LEGISLATIVE COUNCIL

Thursday, 7 June 2018

The PRESIDENT (Hon. A.L. McLachlan) took the chair at 14:15 and read prayers.

The PRESIDENT: We acknowledge Aboriginal and Torres Strait Islander peoples as the traditional owners of this country throughout Australia, and their connection to the land and community. We pay our respects to them and their cultures, and to the elders both past and present.

Parliamentary Procedure

VISITORS

The PRESIDENT: I welcome to the Legislative Council gallery guests of the Hon. Emily Bourke, Ms Hannah Brown, winner of the St Peter's Girls' School's ANZAC Spirit School Prize, and her family. Congratulations, Hannah.

ANSWERS TABLED

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

Ministerial Statement

SKILLING AUSTRALIANS FUND

The Hon. R.I. LUCAS (Treasurer) (14:17): I table a copy of a ministerial statement on the subject of Skilling Australians agreement made earlier today in another place by my colleague the Premier.

TRAINING AND SKILLS COMMISSION

The Hon. S.G. WADE (Minister for Health and Wellbeing) (14:17): I table a copy of a ministerial statement on the revitalised Training and Skills Commission for the Minister for Industry and Skills in another place.

Question Time

SOUTH AUSTRALIAN TOURISM COMMISSION

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (14:19): Last Tuesday, in question time, I said I would check my records in relation to a meeting that I could not recall the timing of. It was in relation to a meeting that the Leader of the Opposition asked about when I had a briefing or meeting with the Tourism Commission. I have checked my records, and I had a brief discussion on the Friday afternoon of 20 April with the Tourism Commission to request a bunch of extra information and more details in relation to the creative services contract.

DOMESTIC VIOLENCE

The Hon. K.J. MAHER (Leader of the Opposition) (14:19): I seek leave to make a brief explanation before asking the Minister for Human Services a question about loans for domestic violence accommodation facilities.

Leave granted.

The Hon. K.J. MAHER: In an InDaily article, dated 7 March 2018, the Premier said that he would establish a $5 million interest free, 20-year loan scheme for the non-government sector to fund capital projects, including expansions, renovations and upgrades of existing domestic violence accommodation facilities, and that these loans would be made available on day one. My question to the minister is:

1. Has this program been established?

2. Did it commence, as the Premier promised, on day one?

3. If not, why not?

4. If it hasn't been established, when will the program commence?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:20): I thank the honourable member for that question. This was part of the suite of commitments that the Liberal opposition provided to the electorate in the lead-up to the election. I think it's fair to say that our domestic violence policy was incredibly well received, in contrast to the then government, whose sole contribution to the policy debate was that the then premier said he would incorporate the title of the minister for domestic and family violence into his title.

We had a suite of commitments, including a facility that we would provide to existing providers to upgrade their facilities, and we undertook that we would consult on those. We held the first domestic violence roundtable on 13 May and put that out to the sector, so that we could help to refine all of those commitments to see whether they actually meet the needs of the sector. I am still waiting for a report from my department about all of the feedback on that, but I think it's fair to say that we would like to have input from the sector to help to shape those. That has been well received by the sector, they would like to shape our policies, and that is the way that we are proceeding.

SOUTH AUSTRALIAN TOURISM COMMISSION

The Hon. C.M. SCRIVEN (14:22): My question is to the Minister for Trade, Tourism and Investment. Given the Marshall Liberal government regularly talks about openness and transparency, will minister Ridgway advise the council how much the state government has paid MasterChef's Gary Mehigan for his 12-month partnership with Tourism SA?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (14:22): I thank the honourable member for her question. It's interesting—a question about being open and transparent when we are still waiting for answers from the former government's questions on notice and questions without notice; some of them, I suspect, for almost 16 years. As members opposite would know, often these arrangements are quite confidential. I have not seen Mr Mehigan's—

Members interjecting:

The Hon. D.W. RIDGWAY: No, I have not seen the contract details, but I will ask the Tourism Commission if we are able to provide any details, if Mr Mehigan is happy for that to happen. If so, I will bring those details back to you.

SOUTH AUSTRALIAN TOURISM COMMISSION

The Hon. C.M. SCRIVEN (14:23): Supplementary arising from the answer: given that the honourable minister complained about the use of commercial in confidence in a media release dated 19 March 2012, saying that, and I quote, 'A Liberal government will be open and honest about where your taxes are being spent', in relation to tourism, will the minister now commit to not hiding behind commercial in confidence?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (14:23): The honourable member must understand that all of these relationships—

Members interjecting:

The Hon. D.W. RIDGWAY: No, if Mr Mehigan is happy for that figure—it's not the government, it's the person or the people or the organisation we have the contract with. If they don't wish for it to be disclosed, then we would simply be breaching the contract if we disclosed it. The honourable member must understand that. My answer previously was if Mr Mehigan is agreeable to having that released, I am sure we would be able to release it.

SOUTH AUSTRALIAN TOURISM COMMISSION

The Hon. C.M. SCRIVEN (14:24): Supplementary: will the minister stand by his comments made in a select committee in April 2012:

> You have already said it may be commercial in confidence. That is one reason the parliament has that extra level, is that it is open and transparent, so the community knows what is in there.

Will the minister stand by those comments?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (14:24): As I have explained in my previous two answers, if Mr Mehigan is happy for that to be—

Members interjecting:

The Hon. D.W. RIDGWAY: We are talking about Mr Mehigan. If he is happy and agreeable to the figures being released and details of the contract—which may not just be about money, it may be other arrangements as well—we will release that.

While I'm on my feet, I should also add that the actual interest interstate and around the world from MasterChef coming here next week is actually quite unbelievable. We are excited about the arrangement. It is a great promotion of South Australia and a great promotion of our wonderful food and wine.

SOUTH AUSTRALIAN TOURISM COMMISSION

The Hon. I.K. HUNTER (14:25): Supplementary, and I am referring to an answer the honourable member tabled today in response to a question from the Hon. Kyam Maher, which says—

The PRESIDENT: Is this a supplementary?

The Hon. I.K. HUNTER: It is. It says:

> After careful consideration, it has been decided not to disclose the details and value of the investment in the event.

Is this to be the way the council will be answered when we ask questions—based on your own claims of transparency and openness—that now you will no longer be releasing any of this information, subject to transparency and openness no longer being a part of the government's policy? Now it is going to be about, in fact, commercial in confidence. That is going to be your excuse for every question we ask.

The PRESIDENT: Hon. Mr Hunter, that has gone a bit too far. I'm going to rule that question out of order.

FUND MY NEIGHBOURHOOD

The Hon. E.S. BOURKE (14:26): I seek leave to make a brief explanation before asking a question of the Treasurer regarding Fund My Neighbourhood.

Leave granted.

The Hon. E.S. BOURKE: The following is an extract from an article regarding round 2 of Fund My Neighbourhood, published in the *Barossa and Light Herald* earlier this week:

> As the government previously stated, the $20 million program for 2018-19 will be cancelled.

In the article, the member for Schubert, Stephan Knoll, states—

The Hon. D.W. Ridgway: The honourable.

The Hon. E.S. BOURKE: Sorry, the Hon. Stephan Knoll. He states:

> In the Barossa region, we've committed to a number of new local projects, including $100,000 to help deliver two new dog parks and committed a further $500,000 towards sealing Lyndoch Road.

My question to the Treasurer is: did the government take away Fund My Neighbourhood, a program that gives South Australians the power to decide where the government funding should be spent to help improve their neighbourhood, and turn it into a slush fund to help win votes in Liberal seats?

Members interjecting:

The Hon. R.I. LUCAS (Treasurer) (14:27): As my colleagues say, I am sorely provoked by the member when she mentions those words 'slush fund'. It would only be a former ministerial staffer or a former minister who would dare utter the words 'slush fund' and try to keep a straight face. At least the member doesn't keep a straight face at the moment, Mr President. She and the Labor Party will be sorely embarrassed when the details of slush funds are revealed to all and sundry, because

I have put some small amount of detail on the public record in relation former treasurer Koutsantonis's personal slush fund, some $2.7 million in the period leading up to the state election.

There is not a Greek community or a Greek church in South Australia that wasn't funded through the Treasurer's personal slush fund. There isn't a marginal Labor candidate at the last election or a marginal Labor MP who didn't receive some largesse from the former treasurer in the period leading up to the last state election.

I am stunned that any member of the Labor opposition, any former ministerial staffer in a ministerial office, would have the temerity, would have the hide, to ask a question about slush funds. Consider the difference between what the treasurer was doing—no-one found out about this personal slush fund and where it was being spent until there was a change in government and we were actually able to go through the personal slush fund—and openness and transparency prior to the election, where the former Liberal government announced a commitment to fund a range of projects and programs and then released, prior to the election, not only the details of the projects and programs it was going to fund but how it would actually fund them.

So I am stunned that a former ministerial staffer would not be able to understand the difference between what was an open, transparent and accountable process, where a political party, now government, openly stated what it was offering to the people of South Australia if we were elected, and the personal chicanery that was going on from ministers and ministerial staffers in relation to slush funds, where there was no transparency, no accountability, and the only reason it ever came to light is that there was a change of government and there is a new minister there having a look at the details of those particular funds and accounts.

So the member, having asked questions some time earlier in relation to Fund My Neighbourhood, knows there is no stage 2 of Fund My Neighbourhood. The incoming government has got rid of Fund My Neighbourhood, stage 2. As a general principle, I do not support, and the government does not support, in essence, signing over to a popularity contest, to whoever could organise the most number of votes in a particular area, the expenditure of taxpayers' money. We actually believe that governments are elected to govern. We actually believe that ministers—

The Hon. I.K. Hunter interjecting:

The Hon. R.I. LUCAS: Exactly. We actually believe that ministers and governments are elected to govern, to make decisions, to be transparent and accountable in relation to those decisions and we believe that this is not an issue of outsourcing decision-making on the expenditure of scarce taxpayers' money.

That is the sort of rampant financial mismanagement that Labor parties and Labor governments have been renowned for for decades, and that is why they were thrown out of office. That is exactly why they were thrown out of office. It was with that sort of financial mismanagement that the people of South Australia said, 'Hey, this isn't right, this is not the way to run a budget, this is not the way to make decisions about how scarce taxpayers' money is funded.' Someone who can organise the most number of people to sign up for a petition to support a particular project and the greatest numbers win.

That is not the way. That's the Labor way. That's the way the AWU used to operate, that's the way the shoppies union operates. You crunch the numbers, you organise the sign in. In the Labor Party you can be dead or you can be alive, you can still vote! That is exactly the way the Labor Party would like to see decisions taken.

That is not the way of the reformist Liberal government. We were elected on a platform and a program. We were open about that, and we said, 'You've elected a government.' They rejected the ways of the former Labor Party, and that's why they are languishing in opposition, and, unless they change their ways, they will languish for a long time in opposition—unless they are prepared to reconsider the way they approach responsible financial management.

CYBERSECURITY

The Hon. T.J. STEPHENS (14:33): I seek leave to make a brief explanation before asking the Minister for Health and Wellbeing a question in relation to cybersecurity.

Leave granted.

The Hon. T.J. STEPHENS: Yesterday, in a question to the minister, the important issue of research and technology in medicine was raised. As members would be aware, technology brings both benefits and risks. My question to the minister is: will he update the council on cybersecurity regarding South Australian Health?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (14:33): I thank the honourable member for his question. Members of the council will be aware of a possible data security breach reported by human resource company PageUp, which has received extensive media coverage. PageUp is a major external provider of software to banks, telecommunications companies and government departments. SA Health is one such government department.

