believe that the Marshall Liberal team is best placed to support small to medium sized businesses. The Marshall '2036 It starts now' document provides the important framework of getting the right economic and social settings in place to chart a course back to prosperity and wellbeing for all South Australians.

Abandoning the Weatherill government's plan to raise payroll taxes, amounting to a $22 million investment in job creation over two years, will be a game-changer for the state, and we encourage this government to look at it very seriously. We, the Liberals, believe in lowering costs and lowering taxes on business. We believe in reducing regulations and red tape. We believe in investing in long-range productive infrastructure for our state. The Labor government, on the other hand, is the total opposite. It believes in increased taxes and increased fees and charges, and burdens people with increased regulations. The culmination of bad management by a Labor government over 14 years has meant that people are struggling to see a future in our state.

The lack of opportunities for many hardworking South Australians has resulted in a constant flow of people migrating interstate. Such migration is really hurting our economy with more than 3,000 people on average annually moving interstate over the past decade. As shadow parliamentary secretary for trade and investment, I deal with businesspeople and exporters on a daily basis and it is very alarming to see the serious decline in the export market.

Can I highlight some of these figures to the honourable members in this chamber. The export footprint in South Australia is at 4.7 per cent. We are really going backwards. We are going backwards on a national scale. The government argues that its trade missions overseas are building up all these important trade relationships with our trading partners such as China, but let's look at the KPMG report about Chinese investment that came out recently.

It shows that Chinese investors in Australia are quite confident in other Australian states. For example, New South Wales, where 49 per cent of Chinese investment is done. This is closely followed by Victoria, Western Australia, Queensland—even the Northern Territory which is at 4 per cent—but when it comes to South Australia, the Chinese only invest a mere 3 per cent here. The Premier Jay Weatherill has taken trade missions with ministers overseas to create all these opportunities but that does not really improve the percentage points of investment from China into South Australia at all: we see it is only at 3 per cent.

In terms of export opportunities, when we look at the export markets that this Labor Weatherill government talks about—the trading partners of China and India—let's look at some of the statistics. In 12 months China exports are down $536 million; Japan is down $57 million; Malaysia is down $53 million; Hong Kong is down $48 million; and the Middle East is down $37 million. With the India

and China strategy, India—which is another shining light for the government and where the minister is spending lots of time—is actually down by $25 million. This is not good at all.

When we look at the state of South Australian small business, there is not enough support for small business. I am very pleased to say, though, that the good news is that the federal budget has given the state government lots of room to move in terms of economic stimulation. The Hon. Rob Lucas, our shadow treasurer, has tracked down some of the figures. Total federal payments to South Australia next year will actually be $1,137 million more than this year and by 2018-19 total payments will be $1,756 million more than this year.

We encourage the government to access this funding—more money coming into our state—and to spend it very wisely. With those remarks, I support the passage of the bill in this council.

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy) (16:49): I simply thank all honourable members for their contributions and their speeches on matters that are important to them and look forward to the swift passage of the Supply Bill.

Bill read a second time.

Committee Stage

Bill taken through committee without amendment.

Third Reading

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy) (16:51): I move:

That this bill be now read a third time.

Bill read a third time and passed.

LEGAL SERVICES COMMISSION (MISCELLANEOUS) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 19 May 2016.)

The Hon. J.A. DARLEY (16:52): I rise to support the second reading of this bill and, like other honourable members, use this opportunity to place on the record my thanks for the important community service provided by the Legal Services Commission. I know that my office is not alone in terms of its use of this service, as well as other community-based legal services, as a referral point for constituents with legal issues. There is no question that such services play a very important role in terms of providing legal advice, particularly to those in the community who can least afford it.

The Hon. Andrew McLachlan and the Hon. Mark Parnell have placed on the record the key concerns regarding this bill, particularly those raised by the Law Society. The Hon. Mark Parnell in particular has asked some important questions of the minister in that respect. I, too, look forward to hearing from the minister in response to those questions and certainly keep open the possibility of supporting amendments aimed at addressing the concerns that have been raised. With those very few words, I support the second reading of the bill.

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (16:54): I would like to thank all contributors up to this point and look forward to taking the bill into the next stage.

Bill read a second time.

Committee Stage

In committee.

Clause 1.

The Hon. P. MALINAUSKAS: The purpose of this bill is to reduce the number of commissioners that comprise the commission from 10 to five people, and make skills, knowledge and expertise the relevant factors when appointing a commissioner. The bill also establishes the legal profession reference committee, which has broad jurisdiction to advise the commission in relation to any matter referred to it or any of the commission's functions under the act.

The Hon. Mr Parnell asked, 'How much money does the profession provide to the Legal Services Commission by virtue of the percentage contribution of interest accrued on the combined trust account?' According to the Legal Services Commission Annual Report (financial statements), in 2015 the commission received $2,854,000 in total revenue from funds administered by the Law Society of South Australia. The amount received in 2014 was $2,552,000. The total revenue is made up from funds from the Statutory Interest Account and from the interest earned on the Legal Practitioners Trust Account.

The honourable member also queried why there are no Law Society representatives on the commission. The catalyst for this bill is a review that was commenced in 2011 into the provision of legal aid in state criminal cases. The committee, which was comprised of senior legal practitioners released four reports which recommended, among other things, a change to the governance structure of the commission, which would see the commissioner replaced with a director of legal services.

Although the government has elected to retain the commission, it agreed with the committee that a change to the governance structure was required. The government is of the view that representative boards are not the appropriate option to run state financial enterprises. As noted in the other place, the commission is primarily a dispenser of state and commonwealth money to grant recipients in order for them to purchase legal services in the private legal domain.

It is perfectly reasonable that there is an independence of that organisation from the people who are ultimately the financial beneficiaries of its distribution of largesse and that the members of the commission are selected by the Attorney-General of the day, based on their skills and knowledge. In moving away from a representative board, we remove potential for conflict where a person is part of the management of the commission, and yet is also a beneficiary of that organisation's funds.

To address concerns that legal practitioners would not be sufficiently represented, the Law Society has been given an advisory role under the bill. In addition to a requirement for the Attorney-General to consult with the Law Society and the Bar Association before nominating a person or appointment to the commission, the Law Society has been given the power to nominate two members to the Legal Profession Reference Committee. With those few words, I commend the bill.

The Hon. S.G. WADE: If I could just clarify the minister's last comments, I support not having a representative board but the minister's comments could be taken to suggest that the government is not inclined to appoint legal representatives. With his comments that it is not helpful for board members to be a potential beneficiary, he could be taken to be implying that the government will not be inclined to appoint legal practitioners to the commission.