The potential security breach at PageUp impacts the online system for SA Health recruitment processes. SA Health is in the process of suspending its PageUp service. While this system potentially has been compromised, at this stage SA Health has not been made aware that any data held within its PageUp systems has been breached. I understand that PageUp has initiated a forensic investigation, with assistance from an independent third party, and notified international law enforcement agencies.

PageUp has advised that the source of the breach was a malware infection and that this malware has now been eradicated, and that it had improved its cybersecurity controls so that this malware could now be identified in the future. As PageUp was used only for recruitment, there is no risk to patient records or any breach of privacy for the thousands of South Australians who receive treatment from SA Health agencies. SA Health staff have been advised of this issue via a bulletin this morning, and the actions they need to take to secure the information. I assure the council that SA Health executives are actively monitoring the development of this issue.

CYBERSECURITY

The Hon. I.K. HUNTER (14:35): Supplementary: the honourable minister said that SA Health is not aware of any data breach and is waiting for some report from PageUp. My question is: what action is SA Health taking to assure itself that they have not suffered any data breach?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (14:35): As I advised the council, SA Health has advised staff of this issue via a bulletin this morning, so they are asking staff to take action to secure their own information. I will certainly take on notice the extent to which SA Health is able to identify whether there was any data loss and come back to the house with an answer.

CYBERSECURITY

The Hon. I.K. HUNTER (14:35): Just following up on that, I would suggest, and I ask for the minister's consideration, but shouldn't SA Health be considering engaging their own cybersecurity experts to assure themselves that they have not been the victim of a data breach, rather than waiting on a forensic report from PageUp?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (14:36): I apologise to the member if I gave the impression that SA Health is being passive. SA Health is not being passive. SA Health is actively monitoring the development of the issue, and I am sure will take whatever steps necessary to identify any breaches and continue to advise staff as needed.

CYBERSECURITY

The Hon. J.E. HANSON (14:36): Is the minister aware if any of the breaches have incurred any particular cost to any persons who are the victim of those breaches; and, furthermore, will it be assisting those people to obtain commonwealth victim certificates in regard to being the victim of possible identity theft?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (14:36): I am not aware of any impacts on any individual related to SA Health services and I will inquire of SA Health in that regard.

CYBERSECURITY

The Hon. I.K. HUNTER (14:36): Supplementary: has the minister or his office required of SA Health a report into their active action on cybersecurity for SA Health records? Rather than waiting passively for a report from PageUp or any other organisation, what are they doing to secure their own data and that of their patients?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (14:37): I think the member is just asking me to give an answer to the question I have already taken on notice.

SHOP TRADING HOURS

The Hon. F. PANGALLO (14:37): I seek leave to make a brief explanation before asking a question of the Treasurer, the Hon. Rob Lucas, about shopping hours.

Leave granted.

The Hon. F. PANGALLO: During yesterday's questions without notice debate on the deregulation of shopping hours, and in a response to the Hon. Emily Bourke, the Treasurer said, in part:

> What we are seeking to do for those businesses is to allow them to trade in hours at the moment they currently want to trade and perhaps some of them are trading unlawfully.

My question to the Treasurer is:

1. Can he name those businesses which he believes are trading unlawfully?

2. Have warnings been issued to those businesses?

3. Does the government plan to initiate proceedings to prosecute the businesses he believes are trading unlawfully, should the government's bill fail to pass the upper house, as his colleague in the other place, the member for MacKillop, Nick McBride, confidently told a forum in Millicent I attended last Friday?

The Hon. R.I. LUCAS (Treasurer) (14:38): At this stage, I am broadly following the position the former minister for industrial relations, John Rau, adopted in relation to shop trading hours. If I can briefly outline—because I have had a brief discussion with the Hon. Mr Pangallo about this issue a little while ago—the former minister became aware that some shops in regional communities, and in one particular regional community the Hon. Mr Pangallo has visited in the recent past, I forget the exact number but it was somewhere between, I think, 15 and 20 independent supermarkets, by and large, had been trading unlawfully for, and, again, I will need to check the detail but I think it was 10 or 15 years on Sundays. The Shop Trading Hours Act, as it was then and as it still is now, meant that these particular stores, which were evidently happily serving consumer demand in those regional communities for many, many years, were trading unlawfully.

The former minister's position that he adopted was that he, in essence, didn't proceed down the path of prosecution. He entered into an arrangement where most of those communities actually decided to abolish their proclaimed shopping district status so that they were completely deregulated, like the rest of regional South Australia. So they made a conscious decision to deregulate shop trading hours in all of those regional communities, with the support of the former Labor minister for industrial relations—in a delicious irony, I might say, given their current position.

They, in essence, went through a complicated process of getting rid of the regulated shopping hours, because their communities wanted completely deregulated shop trading hours in those particular areas. The only one where that didn't occur was in the area of Millicent. There was also, I think, one or two other small areas where there were no shops trading unlawfully, but they are still proclaimed shopping districts in small parts of country South Australia.

The answer to the question then, based on that precedent, is no. We are still establishing with absolute finality, for example, the size of some stores. As the member would know, under our complicated shop trading laws, whether or not you are above 200 square metres or 400 square metres means you are allowed to do certain things or not allowed to do certain things. So whether or not you are over and above that or not is a critical determinant.

There is another complicated provision which says you are allowed to have up to half that particular number in storage space. So if you happen to comply, if you are at 399 square metres in terms of shop trading space for a supermarket but you happen to have 205 square metres of storage space outside that, you are actually not complying with the law. So there are some complicated provisions. Some stores have willingly complied by indicating the size of their stores. Others have refused to do so and have invited SafeWork SA inspectors to come out and measure them and to do the work themselves. That task is still being undertaken at the moment.

Through that particular process we are aware that, whilst it was only anecdotal information before, there are a small number of stores that are trading unlawfully. They are either trading on public holidays or indeed trading after 9pm through weekdays or indeed opening up before they are meant to, sometimes on weekends.

Why are they doing it? Because their community is demanding the flexibility in terms of shopping hours. Why are they doing it? Because they believe that they are providing a service to their local communities. Why are they doing it? They have workers who are prepared to work quite willingly. Why are they doing it? Because they believe, as businesspeople, it makes sense commercially for them to trade in those particular hours, I would understand, because no-one is forcing them to trade in those particular hours.

There are other areas as well. I think I have highlighted, both to the honourable member and to others, the complicated provisions in relation to service stations; that is, the very popular 24-hour full-service service stations which have grown significantly in number in South Australia. They are trading 24 hours a day, seven days a week, providing all sorts of services. There are complicated provisions in the current act which essentially say that 80 per cent of the value of the goods sold should be, in essence, fuel and related products like that.

But there are some potential anomalies in the way the legislation has been drafted between the act and the regulations, which Crown law is still settling advice on in relation to the legality of the lawfulness or otherwise of some current trading arrangements in that area. In some of those areas, to answer the honourable member's question, there is no concluded Crown law advice in relation to some of those issues. It may well be that the only way they are ultimately settled is that it eventually ends up in a court and there's a judgement in relation to what the act means. That's if we stick with the dog's breakfast of an act that we have.

What the Liberal government is going to bring to the table is what we believe to be a much simpler act that will resolve a number of these issues. Ultimately, that will be a decision for the parliament to take, to answer the member's question. If the parliament says, 'No, we're not going to do that; we'll stick with the dog's breakfast of the act that we have,' then we will be left with the position of the dog's breakfast of an act that we have. If we do get concluded legal advice in relation to particular trading provisions, either lawful or unlawful, we will need to abide by the law of the state.

Whilst the former Labor minister gave a considerable amount of time and didn't prosecute people for 10 or 15 years of unlawful trading, he nevertheless understood that he had to seek some resolution to the problems that had been created. We are obviously more interested in seeking a solution to the problems that were perhaps created by the dog's breakfast of the legislation that we have before us. If the parliament says that we can't, we will have to work our way through the process from the law that we have, the law that the parliament says we have to implement, and we would need to follow that process through.

Ultimately, if that potentially leads to, sadly, some traders having to change their trading arrangements—that is, restricting choice in their area, acting against their own commercial interests and acting against the consumer demands in their particular area, but nevertheless amending their trading hours—that might be the result. It's not the result that the Liberal government wants. We would prefer to allow the freedom of choice to allow these traders to trade, but ultimately that will be the decision.

Finally, in relation to the member's kind invitation to name individual businesses in the parliament at this stage, I'm not going to take up that particular option at this stage. We will wait for the concluded view of the Crown law advice and the debate in the parliament. Hopefully, the parliament will see the wisdom of not having potentially to consider the option of prosecuting the

traders who are just going about what they believe their consumers and customers want, and that's trading in flexible trading hours.

But that will be the challenge for the Hon. Mr Pangallo and, indeed, other members of the Legislative Council: to consider the balancing act of whether we support the dog's breakfast of the legislation that we have now or whether we actually seek to resolve some of these issues so that businesses that are currently trading are allowed to continue to trade in the hours that they have, given that they clearly have workers who are prepared to work and they certainly have customers who want to come to their shops in those particular times.

SHOP TRADING HOURS

The Hon. F. PANGALLO (14:48): Supplementary: what you are saying, Treasurer, is that if Crown law advice comes back and says that these businesses are trading unlawfully, prosecutions would be undertaken.

The Hon. R.I. LUCAS (Treasurer) (14:48): No, I am not saying that. What I am saying is that, firstly, parliament has the opportunity to fix the act. If the parliament says, 'No, you have to stick with the dog's breakfast of the legislation,' then the option that's open to the traders is to amend their trading hours behaviour; that is, to comply with the legislation. In those cases, it would mean restricting their trading hours from what they are currently offering. If they refuse to do that and continue to trade unlawfully, then the situation may well be that there might well be prosecutions in the future.

That was the position that the Hon. John Rau adopted, as the Labor minister for industrial relations, when he went through a process of allowing the complete deregulation of shop trading hours in a number of regional communities. He didn't go down the prosecution path. In essence, he oversaw a process that allowed complete deregulation in those areas so that these businesses could continue to trade when they wanted to trade, which was on Sundays when the law said that they shouldn't be able to trade on the Sunday.

MINISTERIAL STAFF

The Hon. K.J. MAHER (Leader of the Opposition) (14:49): My question is to the Treasurer. Did the Treasurer witness the Premier telling cabinet office executives that all cabinet office staff who had previously been employed in the former premier's office, or a former minister's office, had to be transferred out of cabinet office and the Department of the Premier and Cabinet?

The Hon. R.I. LUCAS (Treasurer) (14:49): No.

CHILD AND YOUTH SERVICES MUTUAL LTD

The Hon. J.S. LEE (14:50): My question is to the Minister for Human Services. Can the minister give us an update about the Child and Youth Services Mutual?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:50): I thank the honourable member for her question. Child and Youth Services is one of the many services currently provided by Disability SA as part of its services for people with disabilities and is one of the areas which is transitioning following the implementation of the NDIS in South Australia. Child and Youth Services is an organisation which employs a range of therapists—speech therapists, physiotherapists, occupational therapists and the like—and clearly provides services to children. It is the entity which delivers early childhood early intervention services under the NDIS in South Australia, as well as a range of therapy services to children with disability and development delay.

The Child and Youth Services division under NDIS made a decision collectively that they would establish a rather unique entity in South Australia which is to be known as the Child and Youth Services Mutual Limited, which is to commence in September. I'm advised that mutuals are organisations that operate particularly in the UK but this is a first for establishment in Australia. The therapists are very excited about how they will transition going forwards. I am advised that the majority of the employees within this division have decided to join the mutual, following an extensive expression of interest and recruitment process, and that they will commence in their new role on 1 September 2018.

The staff moving to this new entity continue to be active participants in their own decision-making and business activities to help shape the new organisation. There was a recent kick-off event which I was privileged to attend to celebrate with them on 24 May this year, held at the Convention Centre. As well as myself, officers of the department and one of the new employees, there was also a range of people who spoke at the event, including the lady who was the chair of the board—I have just forgotten her name for the moment—who spoke in very glowing terms about the development of the new mutual.

It was a very uplifting and exciting event in that I think the employees are very excited about where they are going with this new mutual. I commend them on reaching this decision and the approach that they have taken and wish them all the best in the new entity and for the services that they will be providing to children with disability into the future.

MURRAY-DARLING BASIN PLAN

The Hon. M.C. PARNELL (14:53): My question is directed to the Treasurer in relation to Murray-Darling Basin funding. Can the Treasurer advise if there have been any recent changes to the commonwealth government's Murray-Darling Basin funding arrangements that affect South Australia and, if so, how will these changes impact on the Murray-Darling Basin Plan related programs in South Australia? Will it result in any cuts to programs or Public Service staff in the South Australian Department of Environment and Water?

The Hon. R.I. LUCAS (Treasurer) (14:54): I think I need to take some advice from my ministerial colleague on that, and also perhaps seek advice from Treasury, but I suspect it is more likely to come from my ministerial colleague and I am happy to do that.

ENTREPRENEURIAL VISAS

The Hon. J.E. HANSON (14:54): I seek leave to make a brief explanation before asking questions of the Minister for Trade, Tourism and Investment regarding entrepreneurial visas.

Leave granted.

The Hon. J.E. HANSON: The Australian Institute's Centre for Future Work 'The Dimensions of Insecure Work' report says that:

> Immigration can make a very positive contribution to Australia's economic and social development, if supported with education, settlement assistance and legal protections. Temporary migrant labour, in contrast, is highly vulnerable to insecurity, isolation, and exploitation. The growing use of this form of labour by employers has clearly contributed to the generalised problem of insecure work in Australia.

The report goes on to say that:

> The erosion of the standard employment relationship has been experienced most directly, and most painfully, by young workers. They confront the prevalence of insecure work head-on, unprotected by the traditional arrangements that carry over in many long-standing jobs. Few young people can attain permanent, full-time, decently paid work. 55 per cent of employees under age 25 are in casual jobs. Almost 40 per cent are paid according to the minimum terms of a modern award. Average earnings for workers under 25 are just $561 per week—less than half the average for the overall labour market.

On Sunday 4 March 2018, the Liberal Party announced an agreement with the federal government to pilot a new entrepreneurial visa program in South Australia. My questions to the minister are:

1. Will South Australia or the commonwealth government be handling the vetting and application processes of the new pilot program?

2. Have any legal issues been raised by the relevant state or commonwealth department or any other relevant stakeholder on the implementation of this new pilot program?

3. Is South Australia required to commit any resources to implement this initiative?

4. How many people have applied to take part in this new entrepreneurial visa program in South Australia?

5. Which state or commonwealth department will be handling the visa initiative on an ongoing basis?

6. How much has this program to date cost the taxpayers of South Australia, and how much will this program cost South Australian taxpayers into the future?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (14:56): I thank the honourable member for his question. As he has rightly mentioned in his explanation, we announced a pilot program, an entrepreneurial visa program, with the federal government prior to the election. It is a pilot in South Australia, and we are looking forward to rolling that out. I think it is an exciting initiative. It will be a first for South Australia and a first for Australia, so we are looking to roll that out.

The final details are still being worked through with the commonwealth. Obviously, we are still going through some other negotiations in relation to the costs. I am not aware at this stage of any legal issues that have been raised in relation to this pilot for entrepreneurial visas. In relation to resources and numbers, those details will be released as we roll that program out. Of course, any costs that will be attributed to it will also be made public when we roll that pilot out.

ENTREPRENEURIAL VISAS

The Hon. J.E. HANSON (14:58): A supplementary arising from that answer: when does the minister understand the entrepreneurs' hub on the old Royal Adelaide Hospital site, which is part of this pilot program, to come online? How many spaces will be available for members of the public wanting to access the facility? How many will be specifically available for participants of this new entrepreneurial visa program?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (14:58): I thank the honourable member for his supplementary question. The hub will come online later in the year. It is a project that the Premier has taken a deep interest in and minister Pisoni has also taken a deep interest in that. I am not sure of the exact timing but it will come on later in the year and I will get the details for the honourable member in relation to spaces that will be available. But the actual site for the innovation hub is some 23,000 square metres, almost five times bigger than anything similar in any other state, so it is quite an exciting development. I am sure there will be ample opportunity for the entrepreneurs on this pilot program, obviously, but also members of the public. The actual details I will bring back to the honourable member.

ADELAIDE CASINO

The Hon. D.G.E. HOOD (14:59): My question as to the Minister for Trade, Tourism and Investment. Could the minister update the chamber about the exciting work which officially begins at the Adelaide Casino today? What will it mean for South Australian companies' employment levels both now and into the future?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (14:59): I thank the honourable member for his ongoing interest in this strong, robust economy in South Australia. I was very fortunate last week to have a tour of the Casino with Mr Luke Walker, the general manager, because as the Minister for Tourism I wanted to get a handle on exactly what the expansion means and exactly what is going on. Of course, as the honourable member mentioned, today was the official start day for Hansen Yuncken.

In the first few weeks, we will see the establishment of site huts and security, but I think what is important is the tower crane. I think it will be erected around 16 or 17 June. I think that is when we will see visually some activity on that site. It will be the first of, I think, two big cranes that the public will see that identify that this project has commenced.

It is a 27-month build. Completion is set for September 2020, with an opening, I think, in October 2020, which will be just in time for two T20 World Cup cricket games in Adelaide. That will be unique timing to be able to showcase it to the world. It is a $330 million expansion, as members would be aware.

Some of the important facts include that it will be Adelaide's most luxurious hotel, with 123 suites, three new bars, three additional signature restaurants, function facilities and a wellness centre. It will provide a significant tourism boost for South Australia by attracting even more interstate and international visitors. It is also another of the final pieces of the Riverbank, if you like, jigsaw puzzle that will go up. There is only one other building that is still perhaps to be done after that.

During the redevelopment, there will be 1,000 jobs in construction, and an additional 800 jobs on completion, taking the total number of employees to some 2,000. South Australian companies are the big winners, with 95 per cent of the work to be undertaken by highly skilled local companies with Hansen Yuncken to construct a fit-out of the 10-level development. That's another sign of business confidence: not only the Casino but the construction industry will have an opportunity to benefit from this, as well as hospitality, tourism and other businesses that will feed from it.

Other approvals are in the works. I think there is about a $25 million refurbishment of the existing building, from the North Terrace facade through the ground level and first level. The other one that I think is quite exciting is I think they are going to spend about $6 million to transform the old Governor's ballroom, which is a site that hasn't been used for the 30 years that the Adelaide Railway Station has been a Casino. I think it was built in the 1930s. I was fortunate enough to have a quick peek in there. It looks not dissimilar to this, given that this chamber was built in about 1939. It is roughly the same time. It will be lovely when that is restored and refurbished and opened up. I think they are planning to turn that into some type of world-class premium sports bar and dining activities.

The economic investment and jobs growth that delivers is a priority for this government. The state Liberal government is committed to ensuring that the Adelaide Riverbank Precinct is a hub of vibrancy and becomes a powerful drawcard for local, interstate and overseas visitors. It is of some interest to note that it was the former premier, the Hon. John Olsen, who started talking about the Riverbank and started the process more than 15 or 16 years ago.

Members opposite will say, 'You are just claiming credit for something that started under the former government.' It actually started under the Olsen government, when the Hon. Rob Lucas was treasurer. When the Hon. Mike Rann assumed office, he canned it all and didn't do anything for a number of years. I am pre-empting the interjections or the questions from the other side: 'Aren't you just taking credit for what we were doing?' This is something that has spanned several governments, and I guess you could say it has bipartisan support. It is wonderful to see the Riverbank being activated and I look forward to the Casino completing their renovations and expansion.

RENAL DIALYSIS SERVICES

The Hon. F. PANGALLO (15:03): I seek leave to make a brief explanation before asking a question of the Minister for Health and Wellbeing about renal dialysis services.

Leave granted.

The Hon. F. PANGALLO: I was at Mount Barker hospital earlier this week with our very hardworking, community minded and Labor endorsed federal candidate for Mayo, Rebekha Sharkie.

Members interjecting:

The Hon. F. PANGALLO: Labor endorsed—even though they have their own candidate now.

Members interjecting:

The Hon. F. PANGALLO: Thank you. She was calling for a much-needed renal dialysis unit for the hospital. Demand for such a unit already exists and will only grow as the population of Mount Barker hospital and Nairne district continues to expand. Dialysis services at Mount Barker hospital would save Hills patients hundreds of trips to Adelaide each year and, importantly, ease the pressure on the major metropolitan hospitals, saving money caused by the already bloated excesses of SA Health.

Further, the Adelaide Hills are poorly served by public transport, further aggravating the plight of those patients needing to travel. The former government's health minister, Peter Malinauskas, wrote to Rebekha late last year to advise that a service planning process for Mount Barker hospital and the Strathalbyn and District Health Service by Country Health had identified several health service priorities, including a need for improved access to renal dialysis.

In early April this year, following the change of government, Rebekha wrote to you, as the new Minister for Health and Wellbeing, seeking an update. To date, she has not had a reply. That

said, I note your comments on the issue in the local paper this week, notably your comments that, 'providing renal dialysis services at Mount Barker Hospital will need both capital investment and ongoing funding'. My questions to the minister are:

1. Does the government plan to introduce a much-needed renal dialysis unit for Mount Barker hospital as a matter of urgency?

2. If so, how much funding will be committed and when will the unit be opened for business?

3. If not, why not, especially when you consider the population of the Mount Barker district council catchment is set to increase by more than 20,000 residents to 56,000 residents by 2036?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (15:06): I thank the honourable member for the question. I am exploring the viability of a renal dialysis service at Mount Barker. The local Liberal members in the area, Dan Cregan and Josh Teague—

The PRESIDENT: Please refer to the members by their seats.

The Hon. S.G. WADE: The local Liberal members, the member for Kavel and the member for Heysen, and the federal candidate for Mayo have all raised this issue with me.

Members interjecting:

The PRESIDENT: Order! Let the minister answer.

The Hon. S.G. WADE: SA Health has identified demand for renal services as part of its regional service planning process, and I appreciate the points that the honourable member made in terms of the significant travelling that is involved for patients who are getting renal services in the city but live in the Hills. Providing renal dialysis services to Mount Barker District Soldiers' Memorial Hospital will need both capital investment and ongoing funding. The Weatherill Labor government reduced funding to Country Health SA and last financial year it was the only region in the state to suffer a reduction. That is why the former minister for health sent letters rather than taking action.

One of the concerns I have about the federal member for Mayo's proposal in this regard is that, if I understand it correctly—and the honourable member may be able to clarify it for me—is that the suggestion is that we should be using the chemotherapy facilities in that hospital. It's one thing to invest in new capital facilities, it's another thing to, shall we say, dismantle specific purpose-built facilities to use them for another purpose.

The Marshall Liberal government was elected on a strong commitment to enhancing country cancer services and so I am not attracted to the honourable member's suggestion, the federal—

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

The Hon. S.G. WADE: Oh, that's true—sorry, point of order from the Hon. Mr Dawkins—so I'm not even sure what to call her then, the Centre Alliance candidate for Mayo. I am cautious about her proposal, because I am not, if you like, immediately attracted to the idea of degrading services in one area to enhance another.