The Hon. P. MALINAUSKAS: We reject the assertion that that is the implication of my remarks, but I would draw the Hon. Mr Dawkins' attention to the fact that there are indeed legal professionals on the newly-constituted commission. In fact, the chairperson, according to the requirements, has to be a person who is holding judicial office or is a legal practitioner of not less than five years' standing.

The ACTING CHAIR (Hon. J.S.L. Dawkins): I presume you meant the Hon. Mr Wade.

The Hon. S.G. Wade: No, he was speaking through the Chair; he was being particularly orderly.

The ACTING CHAIR (Hon. J.S.L. Dawkins): Very good. I call the Hon. Mr Wade now.

The Hon. S.G. WADE: Minister, could I have the reference again?

The Hon. P. MALINAUSKAS: Part 2, clause 5.

Clause passed.

Remaining clauses (2 to 15), schedule and title passed.

Bill reported without amendment.

Third Reading

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (17:03): I move:

That this bill be now read a third time.

Bill read a third time and passed.

RETIREMENT VILLAGES BILL

Second Reading

The Hon. I.K. HUNTER (Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Climate Change) (17:04): 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.

Since the original Retirement Villages Act was implemented in 1987, the industry has evolved significantly and there has been both strong concern amongst the community and evidence that the current Act does not provide adequate protections. In January 2015, Cabinet agreed to the release of the *Retirement Villages Bill 2015* for public consultation. The Bill has been informed by the significant recommendations of the Select Committee on the Review of the *Retirement Villages Act 1987* and consultation undertaken by the Office for the Ageing. In particular, the Select Committee made recommendations that sought to address the rights and obligations of residents and operators, contractual disclosure, financial obligations, compliance and regulation and dispute resolution within the sector.

The Bill forms the third element of measures implemented and progressed to support reforms to the Retirement Village Sector. The first two elements include the production of Better Practice Guidelines aimed at promoting best practice amongst Retirement Village operators and the commencement of a Retirement Villages Advocacy Service.

Legislative change forms a key component of the reforms. Since the original Act was implemented in 1987 the industry has evolved significantly and the existing Act increasingly provides poor protection of consumers. In line with this, the Bill focusses on several themes:

- Ensuring improved clarity and transparency of retirement village contracts;
- Increased disclosure of information to ensure that consumers are well informed before entering a contract; and
- Improved clarity for residents and operators in understanding their rights and responsibilities under the Act.

The initial development of the Bill was also informed by a targeted consultation process led by the Office for the Ageing with 20 industry stakeholders. Ongoing consultation since this time has occurred through the Retirement Villages Advisory Committee chaired by the Office for the Ageing with a range of key operator and resident stakeholders.

A public consultation period on the Bill occurred for eight weeks in early 2015 and attracted over 300 submissions. The Bill was largely well received by operators and residents. Significant analysis and consideration of all of the submissions was undertaken, resulting in the *Retirement Villages Bill 2016* before you today.

The *Retirement Villages Bill 2016* is an important piece of reform work that is focussed on increasing transparency, improving disclosure and providing clarity for prospective residents, residents and operators or retirement villages.

Major amendments

The following are some of the main features of the Bill.

- The requirement to be predominately retired will remain – there was consistency across both resident and operator submissions on this.
- A number of definitions that currently create considerable confusion for both residents and operators will be clarified. These include definitions of special levy, special resolution, capital fund, period of occupation, recurrent charge and vacant possession.

- Insertion of a provision which provides that a person cannot be compelled to give information if the information might incriminate the person of an offence.
- Clarification that the costs of an independent valuation are to be split evenly between the parties.
- Clarification that where a village needs to adopt a surplus or deficit policy it should be adopted by special resolution of residents.

Aged Care repayment

- The Retirement Villages Bill aims to provide greater flexibility to the way that operators can provide early repayment to eligible residents, as recommended by the Select Committee. Residents who demonstrate need will be able to apply for the village operator to pay the lump sum or meet the daily payments for an aged care facility until the village unit is relicensed. These payments will be deductable from the final exit entitlement.

Statutory Repayment

- A 12 month statutory repayment provision was originally proposed and the feedback received has been very carefully considered. The legislation will still contain a statutory repayment period, but this has been revised to a period of 18 months and will also enable a resident to remain in situ during the relicensing period.
- A 12 month repayment period may inadvertently drive the marketplace to offering contractual arrangements with poorer capital gains returns for residents and a lower return for their units, with prices reduced to ensure a sale prior to the expiration of the statutory repayment period.
- Many residents entering a retirement village will purchase a unit subject to sale of their house. The time taken to sell their house will directly impact on the time taken for a retirement village operator to re-licence a unit. It takes significantly longer to achieve a sale in some regional areas than it does in metropolitan Adelaide. The 30 day settlement period and time for operators to refurbish a unit support a longer statutory repayment period such as 18 months, to ensure that operators in outer metropolitan and regional areas are not disadvantaged.
- The revised period of 18 months was arrived at in recognition of the unintended consequences which were highlighted during the consultation period from key stakeholders including residents, industry and third party representatives.

If a resident:

- ceases to reside in the village, and after 18 months if the residence is not relicensed, the operator will be required to repay the resident their exit entitlement in accordance with their residence agreement.

OR

- provides notice in writing to the operator that they intend to leave the village and have the operator to remarket their residence while the resident remains in occupation, the operator must remarket the residence. If it is not relicensed within 18 months of the operator receiving the notice, the operator must repay the exit entitlement to the resident in accordance with the provisions of their residence agreement. The resident at this point must cease to reside in the village.

OR

- a resident provides notice of their intention to cease to reside in the village an operator may offer to buy back the licence to occupy the residence from the resident in accordance with the provisions of their residence contract.

Legislative Review Period

- The Bill includes a 5 year review clause on the statutory repayment period. This review of the statutory repayment period will provide an opportunity to assess the impacts of the clause and to ensure that the application has achieved the desired outcomes.

Disclosure statement

- The Bill introduces a disclosure statement to be provided prior to a resident being able to sign a resident contract. This is in line with the Select Committee's recommendation. The aim of this statement is to improve transparency of all the fees and charges a resident would be responsible for prior to entering into a village, while living in a village and when leaving a village. This disclosure statement will be developed in conjunction with key stakeholders.