In that regard, I reflect on the record of the former federal member for Mayo, Rebekha Sharkie, who, as part of what I would regard as an alliance with the former health minister, Jack Snelling, acquiesced in the downgrading of emergency services at the Strathalbyn hospital as part of a redistribution of resources from within that region to upgrade the Mount Barker emergency department services.

The record of the former Labor government was not to put the money in to the services that were needed in the Barossa, Hills and Fleurieu country health district, and in fact, what they proposed to do was shuffle the money around and downgrade services here and there. On the same theme, I have been to a number of meetings in relation to the closure of Kalimna, a very, I regard, treacherous act by the former Labor government. How can you close a nursing home and not tell the staff or the residents until the day you announce it? There was no consultation with staff. So much for a Labor government.

The former member for Mayo, the current Centre Alliance candidate for Mayo, in my view, has a very poor record at standing up for the health services in the Adelaide Hills. I look forward to not only the member for Kavel and the member for Heysen continuing their strong advocacy, I look forward to the election of a Liberal candidate at the next election.

The PRESIDENT: Just one moment, Hon. Mr Hunter. Hon. Mr Pangallo, I should warn you that if you attempt to put so much argument into your short explanation, I will rule it out of order. I gave you considerable latitude today.

The Hon. F. PANGALLO: Thank you, Mr President, okay.

RENAL DIALYSIS SERVICES

The Hon. I.K. HUNTER (15:11): Supplementary: has the minister invited the Victorian Liberal candidate for Mayo, Ms Downer, to the Mount Barker hospital to make a funding announcement before the by-election for Mayo?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (15:11): No.

MINISTERIAL STAFF

The Hon. K.J. MAHER (Leader of the Opposition) (15:11): My question is to the Treasurer. Does the Treasurer have any knowledge of whether the Premier's chief of staff has been cautioned or asked to clarify comments the Premier has made in relation to specific staffing positions within cabinet office or DPC?

The Hon. R.I. Lucas: 'Starting' positions?

The Hon. K.J. MAHER: Staffing positions. I will ask the question again: does the Treasurer have any knowledge whether the Premier's chief of staff has been cautioned or asked to clarify comments the Premier has made in relation to specific staffing positions within cabinet office or DPC?

The Hon. R.I. LUCAS (Treasurer) (15:11): No, I am not aware of any counselling or cautioning in the context—

The Hon. K.J. Maher: The Premier has just answered this, so you would want to be very careful about what you say here.

The PRESIDENT: Let the Treasurer answer.

The Hon. R.I. LUCAS: Mr President, I can assure the Leader of the Opposition, the last person in the world I would need advice from in terms of answering questions would be the Leader of the Opposition. I listened to his feeble attempts over a number of years to answer questions. So don't wag your finger or your pencil at me, offering advice in relation to answering questions. No, I am not aware of any counselling or cautioning in relation to staffing issues.

DOMESTIC VIOLENCE LEAVE

The Hon. M.C. PARNELL (15:12): I seek leave to make a brief explanation before asking a question of the Treasurer in his capacity as Minister for Industrial Relations about domestic violence leave for teachers.

Leave granted.

The Hon. M.C. PARNELL: According to an article in InDaily yesterday, the Australian Education Union, representing South Australia's school teachers, wants the state government to double the amount of domestic violence leave available for its members. The union is also calling for improved flexibility for teachers returning to work from domestic violence leave, which they see as helping to address gender inequality in the workforce. Teachers are currently entitled to 10 days domestic violence leave per year, but according to the unions some teachers struggle in their transition back to work. The union claim is for 20 days domestic violence leave per year, with provision made for teachers to be able to return to work on a part-time basis for a limited period.

My question to the minister is: does the minister agree in principle with the position put by the union that flexibility in relation to return to work after a period of domestic violence leave is a sensible proposition? I note in asking the question that I appreciate negotiations under the Fair Work

Act are underway in relation to a range of employment conditions, including this one, so I don't expect the minister to disclose the whole of the government's bargaining strategy; however, I would like to know whether, in principle, the minister thinks this is a reasonable proposition?

The Hon. R.I. LUCAS (Treasurer) (15:14): Given the member's attempt to rationalise or explain the appropriateness of the question, or the inappropriateness of my answering the question when we are in the middle of an enterprise bargaining arrangement, indicates that the member does realise that, whilst we are only at the early stages of an enterprise bargaining arrangement for which—the member is right—as minister for industrial relations I am responsible on behalf of the government, for me as minister to opine publicly about various aspects of the enterprise bargaining negotiations at this particular stage would be counterproductive to trying to reach, one would hope, a productive, settled enterprise bargaining agreement with the union on behalf of its members and on behalf of the government.

So whilst I understand the member's kind invitation to give an opinion on only one aspect of the enterprise bargaining negotiations, it would be inappropriate for me to do so, in my judgement, and I will not give an opinion at this particular stage on either that or anything else whilst we are still at the very early stages of enterprise bargaining negotiations with the union.

ROYAL ADELAIDE HOSPITAL SITE REDEVELOPMENT

The Hon. I. PNEVMATIKOS (15:15): I seek leave to make a brief explanation before asking a question of the Treasurer regarding the old Royal Adelaide Hospital site.

Leave granted.

The Hon. I. PNEVMATIKOS: As reported in *The Advertiser* on 6 June 2018, a plan for two hectares of the seven hectares of the old Royal Adelaide Hospital site has won an international award for its design of a significant cultural institution. The Premier has indicated that the state government is not obliged to proceed with this design, but may consider it alongside its own proposal. My questions to the Treasurer are as follows:

1. Could the Treasurer outline more specifically the government's intentions in relation to the site?

2. What is the time frame for demolition and also for new building work to commence?

3. Will the Treasurer commit to undertaking community consultation on any proposed initiatives?

4. Will the Treasurer advise who will run the proposed national Aboriginal art and culture gallery—will it be the Art Gallery, the Museum or Tandanya?

The Hon. R.I. LUCAS (Treasurer) (15:17): The sensible answer to the member's question would be that I will take it on notice and speak to the responsible minister, who is minister Stephan Knoll, and also the Premier, who has an active involvement in the ORAH project, as we refer to it.

In relation to some aspects of the question, I can give some brief answers. The Liberal Party's position prior to the election was made quite clear in relation to some aspects of the site, and the Premier, on behalf of the government, some weeks ago indicated that, in relation to some of the heritage-style buildings—if I can use the phrase 'heritage-style buildings'—that have been preserved on the site, the government is already commencing a process of reactivation of those particular sites with a view to encouraging entrepreneurial, innovative, start-up companies in that particular part of the site.

The government's position is that we certainly see a prominent part of the reactivation of the ORAH site being the attraction of innovative companies, start-ups and the like, not only in that area but perhaps in other parts of the site as well, although at this stage it is limited to those heritage-style buildings that are to be reactivated. The first part of that process was announced recently, so that is on the public record.

The party also indicated clearly that, as the member referred to, the issue of the gallery has been put on the public record, and that is a clear part of the government's intentions for the site. In relation to specific questions about the governance structure of the site, I will need to refer that issue

to the Premier, who is also the minister responsible for the arts organisations, and he will be able to provide at least some responses there.

In relation to the member's question about the remediation of the site, by and large there is a program of remediation at the site that was locked into the forward estimates by the former government, and that was to take a period of time. I would have to check exactly the length of that time. I think the funding did spread over about three years, although I have a recollection that the demolition of the buildings and remediation of the site might have been a slightly shorter period than that, perhaps about two years.

The new government may well have some slightly different priorities in terms of which parts of the site might be demolished and remediated first, as opposed to what the former government was doing, because we have different plans for the site. I will take advice on that and bring back an answer to the honourable member.

In relation to other aspects of the site, the government made it quite clear that there would be an international hospitality school. I haven't got the exact name of it right but we have indicated that Le Cordon Bleu and others, TAFE included, would be located in a state-of-the-art offering there in terms of courses in that particular area, and that will be somewhere on the site as well.

In relation to whether or not the government will give a commitment to go out to public consultation on every aspect, I will take advice on that, but I think issues like the activation of the site, in particular the innovation hub and those sorts of things, I think the government has already commenced action on that so the notion that we are going to go out to public consultation before proceeding with that, I think the answer there clearly is no.

In relation to whether or not we go out to consultation, for example, on the Le Cordon Bleu—the international hospitality school—again, there may be requirements for buildings in terms of the environment act or related pieces of legislation where processes of consultation are required. I am not aware of those. If there are, we would have to go out to it; if there are not, the government has already announced the policy and will be intending to proceed with it as soon as it could and, similarly, I think, the same answer in relation to the gallery.

If there are legislative requirements in relation to consultation, we clearly would be required to follow those, but if there are not, the government has announced a policy in relation to the gallery. That particular one will involve consultation, obviously, with key stakeholders and groups, some of which the member has already referred to, but there would be other stakeholders and groups who are obviously going to wish to have a say in relation to the style, nature and the governance of the gallery along the lines that the government has talked about, and so I am sure the government will be involved in consultation amongst those key stakeholder groups.

ROYAL ADELAIDE HOSPITAL SITE REDEVELOPMENT

The Hon. I.K. HUNTER (15:22): Supplementary: can the Treasurer also, on seeking advice and bringing it back to the chamber, advise what his definition of 'heritage style' is, which buildings have actual heritage values and which buildings would otherwise have his appellation of 'heritage style' and how that might differ?

The Hon. R.I. LUCAS (Treasurer) (15:22): I am happy to do that, and I use that phrase advisedly because I freely confess to not being an expert in terms of what ought to be described as a heritage building. I am aware that there are local, state, federal and I think probably international definitions of heritage buildings. Essentially, the ones that I am referring to are the old buildings along Frome Road and on North Terrace where I am advised that the former government was told, and we have been told, that those buildings cannot be demolished.

I think there is one older-style building further down Frome Road where the former government and the new government have been told that that is not required to be kept, and the former government and the new government have that as part of the demolition program, but I understand that, sort of, the buildings that start from around Eleanor Harrald, Margaret Graham and around to McEwin Building and the Bice Building, I think, on North Terrace—says he, struggling to remember the names of all these buildings—there are five or six of them, and our advice or my understanding of our advice is that they are all heritage-style buildings and have to be kept. Whether

that is local, state, federal, heritage, I will get the definition for the honourable member and bring back a reply.

Bills

HEALTH CARE (GOVERNANCE) AMENDMENT BILL

Introduction and First Reading

The Hon. S.G. WADE (Minister for Health and Wellbeing) (15:23): Obtained leave and introduced a bill for an act to amend the Health Care Act 2008. Read a first time.

Second Reading

The Hon. S.G. WADE (Minister for Health and Wellbeing) (15:24): I move:

That this bill be now read a second time.

Today, I rise to introduce the Health Care (Governance) Amendment Bill 2018. This bill is the first step of the government delivering on its election commitment to establish a new governance and accountability framework for the public health system. These changes will devolve decision-making in the public health system through the establishment of metropolitan and regional governing boards; put responsibility and accountability at the local level, with strengthened oversight; and improve patient safety and hold governing boards accountable for delivering real progress.

This framework will provide a greater focus on accountability and transparency within the public health system. It is my view that, with an expenditure budget of more than $6 billion in 2017-18, with approximately 38,600 employees as at June 2017 and with around 77 hospitals and health services in a large and diverse state, the South Australian health system is too large and too complex for it to be optimally operated with all authority and accountability resting on one person—that being the chief executive of the Department for Health and Wellbeing. But that is the situation since the former Labor government abolished the boards with the introduction of the Health Care Act in 2008.

In my time as shadow minister and now as Minister for Health and Wellbeing, communities and clinicians have repeatedly told me how disengaged from decisions about their local services they feel. The devolution of decision-making about health services will empower both communities and clinicians. Devolving decision-making in the public health system recognises that healthcare needs and challenges vary between areas within metropolitan Adelaide and across regional South Australia. I believe the decisions made as close as possible to the area and people affected and with the full and effective involvement of local health professionals will be better decisions.

The election commitment will be implemented in two stages. The first stage is this amendment bill to establish governing boards, which is now before parliament. It will allow governing board chairs to be appointed by 31 July to 2018 in the lead-up to the governing boards becoming fully operational by 1 July 2019.

The second stage is to establish a new governance and accountability framework for the public health system, which will be reflected in new legislation to be introduced into parliament later this year or early next year. This bill will allow for incorporated hospitals, known as local health networks, established under the Health Care Act, to be governed by a board.

To summarise the functions, governing boards will be responsible for the delivery of their local health services within their geographic area. The governing boards will consult with local service providers and the community to ensure that the services are reflective of local needs and priorities and are able to be provided within the resources available. Of course, governing boards will be required to operate within a clinical governance framework to ensure that their services are safe, of high quality and accessible.

The governing boards will also be responsible for the oversight of local health network budgets. The governing boards will appoint their chief executive officer, who will be responsible for managing the operations and affairs of the local health network health services and be accountable to and subject to direction of the governing board.

The governing board will be accountable to me for the oversight of the delivery of health services in accordance with a service level agreement negotiated between the local health network

and the Department for Health and Wellbeing. The governing boards will also be required to comply with any policy frameworks issued by the department and any directions given by me.

I will expect that the governing boards will demonstrate, through the annual report of the local health network, their progress against the key performance indicators outlined in the service level agreement and what measures they have instituted to ensure the engagement of communities and health professionals in service delivery.

Since the announcement of the election commitment, I have received a number of representations on the number of boards that there should be and their membership. Governing boards will be established for each of the local health networks as they are currently constituted, except for Country Health SA. The currently constituted boards are the Central Adelaide Local Health Network, the Northern Adelaide Local Health Network, the Southern Adelaide Local Health Network and the Women's and Children's Health Network.

In country SA, six new regional incorporated hospitals will be established, based on the current regional boundaries operated by the Country Health SA Local Health Network. Those six regions are: Barossa Hills Fleurieu Local Health Network, Eyre and Far North Local Health Network, Flinders and Upper North Local Health Network, Riverland Mallee Coorong Local Health Network, South-East Local Health Network and Yorke and Northern Local Health Network. They will take over the functions of providing health services for their particular areas from Country Health SA Local Health Network from 1 July 2019.

The governing boards themselves will be small in number, consisting of between six and eight members, and will be chosen through a merit-based process. Governing board members will be positions of significant leadership and responsibility in the health system and between them will have knowledge, experience and expertise across health management, commercial management, financial management, the practice of law, the provision of health services, clinical governance and any other experience or expertise that will enable their effective performance.

At least two members of each governing board will be clinicians to ensure clinical input into health service decisions. In order to maintain independence, a local health network employee cannot apply for that network's governing board. Employees of the department will not be eligible. Governing boards will be able to establish committees to assist them in performing their functions, such as engagement with local clinicians and the community to ensure inclusive and representative advice to their governing boards. They will be required to develop clinician and community engagement strategies.

Should there be issues with the governing board's performance or local health network under the control of the governing board, the minister will have the ability to appoint an adviser for a period of time. The adviser's role will be to work with the governing board to improve its performance or that of the local health network. The minister may also appoint an inspector to inspect, investigate and assess the administration, operation and governance of local health networks. I would envisage that this power will only ever be used where it is demonstrated that, for some reason, the governing board or local health network has failed to cooperate with the direction given by me or the chief executive of the department.

In the event that a governing board has failed to perform its functions effectively, meet a provision of the act or comply with the direction given by me or the chief executive of the department, I have the ability to dismiss the governing board and appoint an administrator. Where the governing board is dismissed, I must table this action before both houses of parliament within 12 sitting days of the dismissal. Such action would be used as a last resort. Measures such as appointing an adviser to assist the governing board I hope would be able to turn things around before this action was necessary.

This bill is the first of two pieces of legislation that will be brought before this parliament in relation to governance of the public health system. Another bill will be introduced to replace the Health Care Act to ensure that the governance and accountability framework for the public health system is relevant for today. That bill will ensure that the provisions governing the public health system acknowledge appropriate frameworks for matters such as risk management, clinical safety

and quality and policy and legislative governance. This will require a thorough review of the roles and functions of the public health system within the context of the governing boards.

This is expected to include consideration of the role of the department as a system manager of the South Australian public health system, devolution of functions and resources to local health networks to support local decision-making and service delivery, reviews of services provided on a statewide basis, regional support services across the new regional local health networks and consideration of how the 39 country health advisory councils can best operate in the new governance framework. There will also be consideration of the need for statewide performance monitoring, which currently occurs through the Health Performance Council, which was a council that was established when the former governing boards were abolished.

The framework will ensure that the roles of the minister, the chief executive of the department and the governing boards are clear, and it is expected to inform the service level agreements for the governing boards under which they operate from 1 July 2019. The system changes in governance are wideranging and of such significance that an oversight committee will be established, chaired by the chief executive of the Department for Health and Wellbeing, and include independent advisers with experience in health reform in interstate jurisdictions.

An expression of interest process, including a public advertising strategy and executive search, is also scheduled for June 2018 to facilitate the appointment of high calibre individuals to governing board chairs by 31 July 2018. A further process for the appointment of governing board members will be undertaken by the end of the year in the lead-up to the full operation of governing boards by 1 July 2019.

The bill introduced today is the first step to reform the governance of the public health system. The introduction of governing boards is to ensure that services provided by local health networks better meet the health service needs of the population within their geographic area. This does not mean that boards have to provide all services to serve their population. In fact, it would not be sustainable for hospitals to do so. However, the devolution of decision-making in relation to health services will provide opportunities for governing boards to work cooperatively with governing boards of other local health networks on local and state initiatives for the provision of health services.

This bill is the fulfilment of a clear commitment of the Marshall Liberal government. We look forward to working with communities, clinicians and stakeholders to deliver strengthened governance and better health services for all South Australians. I commend the bill to the council. I seek leave to have the explanation of clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Health Care Act 2008*

4—Amendment of section 3—Interpretation

This clause provides a definition of *governing board* to insert for the purposes of the measure. The definition of *Department* is also updated.

5—Amendment of section 4—Objects of Act

This clause proposes to amend section 4 of the Act by adding an object of the Act to facilitate the efficient and effective governance and oversight of incorporated hospitals through the establishment of governing boards.

6—Amendment of section 5—Principles

This clause proposes to amend section 5 of the Act to provide that health services should be provided as part of an integrated system that achieves an effective balance between local decision-making in relation to incorporated hospitals and health system planning, integration and management.

7—Amendment of section 7—Chief Executive

This clause proposes to amend the functions of the Chief Executive of the Department in section 7 of the Act consequentially on the transfer of direct responsibility for the administration of incorporated hospitals from the Chief Executive to the governing boards and hospital chief executive officers. This amendment removes reference to the Chief Executive being directly responsible for the administration of incorporated hospitals. This clause also then inserts an additional function of the Chief Executive to contribute to and implement statewide service plans that apply to incorporated hospitals.

8—Amendment of section 11—Functions of HPC

This clause proposes to amend the functions of the Health Performance Council (*HPC*) in section 11 of the Act to include reference to governing boards of incorporated hospitals such that the HPC should, in the performance of its functions, seek to obtain, to such extent as is reasonable and relevant in the circumstances, the views of governing boards. The amendment also proposes to include governing boards in the group of entities that cannot be directed by the HPC.

9—Amendment of section 18—Functions

This clause proposes to amend the functions of a Health Advisory Council in section 18 of the Act such that those functions may include the provision of advice to the governing board of an incorporated hospital about any matter referred to it by the board.

10—Amendment of section 30—Hospital to serve the community

This clause proposes to amend section 30 of the Act to include the governing board for an incorporated hospital among the entities that may determine that an incorporated hospital, in addressing the health needs of the community by providing health services, may focus on 1 or more areas or sections of the community.

11—Substitution of section 33

This clause proposes to replace section 33 of the Act to make provision for each incorporated hospital to be governed by a board (a *governing board*). Proposed new section 33 specifies that an incorporated hospital is to be governed by a governing board and outlines a number of specified functions of governing boards. A governing board for an incorporated hospital must comply with any directions of the Minister and any directions of the Chief Executive in governing the incorporated hospital.

Proposed section 33A requires the governing board for an incorporated hospital to develop and publish a *clinician engagement strategy* to promote consultation with health professionals working in the incorporated hospital and also a *consumer and community engagement strategy* to promote consultation with health consumers and members of the community about the provision of health services by the incorporated hospital.

Proposed section 33B provides for the composition of the members of governing boards (appointed by the Minister) to be 6-8 persons who collectively have, in the opinion of the Minister, knowledge, skills and experience necessary to enable the board to carry out its functions effectively. Proposed section 33B(2) specifies relevant types of experience that should be included in board appointments.

Proposed section 33C provides for the appointment of a chief executive officer for each incorporated hospital by the governing board of the hospital after consultation with the Chief Executive of the Department. The chief executive officer of an incorporated hospital is responsible for managing the operations and affairs of the hospital and is accountable to, and subject to the direction of, the governing board for the hospital.

Schedule 3 also makes provision in relation to governing boards.

12—Insertion of Part 5 Division 10

This clause proposes to insert a new Division 10 into Part 5 of the Act. This Division will make provision for inspectors for the purposes of inspecting, investigating and assessing the administration, operations and governance of incorporated hospitals. The clause provides that inspectors may, at any reasonable time, enter the premises of an incorporated hospital (including the premises of the governing board of an incorporated hospital) and, while on the premises, may—

(a) inspect the premises or any equipment or other thing on the premises; and

(b) require any person to answer any questions, orally or in writing; and

(c) require any person to produce any documents or records; and

(d) examine any documents or records and take extracts from, or make copies of, any of them; and

(e) seize any documents or records that, in the opinion of the inspector, constitute evidence of a breach of a provision of the Act.

The clause provides offences for a refusal or failure to comply with a requirement of an inspector and also for hindering or obstructing an inspector, or a person assisting an inspector, in the exercise of the powers conferred by this section.

13—Amendment of section 93—Confidentiality

This clause proposes to amend section 93 of the Act so that the confidentiality requirements of that section apply in respect of a member of a governing board.

14—Substitution of Schedule 3

This clause proposes to substitute Schedule 3 of the Act. New Schedule 3 will make a number of provisions in respect of governing boards for incorporated hospitals.

Clause 1 provides for the appointments of the Chairperson and Deputy Chairperson of each governing board by the Minister.

Clause 2 provides that a term of office of a member of a governing board will be fixed in the instrument of appointment up to a maximum of 3 years. A member may be reappointed for additional terms but may not hold office for more than 9 consecutive years.

Clause 3 provides that a member of a governing board is entitled to remuneration, allowances and expenses determined by the Minister.

Clause 4 provides that the Minister may remove a member of a governing board from office—

(a) for breach of, or non-compliance with, a condition of appointment; or

(b) for misconduct; or

(c) for failure or incapacity to carry out official duties satisfactorily.

Clause 5 provides that the office of a member of a governing board becomes vacant if the member—

(a) dies; or

(b) completes a term of office and is not reappointed; or

(c) resigns by written notice to the Minister; or

(d) becomes an insolvent under administration within the meaning of the *Corporations Act 2001* of the Commonwealth; or

(e) is convicted in South Australia of an offence that is punishable by imprisonment for a term of 12 months or more, or is convicted elsewhere than in South Australia of an offence that, if committed in South Australia, would be an offence so punishable; or

(f) is removed from office under Schedule 3 clause 4.