Premises condition report

- A number of operator submissions raised concerns about the premises condition report and its usefulness in its current form. An amended form is to be completed within 10 business days of a resident

being entitled to occupation of a residence and must be signed by both parties. This is intended to ensure the report accurately reflects the 'as is' condition of the residence when a resident takes up occupation of the residence.

In effect, the passing of this Bill should result in:-

- Increased financial and operational transparency in both documentation and practice for operators of villages;
- Enhanced resident confidence in financial and operational information provided, clarification of their rights and responsibilities and the facilitation of informed decision making by residents, and;
- An increase in the capacity of the responsible agency to monitor compliance with the legislation.

This Bill reflects the Government's commitment to ensuring –

- That appropriate legislation is in place to reflect the changes in contemporary society whilst maintaining flexibility within the retirement village industry to support the variation of schemes and the ongoing needs of an ageing population;
- That operators enhance their operational practices and do the right thing by their residents, and;
- That residents have access to an appropriate level of legislative protection to safeguard their rights.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

These clauses are formal.

3—Objects

This clause sets out the object of the measure.

4—Interpretation

This clause defines terms used in the measure.

5—Application of Act

This clause provides that the provisions in the measure are to apply to retirement villages established before or after the commencement of the measure, provides power to the Minister to exempt certain organisations, retirement villages or classes of organisations or retirement villages from complying with the measure conditionally or unconditionally, and provides a maximum penalty of $10,000 for non compliance with a condition of such an exemption.

Part 2—Administration

Division 1—Registrar

6—Appointment of Registrar

The clause provides for the appointment by the Minister of a Registrar for the purposes of the measure.

7—Registrar's functions

This clause sets out the functions of the Registrar.

8—Registrar's power to require information

Subclause (1) provides that it is an offence (carrying a maximum penalty of $2,500, expiable on payment of $210) if a person fails to give the Registrar information (verified by statutory declaration) reasonably required by the Registrar for the purposes of enabling the Registrar to carry out his or her functions under the measure. Subclause (2) provides that a person cannot be compelled to give information under the proposed section if it might tend to incriminate the person of an offence.

9—Registrar's obligation to preserve confidentiality

This clause imposes on the Registrar an obligation to preserve the confidentiality of certain information.

10—Delegation

This clause provides for the Registrar to delegate a power or function vested in or conferred on the Registrar under the measure.

11—Annual report

The clause requires the Registrar to provide the Minister with an annual report on the Registrar's work and operations each financial year. The report is required to be tabled by the Minister in Parliament.

Division 2—Registration of retirement village schemes

12—Register

The clause provides a list of information that must be contained in the register required to be maintained by the Registrar. The clause also provides the manner in which the register is to be made available to the public.

13—Notification of information required for register

The clause provides a list of information that the operator of a retirement village established after the commencement of the proposed section must provide to the Registrar within 28 days after the first person enters into occupation of the village in accordance with the retirement village scheme. The operator of a village is also obliged to provide the Registrar with details of any change in such information. The penalty for failure to comply with these requirements is a fine of $2,500, expiable on payment of a fee of $210.

Division 3—Authorised officers

14—Appointment of authorised officers

This clause provides for the appointment by the Minister of persons to be authorised officers for the purposes of the measure.

15—Identification of authorised officers

This clause sets out the requirements for the issue of authorised officers with an identity card.

16—General powers of authorised officers

This clause sets out the powers able to be exercised by an authorised officer and the circumstances and conditions under which those powers may be exercised.

17—Power to require information etc

The clause provides for the circumstances in which an authorised officer may require a person to provide information, documents or answer questions.

18—Offence to hinder etc authorised officers

This clause creates a number of offences, with a maximum penalty of $10,000, for a person:

- hindering or obstructing an authorised officer in the exercise of powers conferred under the measure;
- using abusive, threatening or insulting language to an authorised officer, or a person assisting an authorised officer;
- refusing or failing to comply with a requirement of an authorised officer;
- providing false or misleading information in information or answers to questions in purported compliance with a requirement made or question asked by an authorised officer;
- falsely representing that a person is an authorised officer.

A person who assaults an authorised officer, or a person assisting an authorised officer, in the exercise of powers under the measure, is guilty of an offence with a maximum penalty of $20,000 or imprisonment for 2 years.

Part 3—Rights of residents

Division 1—Creation and exercise of residents' rights

19—Residence contracts

Subclause (1) provides that a residence contract must be in writing, comply with the proposed section and comply with any requirements prescribed by the regulations. Subclause (2) sets out the information that must be included in a residence contract. Subclause (3) provides that the contract will be taken to include a warranty on the part of the operator of the correctness of the information contained in the residence contract and other documents required to accompany the contract under proposed section 21.

20—Disclosure statements

The clause provides that a disclosure statement must be in writing and comply with the proposed section and the requirements (if any) prescribed by the regulations. A disclosure statement must provide information and statements about the financial arrangements relating to residents of the retirement village as set out in the clause.

21—Information to be provided before residence contract entered into

The clause provides that the operator of a of a retirement village must, at least 10 business days before a person enters into a residence contract, give the person a copy of each of the following documents, in addition to any other document prescribed by the regulations:

- the residence contract;
- the disclosure statement;
- if the residence contract relates to a retirement village already established—the financial statements presented at the last annual meeting of residents of the village, including a written statement of any subsequent change in the affairs of the village and the operator that may significantly affect the resident's decision to enter the village;
- the residence rules;
- the remarketing policy;
- any code of conduct to be observed by the operator or residents.

22—Premises condition report

This clause sets out the information and requirements for a premises condition report required to be given by an operator to a resident of a retirement village not more than 10 business days before a person enters into occupation of a residence in a retirement village.

23—Rights in relation to contract etc

Subclause (1) provides that an operator of a retirement village must not make representations or give specified information to residents or prospective residents without the approval of the Minister. Subclauses (2) to (4) outlines the rights and obligations of a prospective resident in relation to the resident's right to cool off, including a provision outlining the circumstances in which a resident may waive the cooling off entitlement. Subclause (5) provides that a contract may be rescinded by written notice to the operator. Subclause (6) provides that a contract may be enforced against the operator for the time being of the retirement village.

24—Offences

Subclause (1) provides that it is an offence for an operator not to observe a provision of the proposed Division with a maximum penalty of $35,000. Subclause (2) provides that it is an offence for a person to knowingly make a statement that is false or misleading in a material particular (whether by reason of the inclusion or omission of a particular) in information provided to a prospective resident under the proposed Division with a maximum penalty of $35,000.

Division 2—Financial matters

25—Ingoing contributions

The clause sets out the payment requirements for the ingoing contribution. An ingoing contribution is a payment made by or on behalf of a person in consideration for, or in contemplation of, the person becoming a resident in a retirement village (but does not include a recurrent charge, an exit fee, a special levy or any other payment excluded by the regulations from the ambit of the definition of ingoing contribution).

26—Exit entitlements

The clause provides for the manner in which an exit entitlement may be paid out to a resident. An exit entitlement is an amount of money payable by an operator under a residence contract to a person who ceases to reside in the retirement village or when certain conditions specified in the contract are fulfilled.

27—Payment of capital fund contributions deducted from exit entitlement

The clause sets out the requirements for circumstances where the operator of a retirement village is to make payments of an amount deducted from an exit entitlement into a capital fund. A capital fund is defined as a contingency, sinking or other reserve fund or account established for the purposes of capital replacement or improvements, long-term maintenance or other similar items in respect of a retirement village.

28—Arrangements if resident is absent or leaves

The clause sets out the circumstances in which a resident ceases to be liable to pay amounts and charges as a result of a resident being absent from the retirement village for a period of time, or if the resident ceases to reside in a retirement village. The clause also provides for the circumstances in which an operator is entitled to recover from the resident any such amounts and charges.

29—Arrangements if resident leaves to enter residential aged care facility

The clause provides for the circumstances in which a resident who has been approved to enter into residential care at an aged care facility under the *Aged Care Act 1997* of the Commonwealth may apply to an operator for payments to be made to the aged care facility on behalf of the resident. An operator who fails to pay an amount as

required under the proposed section is guilty of an offence with a maximum penalty of $5,000, expiable on payment of a fee of $315.

30—Certain taxes, costs and charges must not be charged to residents

The clause provides that certain taxes, costs, fines, fees and charges as specified in the clause are not recoverable from a resident either directly or by increasing recurrent charges payable by residents.

Division 3—Meetings

31—Convening meetings of residents

This clause outlines the circumstances in which the operator of a retirement village is required to convene a meeting of residents, and the requirements for holding such a meeting.

32—Proceedings at meetings

The clause outlines the procedural requirements for conducting a meeting of residents convened under proposed section 31.

33—Offences relating to meetings

The clause sets out a number of offences for an operator who fails to comply with specified requirements in proposed section 31, with a maximum penalty of $10,000 or expiable on payment of a fee of $315.

34—Consultation with new operator

The clause provides that it is a term of every agreement that will result in a change in the operator of a retirement village (including a change by virtue of the sale of an interest in the land within the village) that, before the change is effected, the person who is to be the new operator will convene a meeting of residents at which the person (or his or her representative) will present a report on any changes that are proposed for the retirement village (including any proposal to change a charge, fee or levy payable by residents), and his or her plans for the future management and operation of the retirement village and answer any reasonable question put by a resident. The clause also provides for notice of such a meeting to be given to the residents, and that if the term of agreement is not complied with, the new operator is guilty of an offence with a maximum penalty of $10,000.

35—Consultation about village redevelopment

The clause provides that it will be a term of every residence contract that, before any redevelopment of a retirement village is commenced, the operator will convene a meeting of residents at which the operator will present a plan of and report on the proposed redevelopment and answer reasonable questions put by residents. The clause provides the requirements for notifying residents of the meeting, and the consequences for an operator if resident's rights are not considered.

Division 4—Residents' committees

36—Residents' committees

The clause provides that the residents of a retirement village may elect a residents' committee, and sets out the manner of election to the committee, and the functions, procedures and meeting requirements of the committee. The clause also provides a regulation making power in respect of the manner of election, functions and procedure of residents' committees and sub-committees.

37—Mandatory consultation with residents' committee in relation to annual budget

The clause requires the operator to convene at least 2 meetings with a residents' committee to discuss matters relating to the accounts, estimates and expenditure of the retirement village as specified in the clause. The meeting need not be held if the residents' committee advises the operator in writing that it does not require the meetings to be held. The clause further sets out the procedural requirements for the meeting. It is an offence with a maximum penalty of $10,000 for an operator to hold an annual meeting without complying with the provisions in the proposed section.

Division 5—General matters

38—Interim financial reports

The clause provides the circumstances in which an operator must, on the request of a resident or a residents' committee, provide an interim financial report, and outlines the information that must be contained in such a report, including information as required by the regulations. It is an offence with a maximum penalty of $5,000 for an operator to contravene a provision relating to requirements of providing an interim report. The clause also allows the operator to require the payment of a specified amount payable to cover the cost of preparing and providing the report.

39—Harsh or unconscionable residence rules

The clause provides that if a residence rule or a provision of a residence rule is harsh or unconscionable the rule or provision is void.

40—Documents to be supplied to residents

The clause lists the documents that the operator of a retirement village must, at the request of a resident, provide to the resident, free of charge, and in addition, an amended set of residence rules, if an alteration is made to the rules.

41—Information about managers to be supplied to residents

The clause provides that the operator of a retirement village must inform each resident of the village of the name and contact details of the village manager and any senior manager and any changes to such details. If the operator of a retirement village refuses or fails to comply with this proposed section, the operator is guilty of an offence with a maximum penalty of $2,500.

Division 6—Termination of residents' rights

42—Termination of residents' rights

The clause provides that a resident of a residence in a retirement village has a right of occupation that cannot be terminated unless in circumstances as specified in the clause. The clause set out the rights and obligations of operators and residents in relation to termination of a resident's right of occupation, and the circumstances in which the South Australian Civil and Administrative Tribunal must make orders in relation to the termination.

Division 7—Resolution of disputes

43—Dispute resolution policy

The clause provides that the operator of a retirement village must have a dispute resolution policy which complies with any requirements prescribed by the regulations. The policy must be provided, on request, to a resident within 5 business days of the request. An operator who fails to comply with a provision of the clause is guilty of an offence with a maximum penalty of $10,000.

44—Application to Tribunal

The clause provides that a party to a dispute between an operator and a resident of a retirement village may apply to the Tribunal for resolution of the matters in dispute. The clause provides for the manner and form of such an application, the circumstances in which such an application may be made and the orders that may be made by the Tribunal in circumstances specified in the clause.

Part 4—Administrators, receivers and managers

45—Application for order appointing administrator

The clause provides for the Minister to apply to the Supreme Court, according to the rules of Court, for an order appointing a specified person as an administrator of a retirement village in circumstances specified in the clause. The clause also provides that the Minister may appoint a person to inquire into, and report to the Minister on, the well-being and financial security of the residents of a retirement village for the purposes of determining whether an application for an order should be made.