Clause 6 provides that an act or proceeding of a governing board is not invalid by reason only of a vacancy in its membership or a defect in the appointment of a member.

Clause 7 provides that a member of a governing board will not be taken to have a direct or indirect interest in a matter for the purposes of the *Public Sector (Honesty and Accountability) Act 1995* by reason only of the fact that the member has an interest in a matter that is shared in common with health practitioners generally or those engaged in or associated with the provision of health services generally, or a substantial section of health practitioners or those engaged in or associated with the provision of health services.

Clause 8 makes provision in relation to the procedures of a governing board.

Clause 9 provides that a governing board may establish committees or subcommittees as the board thinks fit to advise the board on any aspect of its functions, or to assist the board in the performance of its functions.

Clause 10 provides that the Minister may appoint a person to be an adviser to a governing board if the Minister considers that the adviser may assist the board to improve the performance of the board or the incorporated hospital governed by the board.

Clause 11 provides that an adviser appointed to a governing board is to provide advice to, and otherwise assist, the board in the performance of its functions. An advisor is entitled to receive notice of board meetings and copies of the papers of the board and may also attend and participate in any meeting of the board (without entitlement to vote or be present at the time that a vote is taken).

Clause 12 provides that the Minister may, at any time, dismiss all the members of a governing board if satisfied that—

(a) the board has failed to perform its functions effectively; or

(b) the board has failed to comply with a provision of the Act; or

(c) the board has failed to comply with a direction of the Minister or the Chief Executive of the Department.

Clause 13 provides that, if the members of a governing board are dismissed under clause 12 or for some other reason there are no members of a governing board at any time, the Minister may appoint the Chief Executive or other qualified person to administer and perform the functions of the board subject to any conditions specified in the instrument of appointment.

Clause 14 provides that a governing board may, with the approval of the responsible Minister or, if relevant, a responsible public sector instrumentality, make use of the staff, services or facilities of an administrative unit or another public sector instrumentality.

Debate adjourned on motion of Hon. I.K. Hunter.

SENTENCING (RELEASE ON LICENCE) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 6 June 2018.)

The Hon. F. PANGALLO (15:36): I rise to speak in support of the Sentencing (Release on Licence) Amendment Bill 2018. The bill amends the Sentencing Act 2017, strengthening the provisions relating to the release of convicted sex offenders to further tighten conditions of release on licence or discharge of detention for an offender who has been declared unwilling or unable to control their sexual instincts and who is being detained indefinitely.

No-one in our society is more despised and vilified than child sex offenders. The insidious and devastating harm they can cause innocent children cannot be overstated. We saw evidence of that in the Mullighan inquiry into children abused in state care. We need policies and consequent legislation that keep those who might harm children away from them. To do otherwise would be negligent. This bill aims to do just that.

As has been widely reported, this bill has been prompted by the potential release of notorious paedophile Colin Humphrys, an evil predator with an horrific and lengthy history of sexual offending across five Australian states spanning three decades. He was gaoled in 1992 for offences against a child who was kidnapped by another notorious paedophile from Adelaide and delivered to Humphrys in New South Wales, where the young boy was systematically abused over two years. Humphrys was already a repeat child offender by this stage.

The victim of this offence, just nine years old at the time, is known by the court-imposed pseudonym of XX. In April this year, XX bravely spoke out against Humphrys' imminent release from prison, which was the subject of an appeal by the DPP in the Full Court of the Supreme Court last month. That decision is pending, necessitating the urgency of this bill.

XX spent his 11th birthday in a psychiatric ward because of the pain, torment and abuse Humphrys inflicted on that little boy. Twenty-seven years later, XX said the experience had forever shattered his faith in the legal system. XX and other victims have the right to be heard. It is something the Commissioner for Victims' Rights has campaigned for over a very long time. His words are powerful and compelling. XX has said:

I think, if I had been abused by men who had never abused children before, my rehabilitation would have been easier.

We can all rationalise a bit of bad luck, but our system was designed to see me abused.

XX went further to say, the law 'placed no weight on the damage' done by sex offenders, focusing only on their needs. I quote XX again:

Ours is a system that ensures that more children will be harmed. That's the system we are living with…it's set up to empower paedophiles to reoffend.

That must end now. Humphrys' imprisonment for offences against XX did not stop him. In 2009, after more reoffending, this monster of a human being was imprisoned indefinitely because he was unwilling to or incapable of controlling his sexual instincts. This time Humphrys committed child sex

offences against a 14-year-old boy within 30 minutes of meeting that boy. The offending continued for the next three years.

In December 2013, Humphrys applied for release on licence pursuant to the then section 24 of the Criminal Law (Sentencing) Act 1988. That application was withdrawn by Colin Humphrys after unfavourable medical and parole reports. In July 2015, Humphrys made a second application for release on licence. Despite the Parole Board remaining unsupportive of his release, backed by medical reports that were unable to conclude that he was willing or able to control his sexual instincts, Justice Kelly ordered his release on licence in March 2018. To quote XX again:

> To give this man, this 66-year-old man with a criminal history spanning 30 years of persistent, recidivist behaviour, one more chance? I felt hot rage.

The decision to release this persistent, pernicious paedophile filled me with hot rage, too, and it is why I am supporting this bill.

Regrettably, Humphrys is not an anomaly. An article in Tuesday's *Advertiser* reported that Stephen Sullivan, a high-risk sex offender who targets teenage girls, was taken back into custody after breaching four of his supervised release conditions in just five days. He barely lasted five days back in the community. Upon being released, Sullivan cut off his GPS tracker, got drunk, played the pokies and invited a woman with teenage daughters to his home.

In his judgement, Supreme Court Justice Martin Hinton said Sullivan continued to pose a 'very high risk' to girls. Justice Hinton noted that, in all his years of contact with the justice system, '[Sullivan] has not successfully completed a program for sex offender treatment.' The provisions in this bill will capture paedophiles like Sullivan, too.

The government's bill outlines that, if a person who has been indefinitely detained makes application for discharge of their detention order or to be released on licence, they must first be able to demonstrate that they are willing and able to control their sexual instincts or that they are so aged or infirm that they no longer pose a risk to the public. For those whose applications for discharge are successful, the Supreme Court is able to order that the person not be released until they have undertaken a pre-release program.

The bill will be retrospective in that it will apply to those who have already made an application but have not yet received a decision. The bill will allow the DPP to recall any individuals who have been released on licence if they believe they should be reassessed using the new higher threshold. The bill would also see those who have been released on licence no longer automatically discharged after three years. Instead, the licence conditions will be extended until there is an application for discharge.

The opposition has filed amendments that would see that applications can only be granted if they have the concurrence of the Parole Board which would, in effect, elevate the role of the Parole Board above that of the court. This may well create constitutional issues, and we are still working through the practical effect of these amendments.

The government has filed further amendments that seek to strengthen its original bill with the inclusion of the word 'permanent' before 'infirmity', ensuring that, if a person who has been indefinitely detained makes application for discharge of their detention order or to be released on licence, they must first be able to demonstrate that they are willing and able to control their sexual instincts or that they are so aged or permanently infirm that they no longer pose a risk to the public.

This is designed to capture paedophiles like Rick Marshall, a former children's entertainer whose health remarkably improved away from his court appearances. When I was working with *Today Tonight* in 2009, we broadcast a story of this child abuser, previously a TV personality. You may recall images of Mr Marshall, seemingly incapacitated, being wheeled into court on an ambulance gurney.

In 2006, he was charged with eight child sex offences. His acting skills were put to good use, with a Logie-winning performance of a man with Parkinson's disease and dementia. This was later exposed to be a lie when he was filmed by *Today Tonight* frolicking in his front yard. This bill needs to stop people like Marshall doing Lazarus impersonations to get out of long terms of incarceration. SA-Best reserves its position on these amendments until the committee stage of the bill.

The Hon. D.G.E. HOOD (15:46): I rise to make some comments on what I consider to be a crucial bill that warrants passage through this place as a matter of urgency, and that is to amend the current Sentencing Act, of course. I know that most, if not all, honourable members in this and the other place would agree that legislative reform is indeed required in the immediate future to prevent the release of convicted paedophiles and other sex offenders into the community where there is a high risk of their recidivism.

As legislators, we have a responsibility to do whatever we can within our power to protect our constituents from some of the most dangerous and unreformed criminals. It is therefore absolutely critical for our parliament to work together in a bipartisan, and multipartisan way perhaps these days, in order to ensure that we get this legislation right, and get it through swiftly and effectively.

The impetus for the introduction of this bill is the potential release on licence of Colin Humphrys, pursuant to section 24 of the act in question. The Supreme Court's determination on 27 March this year to grant his release was subsequently appealed by the Director of Public Prosecutions, a matter that was heard on 23 May. Although the Full Court has not yet delivered its decision on this case, we should be prepared for any outcome by ensuring the necessary legislation is in place to facilitate action that is in line with community expectations and clearly what most South Australians would consider in the best interests of their community.

I know the Marshall Liberal government is pleased that this bill will receive the support of the opposition in the other place, and we expect in this place, having introduced its own bill to deal with this matter and then subsequently withdrawn it in order to support this bill, which it has done in an urgent manner. That is, in my view, the way in which this parliament should work. When matters come that are in the public interest, they should receive the full support of the parliament.

Mr Humphrys is regarded as one of the worst known sexual predators in South Australian history, with his offences spanning over three decades and having occurred in five different states. Over this time, he exhibited persistent recidivist behaviour before being convicted for abducting and abusing a nine-year-old boy between 1990 and 1991. After being gaoled for offences associated with these events, he was imprisoned indefinitely for the sexual assault of a young boy in a toilet block in Adelaide in 2009.

I am aware that he had previously applied for release on licence in 2013, which was withdrawn due to unfavourable medical and Parole Board reports. His most recent application was granted, however, as I understand it, on the basis that current measures to supervise him at large in the community were deemed to be sufficient by the judge.

This decision has raised serious questions as to the adequacy of our current relevant statutes. I think it is fair to say that the community respectfully disagrees with the decision in this case. Under existing provisions within the Sentencing Act, the paramount consideration of the court must be the safety of the community when determining the release on licence of an offender subject to an order of indefinite detention.

As indicated by the Attorney-General in the other place, the court must then take into account the following: reports of at least two qualified medical practitioners as to whether the person is incapable of controlling, or unwilling to control, his or her sexual urges; any relevant evidence or representations that the person may wish to put to the court; any other report ordered by the court; evidence tendered to the court of the estimated cost directly related to the release of the person on licence; Parole Board reports resulting from the periodic reviews on the progress of the person while detained; the Parole Board's opinion on the effect of the person's release into the community and probable circumstances of the person if they are released on licence; the recommendation of the board as to whether the person should be released on licence; and finally, any other matter that the court believes is relevant.

I note the Attorney-General's further comment that the court has previously indicated its view that, regardless of the risks an offender released on licence might pose to the community, it could be adequately protected through steps undertaken by the Department for Correctional Services and other agencies. Members of parliament obviously do not accept that this assessment should apply

indiscriminately to all cases and I was personally shocked at the court's decision to release Humphrys into the Bowden-Brompton area.

Indeed, as a resident of a nearby suburb, it is concerning to think that someone with his record could be in such close proximity to my own children and family. I know that my thoughts were not unlike those of many local residents, as we have since seen and heard. As evidenced by Humphrys' deplorable and depraved history of sexual crimes, paedophiles and sex offenders in general can be both opportunistic and calculated in their approach. We simply cannot afford to put South Australians at the mercy of their uncontrolled sexual instincts.