46—No application without consent

The clause provides that the Minister is not to apply for an order appointing a person as an administrator under the proposed Part unless the person has consented in writing to the appointment.

47—Terms and conditions of appointment

The clause provides that without limiting the terms and conditions of the order of appointment of an administrator under the proposed Part, the terms and conditions may exempt the administrator from the requirement to comply with such obligations of the operator as are specified or described in the order of appointment.

48—Effect of appointment

The clause provides that operator of a retirement village must not, while an order for the administration of the village is in force, exercise any of the functions of the operator that the administrator is authorised to exercise, but the appointment of an administrator does not relieve the operator of any of his or her liabilities under a residence contract. Subject to the terms of the appointment, a person appointed as an administrator of a retirement village must comply with all the obligations of the operator in relation to the functions that the person is authorised to exercise (including functions under a residence contract), and is, in the exercise of those functions, taken to be the operator.

49—Expenses of administration

The clause provides that the expenses incurred by an administrator in exercising the functions of the operator of a retirement village are payable from recurrent charges and other funds that would otherwise be available to the operator. The clause also specifies that the Crown and the Minister are not liable for expenses incurred by the administrator or any liability of an operator of a retirement village in respect of which an administrator is appointed.

50—Administrator may vary residence contract

The clause provides the circumstances in which an administrator may, with the consent of the Minister amend or revoke an approved annual budget of a retirement village, vary the recurrent charges payable by residents of the retirement village or vary the services offered by the retirement village. The clause also provides that nothing done by the administrator in accordance with the proposed section is to be regarded as a breach of contract or otherwise as a civil wrong, and that no compensation is payable to a person because of the operation of this proposed provision.

51—Revocation of appointment

The clause provides that an order of appointment of an administrator may be revoked or varied by the Supreme Court, and that more than 1 order may be made in respect of the same retirement village.

52—Receivers and managers

The clause provides that a person appointed as a receiver or receiver and manager must (subject to the terms and conditions of the appointment) comply with the operator's obligations under the measure as if that person were the operator. This proposed provision does not apply to the extent that it is inconsistent with the *Corporations Act 2001* of the Commonwealth.

53—No personal liability of administrator, receiver or receiver and manager

The clause provides that an administrator, a receiver or a receiver and manager (or any person acting under the direction of an administrator, a receiver or a receiver and manager) is not personally liable for an act or omission done or omitted in good faith under the measure or any other Act.

Part 5—Miscellaneous

54—Endorsement of certificates of title

The clause sets out the requirements for the endorsements on the relevant certificates of title for land that is, or is to be, used as a retirement village.

55—Lease of land in retirement village

The clause sets out the circumstances in which the operator of a retirement village may lease or grant a licence to occupy land within the village. If a lease or licence is granted contrary to the requirements in the proposed provision the operator is guilty of an offence with a maximum penalty of $10,000.

56—Termination of retirement village scheme on application to Supreme Court

The clause provides that a retirement village scheme may not be terminated without the approval of the Supreme Court while a person who has entered into occupation of a residence under the scheme remains in occupation of that residence. The clause sets out the procedures required for an application to the Court to terminate a retirement village scheme.

57—Voluntary termination of retirement village scheme

The clause provides the circumstances in which the Minister may, by notice in the Gazette, terminate a retirement village scheme. The clause further provides power for the Registrar-General to make any necessary issue, alteration, correction or cancellation of certificates of title to give effect to the termination, on provision of a certification by the Minister, if required by the Registrar-General.

58—Certain persons not to be involved in the administration of a retirement village

The clause provides that the following persons may not be concerned in the administration or management of a retirement village, with a maximum penalty of $35,000:

- a person who is an insolvent under administration within the meaning of the *Corporations Act 2001* of the Commonwealth;
- a person who has during the preceding 5 years been convicted of an offence to the person or an offence involving fraud or dishonesty, being a sentence that ended during the preceding 5 years.

59—Non-compliance may be excused by the Tribunal

The clause provides that the Tribunal may, on the application of any person, excuse that person from the consequences of inadvertent non-compliance with a provision of the measure, may make consequential orders protecting the interests of a person affected by the contravention, and any other order that the justice of the case may require. An application under this proposed provision may not be made after proceedings for an offence relating to the non-compliance have been commenced.

60—Contract to avoid Act

The clause provides that an agreement or arrangement that is inconsistent with a provision of the measure or purports to exclude, modify or restrict the operation of the measure, or a right conferred by or under the measure is to that extent void and of no effect (except where such inconsistency, exclusion, modification or restriction is expressly permitted by the measure).

61—Codes of conduct

The clause provides that the regulations may prescribe codes of conduct to be observed by operators and residents of retirement villages, and that is a term of a residence contract that the operator and residents will observe any code of conduct (subject to any agreement between the operator and the resident that, pursuant to a power contained in the code of conduct, provides for the exclusion or modification of a provision of the code of conduct in the circumstances of the particular case). An operator who breaches a code of conduct is liable to a fine not exceeding $2,500 expiable on payment of a fee of $210, as if the operator had breached the regulations.

62—Representations relating to retirement villages

The clause sets out a number of offences with a maximum penalty of $10,000 for persons making certain representations relating to retirement villages as specified in the clause.

63—Offences

The clause provides that a prosecution for an offence specified in the measure can only be commenced by the Minister or a person authorised by the Minister, and that in proceedings for an offence, a document apparently signed by the Minister that appears to be an authorisation to commence proceedings will be accepted, in the absence of proof to the contrary, as proof of such an authorisation.

64—Delegation

The clause gives the Minster power to delegate a power or function vested in or conferred on the Minister by or under the measure.

65—Service

The clause sets out the service requirements for a notice or document required to be given to a person under the measure.

66—Regulations

The clause gives the Governor power to make regulations contemplated by the measure.

Schedule 1—Proceedings before the Tribunal

1—Application of Schedule

The Schedule sets out various rules that apply to proceedings before the Tribunal under the measure.

2—Application to vary or set aside order

The clause provides that a person who is or was a party to proceedings before the Tribunal may apply to the Tribunal for an order varying or setting aside an order, decision or direction made or given in those proceedings. The application must be made within 1 month of the making or giving of the order, decision or direction unless the Tribunal allows an extension of time. An order made by the Tribunal under the proposed section does not constitute a review of a decision for the purposes of the *South Australian Civil and Administrative Tribunal Act 2013*, and does not limit any provision of that Act.