The government's bill seeks to address these concerns through reforming the current application process for a detainee's release by first including a requirement for the applicant to satisfy the court that they are both capable and willing to control their sexual instincts. Only if the court is satisfied of this capability and willingness can it then proceed to consider whether the detainee should be released on licence or have their indefinite detention order discharged, with the ultimate consideration being the safety of the community.

I note in the bill there is an exception to this, which is if the court is satisfied that the applicant no longer presents an appreciable risk to the safety of the community due to their advanced age or infirmity. I am aware this particular provision was discussed at length during the committee stage of debate on the bill in the other place, and the government has since filed amendments to respond to some of the contentions that were raised, as the Hon. Mr Pangallo has outlined in some detail. I look forward to discussing these amendments in detail when we have the debate in this place.

It was suggested by the Attorney that this particular provision was warranted due to the inevitability of ageing sex offenders in prison, attributed to the removal of the statute of limitations for prosecution for paedophile offences. At least some honourable members present in this place today may recall this was, in fact, a result of legislation that was introduced by my former colleague, Andrew Evans, back in 2002. At the time, he was the only Family First representative in our parliament.

I recently saw in the media that he was quoted as saying that the passage of his bill, which received the full support of members in both houses, is what he considers to be his highest achievement during his time in this place. It is quite a significant statement, as I believe Andrew certainly had much to be proud of during his tenure in this place. He then humbly said that the change in law put a 'few people in gaol', which is quite an understatement, given that within just five years of the enactment of his legislation, 33 sex offenders were convicted for historical sex offences, with 585 charges finalised by the courts involving 74 accused perpetrators. There is no doubt that since that time many more victims have been able to obtain justice and, hopefully, some sense of closure following their traumatic ordeals.

The impact that a sexual assault can have on a person can be devastating and, unfortunately, in too many instances, can have lifelong consequences. This is one of the many reasons that I, myself, successfully introduced legislation in 2010 to prevent future assaults of this nature by giving judges the power to ban convicted paedophiles from accessing the internet.

Prior to this, paedophiles could be ordered to stop physically loitering around children but there were no provisions to prevent predators from stalking and grooming adolescents online. As most would appreciate, these laws are becoming increasingly relevant due to the prevalence of smart devices and the fact that children are using the internet at a younger age than ever before. It is simply frightening to think of the ease of access these predators have to most teenagers and, indeed, many pre-teens these days, through a variety of social media platforms and other applications at a stage in life when they can be at their most vulnerable.

We are also now seeing what is referred to as Carly's Law, debated in the other place as well, which seeks to make it an offence for adults to knowingly communicate with a child and make arrangements to meet them, or have intent to commit an offence against them, following false representation concerning their identity.

Of course, the bill I am referring to is colloquially named after the tragic death in 2007 of Carly Ryan, who was murdered at Port Elliott by 50-year-old Garry Newman, who initially disguised himself as an 18-year-old musician to engage with her online before arranging their meeting. It was

soon discovered that Newman had been simultaneously communicating with a second young girl in Western Australia. Thankfully, he was caught and convicted before he was able to inflict any physical harm on her also, but it certainly speaks to the heinous capabilities of certain sex offenders and the need for unreformed perpetrators to be kept behind bars.

I understand the opposition has filed a number of amendments to allow for the Parole Board to veto decisions made by the court in relation to the release of detainees, with the statutory authority effectively acting as a final arbitrator. As the Hon. Mr Pangallo pointed out, this may raise some constitutional issues with respect to the Parole Board having somewhat higher authority than the courts. For that reason, I will not be supporting the amendments as lodged by the opposition.

Whilst I believe they are lodged with good intent and may serve some place in this debate, I am not prepared to risk any delay in this legislation or any possible constitutional challenges that may result, should they pass, and therefore delay this legislation from passing. It is too significant. No doubt, the minister will explain this in further detail during the committee stage.

In closing, I reiterate my full support for the government's proposed legislative reform and I trust this bill receives timely passage in the best interests of the entire South Australian community accordingly. I fully support the bill.

Debate adjourned on motion of Hon. I.K. Hunter.

SUPPLY BILL 2018

Second Reading

Adjourned debate on second reading.

(Continued from 5 June 2018.)

The Hon. E.S. BOURKE (15:56): I thank the government for bringing this bill to the council. History has its eyes on us. History can look back on the state as it stands right now and witness the proud legacy left by a Rann-Weatherill Labor government, a legacy that has the state boasting a budget surplus, low unemployment figures, business confidence, strong economic growth, and as being a global leader in renewable energy. But, we can do better, and of course we must.

I am not in this chamber because I think the hard work is done; it will never be complete. As the Supply Bill comes across our desk for consideration, I join the many who have already done so in reflecting on recent history because, as I said, history is always watching. I recently had the pleasure of listening to a remarkable South Australian at the University of Adelaide Town and Gown Gala Dinner. I believe the Hon. John Dawkins, the Hon. Clare Scriven and yourself, Mr President, also attended this event.

Former scholar and guest speaker, Andrea Boyd, captivated the room with her story that made most probably feel a little inadequate. Ms Boyd shared her childhood story, a story I am sure many children dream of achieving: to fly to the stars. After completing a Bachelor of Engineering in 2008 at the University of Adelaide, Ms Boyd became an International Space Station flight operations engineer.

Mr President, I am sure you would agree I could stand here for hours speaking about how inspirational this young woman is, whose voice is beamed from space station to space station—the comforting voice of a young Adelaide leader—but I will try my hardest not to divert during these remarks. The reason I bring up Ms Boyd is because one thing she could not stop reflecting on was how much the City of Adelaide and how much our great state has transformed; how much South Australia has transformed into a place that attracts the minds and the interest of the world. It is a transformation the former Labor government made possible, from hosting the world's largest space conference to investing in Gig City.

Ms Boyd shared how proud she felt welcoming space industry leaders from around the world to join her at the world's largest international space conference in her hometown of Adelaide and how her colleagues also fell in love with our great city: a state that has opened the door to new industries and world leaders like Elon Musk.

The opposition welcomes the government's commitment to continue this space legacy, ensuring the state will be a key and increasingly prominent player in the space industry nationally and internationally. As the government well knows, growing the space industry and opportunities, therefore, are bound to be a crucial part of this state's future.

Ms Boyd is a young leader who looks to the stars, and among them sees Adelaide as the brightest star of them all. As we can see from Ms Boyd's comments, it is not just history that is watching us now, it is also the rest of the world, and they are taking notice. Time and again South Australia has been celebrated as an exceptional city in which to live. Adelaide has been ranked the world's fifth most liveable city for the sixth consecutive year, providing another economic boost for the budget through the boundless tourism opportunities it will bring.

This accolade is of no surprise to Adelaideans: Adelaide is a great place to live. Our housing is affordable, and we have some of the best beaches, restaurants and entertainment and sporting events. Not only that, but Adelaide and South Australia as a whole is a great place to conduct business, and businesses around the nation and the world know this. Not only have they invested in South Australia and in the great City of Adelaide, they have also invested in regional South Australia.

Some of these examples of increased regional investment under the former Labor government are:

- In 2014, Labor made a commitment to support regional South Australia with a package of incentives worth more than $142 million over four years. Not only did Labor meet that commitment, but Labor built on it, with regional expenditure totalling more than $400 million over the four-year term of the previous Labor government.
- Labor saved steelworkers in Whyalla with the sale of Arrium.
- Labor saved metal processing jobs at Port Pirie with the redevelopment of Nyrstar.
- Labor secured $265 million in federal funds for the river communities and the future health of our state's River Murray region through the South Australian River Murray sustainability program, an investment which has already generated about $1 billion of economic activity and more than 1,500 jobs.
- Labor created renewable energy jobs in regional South Australia through the world's biggest factory with Tesla at Jamestown, and by securing the world's biggest solar thermal plant at Port Augusta. In fact, since 2002, 24 large-scale renewable energy projects have been built or are under construction in South Australia, many of them in regional South Australia.
- South Australia has achieved renewable energy investments of $7.6 billion across the state, with $5.1 billion of that in regional South Australia.

Much of our state's increased appeal could also be attributed to another great Labor commitment, and that is the Future Jobs Fund. There was $50 million in grants and $70 million in loans—targeted investments to dozens and dozens of South Australian companies to help them grow jobs and boost the economy.

Along with the Job Accelerator grants, these grants assisted industries to continue employing more South Australians, to help grow jobs at a time in the economic cycle when we needed it most. More than 13,000 new employees have been registered by South Australian businesses for the grant. Despite this, the new Treasurer, the Hon. Rob Lucas, has said that he will reassess every contract and agreement entered into by the former Labor government in the Future Jobs Fund.

It is disappointing that this new government would place small businesses in such an unsure position, but then again this has come from the same government that thinks the deregulation of shop trading hours will increase jobs in South Australia and be an economic benefit. The government can continue to throw around the line that shoppers will have more choice to shop when and where they like. It is an easy line; it is a politician's line.

Just yesterday, the Treasurer himself confirmed that the government has not undertaken any economic modelling on the impact deregulated trading hours will have in South Australia. Instead,

the Treasurer is basing the government's reform on one sentence from the 2017 productivity report that he and his government so like to refer to—one sentence on page 225:

> The net benefits of removing such restrictions have been assessed in the order of $200 million in Queensland alone. These benefits should be similar for Western Australia and South Australia.

'Should be similar'. The government is basing its argument on a 'should be'. They are deconstructing a trading hours balance that has worked on a 'should be'. Furthermore, the regulations that were undertaken in Queensland at the time of the productivity report were much more restrictive than our current regime. For example, these changes included lifting the restrictions on the number of employees of a shop and not the size of the shop. The definition of a small shop in South Australia is based on floor size, not employees per shop.

To use one of the government's favourite lines 'we all know who is pulling your strings', it is not small business, it is not local suppliers, it is the big end of town, the big end of town who want to consume the marketplace and push the mum and dad businesses out. Australian Retailers Association Executive Director, Russell Zimmerman, provided commentary through an Adelaidenow article, published on 9 December 2017, in favour of the government's position to deregulate trading hours in South Australia, even going as far as to say that Adelaide needs to wake up and live in the real world. But hidden at the bottom of that article, Mr Zimmerman went on to say:

> SA has a better retail mix than most other states and while the market is strong enough for others to come in, the impact on local supermarket owners needs to be watched.

Why does it need to be watched? Because Mr Zimmerman knows exactly what is going to happen. Regulated trading hours have enabled South Australia to have more independent retailers than any other state—more competition—competition that gives consumers lower prices at the checkout. On this statement I agree with Mr Zimmerman: South Australia has a better retail mix than most other states. Deregulation will benefit big interstate chains like Coles and Woolworths at the expense of small South Australian family-owned businesses and suppliers.

The Treasurer might claim there are only a handful of small businesses raising the alarm. He might claim that it is just the union and Labor making noise, but it is not. It is florists, butchers, newsagents, producers, wholesalers, retailers, and it is workers. The Treasurer may have listened to a handful of small retailers but he certainly has not heard their calls to keep the current balance, the balance that keeps their doors open. Labor has listened and we have heard their calls and that is why Labor is backing South Australian jobs, farms and workers—the local businesses that keep their profits in South Australia, the businesses that employ South Australians.

In government, Labor backed local businesses to grow and create jobs. The former government made South Australia the best place to do business through nation-leading tax reforms which will return $2.5 billion to businesses and the community over the next decade. The former treasurer's reforms included abolishing stamp duty on all non-residential property transactions in South Australia.