3—Presentation of cases before Tribunal

The clause provides that a party to proceedings before the Tribunal under the measure must present his or her own case and not be represented or assisted in the case by another person, except in circumstances specified in the clause.

4—Costs on referral of question of law

The clause provides that any costs arising from the referral of a question of law to the Supreme Court including costs incurred by the parties must be paid out of the General Revenue of the State.

Schedule 2—Related amendments, repeal and transitional provisions

Part 1—Preliminary

1—Amendment provisions

This clause is formal.

Part 2—Amendment of *Residential Tenancies Act 1995*

2—Amendment of section 3—Interpretation

The clause inserts a new definition of *prescribed retirement village* in substitution for the existing definition of *no premium retirement village*. This change is consequential on the removal of the term *premium* in the measure.

3—Amendment of section 5—Application of Act

The clause makes consequential amendments to references to the *Retirement Villages Act 1987* and the term *no premium retirement village*.

Part 3—Repeal

4—Repeal of *Retirement Villages Act 1987*

This clause repeals the *Retirement Villages Act 1987*.

Part 4—Transitional provisions

5—Exemptions

The clause provides for the continuing effect of exemptions conferred by notice under the *Retirement Villages Act 1987*.

6—Registrar

The clause provides for the continuation of the office of the Registrar for the balance of his or her term of appointment.

7—Register

The clause provides for the register maintained under the *Retirement Villages Act 1987* to form part of the register under this measure.

8—Authorised officers

The clause provides for the continuation of the appointment of an authorised officer under the *Retirement Villages Act 1987*.

9—Residence contracts

The clause provides for the continuation of a residence contract entered into in compliance with the *Retirement Villages Act 1987* and before the commencement of this measure.

10—Exit entitlements

The clause provides that if a resident ceased to reside in a retirement village before the commencement of proposed section 26, that section applies in relation to the resident as if the period of 18 months referred to in proposed section 26(2)(b) were the period of 18 months after the commencement of that section. The clause also requires a review on the operation of section 26 to be carried out as soon as practicable after the fifth anniversary of the commencement of that section.

11—Surplus or deficit of accounts

The clause provides for the adoption of a policy if 1 or more residence contracts in force in relation to a retirement village immediately before the commencement of the clause do not make provision for dealing with surplus and deficits in relation to the recurrent charges of a retirement village for any financial year.

12—Proceedings

The clause provides for the continuation of the right to make an application or seek a review under the *Retirement Villages Act 1987*, that would have been commenced before the Residential Tenancies Tribunal, to be commenced instead before the South Australian Civil and Administrative Tribunal.

13—Application of offences under section 62

The clause provides that a person does not commit an offence against proposed section 62 in respect of a representation contained in, or made in relation to, a lease or other contract or agreement entered into before the commencement of that proposed section.

14—Regulations

The clause gives the Governor power to make regulations of a transitional nature.

Debate adjourned on motion of Hon. S.G. Wade.

Ministerial Statement

FESTIVAL PLAZA REDEVELOPMENT

The Hon. P. MALINAUSKAS (Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (17:04): I table a copy of a ministerial statement relating to the development of the Festival Plaza made earlier today in another place by my colleague the Minister of Housing and Urban Development.

Bills

STATUTES AMENDMENT (ATTORNEY-GENERAL'S PORTFOLIO) BILL

Second Reading

Adjourned debate on second reading.

(Continued from 24 May 2016.)

The Hon. K.L. VINCENT (17:05): I put on the record once again my gratitude to our very patient Clerk. I will speak briefly today on behalf of Dignity for Disability to indicate that we will support the second reading of the Statutes Amendment(Attorney-General's Portfolio) Bill, or the odds and sods bill, as the Attorney-General in another place has referred to it, as it does cover a very broad range of technical issues and includes some features which are close to our heart, particularly as they relate to the Vulnerable Witnesses Act 2015, which was the piece of legislation that formalised a lot of changes to the police and courts system arising from the Disability Justice Plan.

In particular I thank Will Evans for briefing my staff member on this bill, and also the Deputy Premier for his letter a couple of months ago, outlining some of the issues that relate to the Vulnerable Witnesses Act and consequent amendments which are needed, and in particular the work people like David Plater has done on this in the last couple of years. We will have some questions and comments to make on this bill, particularly as it relates to the Vulnerable Witnesses Act regarding the need for a definition of 'complex communication needs', but we will ask those questions at the committee stage. I will not number those questions because I know that the Hon. Mr Malinauskas does like to guess how many I will have, but I do not think it will be 36.

Debate adjourned on motion of Hon. A.L. McLachlan.

At 17:11 the council adjourned until Tuesday 7 June 2016 at 14:15.

Answers to Questions

SPENCER GULF

In reply to **the Hon. A.L. McLACHLAN** (18 June 2015).

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy):

I am advised that at the time of the question the Upper Spencer Gulf and Outback Community Engagement Team was led by Mr Steve Dangerfield (SA Water) as Senior Manager. Mr Dangerfield was supported by a senior advisor and up to four community engagement staff.

ENVIRONMENT, WATER AND NATURAL RESOURCES DEPARTMENT

In reply to **the Hon. J.M.A. LENSINK** (10 September 2015).

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

A search of records shows that a managers' forum was held on 10 December 2013, at a total cost of $3,778 which included morning tea for 22 guests, morning tea and buffet lunch for 71 guests, room hire and data projector hire.

Managers' forums are held once a quarter to develop the leadership capabilities of the department's managers, continue to improve relationships and provide an opportunity for managers to hear directly from the department's executive team.

REPATRIATION GENERAL HOSPITAL

In reply to **the Hon. S.G. WADE** (10 September 2015).

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

The Repatriation General Hospital comprises a mix of heritage-listed buildings, purpose-built buildings (such as the rehabilitation centre), university facilities and special areas of significance to veterans (chapel, museum and the remembrance (peace) garden) and, as such, represents a diverse site presenting a wide variety of opportunities for the future.

The state government has promised to retain the chapel, museum and the remembrance garden due to their considerable significance, particularly to veterans' and their families.

The site has heritage protection on nine other buildings, sections of land and building facades, including the SPF Hall. These other heritage areas were considered suitable for adaptive re-use within the criteria established for the site including but not limited to the following:

- Rehabilitation
- Respite care
- Retirement or other services for older people
- Primary health services
- Teaching and other academic uses
- Community facilities

In responding to the expression of interest, proponents are required to outline how they will comply with heritage requirements for those identified heritage-listed sites before any decisions about the future of the site.

Responsibility to protect and maintain the state heritage-listed buildings remains, no matter who owns those buildings.

Any development proposals for the property will require a development application to the relevant planning authority. Those applications must also be referred to me in my capacity as the minister responsible for the Heritage Places Act 1993, for advice as to the impact of any development on the heritage values of this State Heritage Place.

There are a number of examples of state government-owned buildings that are heritage-listed and have been sold or leased into private hands with good heritage outcomes, including the governor's former summer residence at Marble Hill and the Adina Apartment Hotel Adelaide Treasury on Victoria Square.

ABORIGINALS BENEFIT ACCOUNT

In reply to **the Hon. T.J. STEPHENS** (22 September 2015).

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy): I have been provided with the following advice:

1. The Aboriginals Benefit Account (the ABA) is a federal government legislative scheme established under the *Aboriginal Land Rights (Northern Territory) Act 1976*. As such, the scheme is available only to Aboriginal people living in the Northern Territory.

2. There is no petroleum or minerals resource production on the APY Lands. Section 22 of the *APY Land Rights Act 1981* makes provision for the payment of royalties if mining were to occur.

LOWER LIMESTONE COAST WATER ALLOCATION PLAN

In reply to **the Hon. D.W. RIDGWAY (Leader of the Opposition)** (15 October 2015).

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

1. No. If it is resolved that the delivery supplement or specialised production requirement allocation is to be granted, the allocation will apply for the full year. Irrigators will not incur a penalty but are required to remain within their total annual water allocation for the water use year.

2. If it is resolved that the delivery supplement or specialised production requirement allocation is to be granted, a levy will be applied to these additional allocations irrespective of when in the water year the allocations are issued.

APPRENTICES AND TRAINEES

In reply to **the Hon. K.L. VINCENT** (28 October 2015).

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

1. Data published by the National Centre for Vocational Education Research for the January-March 2015 quarter, the most current available, show that of the 21,972 apprentices and trainees undertaking training in South Australia at 31 March 2015, 622 identified themselves as having a disability.

In comparison, 661 apprentices and trainees identified themselves as Aboriginal and/or Torres Strait Islander and 13,875 were aged 24 years or under.

WORKREADY

In reply to **the Hon. A.L. McLACHLAN** (17 November 2015).

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

1. The final subsidised training list was approved on 18 May 2015 and publicly released on 21 May 2015.

TRAINING AGREEMENTS

In reply to **the Hon. J.S. LEE** (17 November 2015).

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

1. As part of DSD's compliance monitoring, 163 providers have been audited to date. This monitoring has provided evidence of the validity of every student, except for one.

As of 24 November 2015, DSD has reclaimed subsidy from only one training provider for one student where it was determined that such an invalid payment was made.

TAFE SA

In reply to **the Hon. J.S. LEE** (18 November 2015).

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

Since the Auditor-General's audit was conducted, there have been further updates to student fee rules in the Student Information System (SIS), including:

- checks of the final fees uploaded into SIS
- retaining of e-mail records and other documentation as evidence that checks were completed successfully
- the commencement of a project to implement process and control improvements aiming to address the audit recommendations

Through its own audits of student accounts within SIS, TAFE SA has not been able to replicate the same issues as those raised in the Auditor-General's report. On this basis, TAFE SA does not believe that the issues raised are widespread within the system.

Nonetheless, TAFE SA is focused on continuous improvement of its systems and policies and a reporting process is being implemented where fee exemptions are reviewed on a regular basis. TAFE SA is committed to delivering quality vocational education in a competitive environment by continually:

- exploring ways to continually improve both educational delivery and administrative systems and processes to ensure the organisation is operating more efficiently where possible
- maximising business opportunities and identifying strategies to drive revenue.

SPENCER GULF

In reply to **the Hon. J.A. DARLEY** (18 November 2015).

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy): I have been advised:

The South Australian government has announced funding to support individuals, businesses and communities in the Upper Spencer Gulf and outback regions as follows:

- $7 million has been committed as an economic assistance package for the Upper Spencer Gulf and outback region. This includes $5 million which has been made available through the current round of the Regional Development Fund to specifically support projects which will create jobs and drive economic growth in the region, and $2 million for small business grants.
- $1 million has been committed for job creation and support. This includes $258,000 for regional job creation grants in Port Augusta, $258,000 for regional job creation grants in Whyalla, $258,000 to support the ongoing viability of Leigh Creek and $225,000 to support Upper Spencer Gulf and outback supply chain workers.
- $240,000 has been provided, through the Department of State Development, to Regional Development Australia Far North to help deliver career and job services in the region specifically for Alinta Energy workers.

Dr Lomax-Smith is on a term contract, appointed on a part time basis equating to 27 hours per week. The maximum payment to be made to Dr Lomax-Smith for the term of the contract, until 30 June 2016, is $69,715.80, plus compulsory superannuation.

Dr Lomax-Smith is located in the Department of State Development and is supported by a staff member provided by the Department of State Development. Costs for Dr Lomax-Smith and the support officer are expected to total $164,340 in 2015-16.

Dr Lomax-Smith is well qualified to oversee the Request For Information process due to her local knowledge and existing relationships with businesses and stakeholders in the region from her time as a minister of education and tourism. Together with her previous experience in Local Government these have been extremely useful throughout the request for information process.

AUTOMOTIVE TRANSFORMATION

In reply to **the Hon. R.I. LUCAS** (18 November 2015).

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy):

I have been advised that at the time of the question, Ms Georgette Elston had been appointed as Director, Automotive Transformation and Northern Economic Development. Ms Elston is responsible for Automotive Transformation and Northern Economic Development work, including the development of the Northern Economic Plan (NEP) and the management of automotive transformation programs.

Ms Elston is remunerated at the director level and reports to Mr Adam Reid, Acting Executive Director of the Industry and Innovation Division.

REPATRIATION GENERAL HOSPITAL

In reply to **the Hon. S.G. WADE** (19 November 2015).

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

The Repatriation General Hospital comprises a mix of heritage-listed buildings, purpose-built buildings (such as the rehabilitation centre), university facilities and special areas of significance to veterans (chapel, museum and the

remembrance (peace) garden) and, as such, represents a diverse site presenting a wide variety of opportunities for the future.

The state government has promised to retain the chapel, museum and the remembrance garden due to their considerable significance, particularly to veterans' and their families.

The site has heritage protection on nine other buildings, sections of land and building facades, including the SPF Hall. These other heritage areas were considered suitable for adaptive re-use within the criteria established for the site including but not limited to the following:

- Rehabilitation
- Respite care
- Retirement or other services for older people
- Primary health services
- Teaching and other academic uses
- Community facilities

In responding to the expression of interest, proponents are required to outline how they will comply with heritage requirements for those identified heritage-listed sites before any decisions about the future of the site.

Responsibility to protect and maintain the state heritage-listed buildings remains, no matter who owns those buildings.

Any development proposals for the property will require a development application to the relevant planning authority. Those applications must also be referred to me in my capacity as the minister responsible for the Heritage Places Act 1993, for advice as to the impact of any development on the heritage values of this State Heritage Place.

There are a number of examples of state government-owned buildings that are heritage-listed and have been sold or leased into private hands with good heritage outcomes, including the Governor's former summer residence at Marble Hill and the Adina Apartment Hotel Adelaide Treasury on Victoria Square.

BAROSSA VALLEY

In reply to **the Hon. D.G.E. HOOD** (19 November 2015).

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

The character preservation acts for the Barossa Valley and McLaren Vale districts recognise and protect the special character of the two districts, and provide statutory protection from inappropriate urban development. The Charter Preservation (Barossa Valley) Act and Character Preservation (McLaren Vale) Act became operational on 18 January 2013.

Both before and after the act became law senior officers from the Department of Planning, Transport and Infrastructure and the Minister for Planning met with land owners from the Concordia region on numerous occasions.

In addition, an extensive public consultation period of the proposed amendments occurred over two separate stages. Initial discussion papers describing the proposed protection legislation occurred in mid-2011 with a secondary round of consultation occurring during the first draft of the Character Preservation Bill in October 2011.

Of the 227 submissions received from councils, members of parliament and community and industry groups, the majority supported the legislation to preserve and enhance the special character of these districts.

As a result of the consultation process, the boundaries of the districts were altered to reflect concerns raised by councils and the wider community. These amendments are reflected in the current boundaries of the two districts. Townships and other urban areas were excluded from the districts, with known agricultural and viticultural lands included.

It is important to recognise that the legislation prohibits residential subdivision in the protection districts. It in no way prevents the ongoing use of the protection districts for agricultural pursuits and associated value-add opportunities. These are matters of local policy that should be addressed through the council's development plan. The Minister for Planning wants it to be clear that the protection legislation does not prevent appropriate development in the protection districts.

The Minister for Planning also acknowledges that a review of the protection legislation will take place within five years of commencement. In conducting such a review, the Minister for Planning will consult with the community and councils and consider any submissions.

The Minister for Planning acknowledges that a part of the Planning, Development and Infrastructure Bill will propose the establishment of a state planning commission. The proposed planning commission is best placed to set the parameters and undertake such a review. The timing associated with this review is subject to the establishment of the commission, but recognise that this should align with the five year statutory requirement to review the character preservation acts.

To reiterate, this does not prevent councils from reviewing their development plans to ensure an appropriate balance of development in the protection districts that ensures the long term protection of valuable productive land.

TAFE SA

In reply to **the Hon. A.L. McLACHLAN** (2 December 2015).

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

1. A communique was distributed to all staff on 29 August 2015 reinforcing their obligations with respect to the use of purchase cards and their requirement to comply with policy.

2. Existing control processes include:

- supervisors independently authorising cardholder's monthly credit card statements to ensure compliance to policy
- individual and monthly transaction limits are assigned to each credit card at the time of issue in line with the officer's financial delegation;
- the Business Unit Compliance Program, established by the Manager, Internal Audit & Risk, TAFE SA tests a random sample of credit card statements and transactions of cardholders;
- the Department of Treasury and Finance produce a monthly exception report for all public sector agencies (including TAFE SA) detailing 'unusual' credit card transactions. TAFE SA is required to sign off that each transaction is a legitimate business expense; and
- Shared Services perform their own checks on credit card transactions, with particular focus on 'split payments'.

MICRO FINANCE FUND

In reply to **the Hon. A.L. McLACHLAN** (10 December 2015).

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy): I am advised:

1. The industry experts are not subject to the jurisdiction of ICAC.

2. The industry experts are not bound by confidentiality agreements to not reveal their own identity.

TAFE SA

In reply to **the Hon. J.A. DARLEY** (11 February 2016).

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

Since July 2012, the South Australian Government has provided over $1 million in public subsidies to support over 650 training accounts which have delivered the competencies required for registration as a conveyancer.

Although the course no longer attracts a public subsidy, there are still more than 150 publicly subsidised training accounts associated with continuing students.

The WorkReady policy framework targets public investment to areas of greatest public benefit. Not every course attracts a public subsidy. What attracts public investment is determined through an assessment of public value.

Courses with a low public value are generally not targeted for public investment, particularly, as is the case here, where there is an adequate supply of registered conveyancers operating in the state. There is a fee for service market for the course and the units of competency that are necessary for registration as a conveyancer.

SA WATER

In reply to **the Hon. J.A. DARLEY** (25 February 2016).

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

1. Properties in South Australia that are part of a strata title or community corporation configuration, which receive water supplies through a common water meter, are referred to as common supply by SA Water.

For these customers, water use is either billed to a dedicated water use account, known as a 'common supply account', which is separate from the individual property rates account, or apportioned amongst the individual accounts for each property.

Either way water use is billed, a single account exists for the shared water meter. SA Water's billing system—CSIS—is designed so that the portion of the bill that displays the meter details (including the actual readings and

consumption) is not shown unless the property itself has the meter. These details are shown on the common supply account rather than individual property accounts.

Where water use is apportioned, the individual accounts state how much of the total water consumption charge each individual property owner is liable to pay for.

2. SA Water is currently working on providing customers in a common supply arrangement with enhanced meter and consumption information through the customer online portal.

ABORIGINAL EMPLOYMENT INDUSTRY CLUSTERS PROGRAM

In reply to **the Hon. A.L. McLACHLAN** (23 March 2016).

The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy): I have been provided with the following advice:

To date, the Governor's Aboriginal Employment Industry Clusters have collectively supported over 1,000 Aboriginal people into industry specific training and over 650 people into employment.

Each industry cluster develops a specific strategy and action plan, outlining targets and time frames to address four key focus areas to achieve employment for Aboriginal people and to maximise retention in work. These strategies and action plans provide a mechanism to track the success of each cluster and the program as a whole.

From 1 July 2016, employment projects identified through the clusters will be funded and reported through the South Australian government's WorkReady initiative. This will introduce a comprehensive reporting framework which includes a participant survey 90 days after an individual is placed into employment.