Labor reformed the WorkCover regime, which is saving registered businesses in South Australia $220 million a year. Payroll taxes have been reduced seven times since 2002. Businesses are now paying about $230 million less in payroll tax a year. This means about three-quarters of a billion dollars a year in tax relief provided to largely South Australian businesses, and the Labor opposition backs further payroll tax relief for South Australian businesses, relief put forward by the government.

It would be remiss of me to mention all of these achievements without going on to commend the former treasurer and current member for West Torrens. The member for West Torrens was instrumental in not only helping to implement many of these initiatives and projects but also in alleviating tax burdens on our small business owners. The member for West Torrens was, and I believe still is, the only state treasurer in Australia who managed to navigate admirably through this tax system.

Finally, Labor was a government that invested in our youth and education. Labor transformed the public education system by investing in science, technology, engineering and mathematics, so students could go on to reach their dreams, just like Andrea Boyd. Despite many challenges, some

of which were forced on us by the federal Liberal government, some from overseas, this state is a great place.

Again, as I mentioned, history has its eyes on us; history is watching to see what happens next. The building blocks, the legacy that Labor has carefully put in place over the past 16 years, has presented this government with a solid foundation upon which great things can be built. I, for one, hope that foundation is used wisely. Despite our political differences, I truly hope that history has some good things to say about what is built over the next four years.

The Hon. J.E. HANSON (16:10): I rise to speak on the Supply Bill. In doing so, I think it is worth noting that I do so at a time of some possible great difficulty facing our state at the federal level. A federal Productivity Commission draft report released in October put forward a number of possible scenarios that may greatly impact South Australia's share of the GST.

The report outlines scenarios of equalising to the second-highest or the average level, which would, if implemented, cost the state in the vicinity of $250 million per annum, according to their report and their numbers. If the full range of scenarios were implemented, it could cost South Australia $500 million per annum. If the state average equalisation model were implemented, this figure would further expand and cost South Australia closer to $2 billion per annum, with the full equalisation per capita model.

Sadly, I have to reflect that possibly not everyone in the Liberal Party running for a seat in this state sees this outcome as necessarily a bad thing. Some seeking to hold office in this state have in fact been employed in organisations that have actively advocated for these kinds of models which would see our state lose hundreds of millions of dollars in GST revenue. It is something that that same person has chosen not to contradict in the media. Some seeking office for the Liberal Party in this state have in fact actively advocated for policies that would see our federal government introduce a law forcing the government to spend no more than it is projected to earn—something that is crazy at a time of such low interest rates.

While I have very little doubt that there should be a good understanding from everyone in this chamber that such an outcome would be appalling for this state, no matter what your political stripe, it has never been more important that, while we focus in debate such as this on the best manner of solving the problems that face our state, we also decry those who would make it so much harder.

While it is not hard to find an article in any east coast paper trumpeting their economic data compared to the other states, and similarly, it is not hard to turn on the television and find a popular show about the ever-expanding suburbs of Sydney and Melbourne, I am also constantly observing that there is significant economic data indicating that the cost of living is becoming unsustainable because of that very same growth, and that the productivity of those living there is dropping as a result. Recently, Sydney, for instance, has been declared by some data to be among the top 10 most expensive cities in the world to live, with the cost of living now higher than in New York or London.

Such articles are particularly alarming at a time when we are also seeing articles stating that housing prices—one of the major drivers of the cost of living in these cities—are possibly set to fall. Such an outcome could leave many east coast Australians feeling significant social and economic pain in the short term without any certainty in the long term.

It is these kinds of factors that will also slow or halt productivity, not just in South Australia but nationally, as credit becomes increasingly scarce and spikes occur in the cost of living as wages or mortgages are impacted. While South Australia doubtlessly has some significant challenges ahead of it, when these are contrasted with the economic and social warning signs we are beginning to see on the east coast, it puts our difficulties in context and informs us how best to play to our strengths, at least in the short term.

Indeed, South Australia is once again seeing in the media and in public discourse a heightened level of attention to a growing business and public confidence that has been occurring over the best part of a decade. Furthermore, as many members of this place have said before, South Australia has been consistently rated in *The Economist* as the fifth most liveable city in the world, or thereabouts, and over the last six years running as well. It is also ranked highly in the *Lonely Planet* guide and other international magazines that promote both living and tourism.

Even more recent media attention, as the Hon. Mr Ridgway is well aware of, has focused on the very positive news that confidence in the South Australian economy is the best it has been in eight years, with almost one in three businesses directly aware of the opportunities provided by the previous state government administration to assist them. This is a result that should see this new state government acting quickly to translate this confidence, which Labor so carefully crafted whilst in government, into long-term good employment figures and growth for our state.

While I have no wish to place words into any other honourable members' mouths, I have been reading through the contributions of many members of the government in this place and in the other place, and it is clear that our new state government has not been short on its stated belief that it wants to grow the state in terms of its population, industry and quality of life. This is a laudable, if somewhat trite, goal. It is somewhat less trite to step into the debate of how this goal might best be achieved. In this regard, I think this new state government should look carefully at what kinds of conditions will best promote sustainable long-term growth for the state.

It goes without saying, and I am sure that many honourable members of the government here would expect me to say so, that I would rush to add that a major cause of the recent positive headlines and positive economic data for our state has been Labor's investment of more than $33 billion into the South Australian economy over the last 16 years, including many billions during the last eight years. This has kept hospitals, roads, schools and public transport all growing to serve our citizens and private companies. This all occurred because co-investment into sectors of the economy to drive private investment and micro-economic reform is a hallmark of the economic growth in South Australia since the Labor government first came into office in the early 2000s.

To illustrate, and I know honourable members here will be so happy that I am willing to, I am going to give some practical examples. Since coming into office in 2002, Labor supported the economy through co-investment, with jobs being the main focus. That is why we fought and won the $50 billion Future Submarines contract at Osborne. This contract created thousands of defence jobs in South Australia, pumping millions of dollars into the local economy and having flow-on effects on other small businesses and contractors along the supply chain.

When in government, we fought for regional jobs and investment, as the Hon. Ms Bourke has just pointed out. While the Treasurer may not fully support Nyrstar, judging by his relatively negative comments in this place, we in the Labor Party stood with regional communities through our investment when in government. We helped to protect jobs at the Whyalla Steelworks through the sale of Arrium, future investments in renewable energy being made by the GFG Alliance and the Gupta family and metal processing jobs at Port Pirie by investing in the redevelopment of Nyrstar.

We knew that in order for young South Australians to get a quality, high-paid job they must receive a quality education. That is why, since we first came into office in 2002, we invested heavily in the education of young South Australians. We more than doubled our investment in public schools and education since 2002, as we believe the key to success and achievement is through a high-quality public education for all South Australian young people.

Science, technology, engineering and mathematics are key areas of knowledge and investment for young South Australians to prepare them for an economy that is transitioning from manufacturing to a gig economy. Our focus was to support young minds by investing in 139 new science and maths laboratories in South Australian schools to prepare students for the jobs of the future.

The skills we invested in will assist young South Australians in finding careers in the renewable energy sector and gaining opportunities to work on world-leading projects, such as the world's largest lithium-ion battery at Jamestown in South Australia's north. While members opposite talk down the positive impacts, this battery, along with our other electricity initiatives, will lead to downward pressures on South Australia's electricity market. These practical examples aside, I encourage the new state government to look carefully at the settings of the previous Labor administrations to help guide the settings that it will doubtlessly be crafting through any proposed productivity commission.

To put these somewhat partisan statements and examples into better context, while it is true that we have seen recent good economic data and improving local economic conditions in

South Australia, credit growth across the nation, particularly in the volatile east coast states I mentioned, is slowing.

The structure of our federation means that states and territories, of course, are responsible for the regulation and delivery of most economic and social infrastructure services. However, we also have a federation where the Australian government retains the majority of the total revenue-raising capacity, including income, consumption and corporate taxation. Any steps taken on a recommendation from any proposed productivity commission should recognise these aspects of our federation and be looking at what this slowing credit environment means for our state and the resulting kind of economic environment that we live in now and that we may live in for some time.

Any state government has to embrace its duty entrusted to it as part of federation and continue to provide delivery of economic and social infrastructure. While it is important to have settings that protect the growth that we have recently seen in the state, it is also important to create conditions that continue to sustain growth in a way that is positive to our community. Having a focus for the infrastructure in our economy that is both community focused and efficient, will enable our state to generate more from our vast natural resources in regional South Australia and our highly skilled workforce located regionally and in the metropolitan area.

Many members in this place and the other place have also indicated a key feature of their economic plan is to attract young people back to the state, and this is a definite and laudable goal. Australia's population is now projected to grow to over 30 million people by 2031 and South Australia needs to make sure it has a sustainable share of that population. However, if we wish to attract more population growth to the state we need to look at making sure that the jobs they perform and the amount they produce is similarly positive for our community.

I direct all honourable members of this place to a report titled *The Dimensions of Insecure Work: A Factbook* by Dr Tanya Carney and Dr Jim Stanford, which is most instructive of my point in this regard. A particularly relevant excerpt is as follows:

> Recent media and regulatory inquiries have exposed widespread disregard for minimum wage laws and other basic labour standards among temporary migrant workers in Australia. Their lack of permanent status in Australia, accentuated in many cases by lack of information (or misinformation) regarding their basic legal rights, makes temporary visa workers particularly vulnerable to exploitation and insecurity.
>
> Counting foreign students, working holiday makers, and temporary migrant workers under 457 visas—

I think they are now called temporary skill shortage visas, a somewhat strange name—

> there were close to 900,000 temporary migrants with work privileges in Australia in 2017. That represented an increase of 40 per cent in the previous five years–led by an 80 per cent increase in foreign students. These three categories of temporary migrant alone represent a potential pool of labour equal to 7 per cent of Australia's labour force.
>
> Immigration can make a very positive contribution to Australia's economic and social development, if supported with education, settlement assistance and legal protections. Temporary migrant labour, in contrast, is highly vulnerable to insecurity, isolation, and exploitation. The growing use of this form of labour by employers has clearly contributed to the generalised problem of insecure work in Australia.
>
> The erosion of the standard employment relationship has been experienced most directly, and most painfully, by young workers. They confront the prevalence of insecure work head-on, unprotected by the traditional arrangements that carry over in many long-standing jobs. Few young people can attain permanent, full-time, decently paid work. 55 per cent of employees under age 25 are in casual jobs. Almost 40 per cent are paid according to the minimum terms of a modern award. Average earnings for workers under 25 are just $561 per week—less than half the average for the overall labour market.
>
> Young workers face prolonged difficulties landing decent, steady work, even well into young adulthood. For example, among workers under 30 in 2017, just 38.9 per cent held full-time employment of any kind (including casual work and contractor positions), down about 4 percentage points from just five years ago. In sum, young workers confront the worst features of the precarious labour market, despite higher educational attainment than any other previous cohort of Australians. Indeed, almost 50 per cent of workers aged 25-34 have completed tertiary education, one of the highest post-secondary education rates in the world, but the prevalence of insecure work prevents most from applying their skills to the fullest.

Hopefully, any proposed productivity commission should make sure that workforce participation, the notion that work is shared equally across all age groups in our community, is a factor it seeks to address. We need to continue to invest in our economy, to encourage companies to create the jobs

of the future for younger South Australians. Workforce participation may wish to look more broadly than just who is employed but also how many hours that person is employed.

South Australians produce roughly twice what they produced in the 1970s. This is roughly in line with the national average. A great result of this productivity outcome is that we will also earn roughly twice the level of income. While this sounds like a laudable outcome, and it is, the story should not and cannot end there. It is the state government's role to continue to facilitate this ongoing push towards better productivity and to make sure that all South Australians are given an opportunity to participate in it by making sure that it does not lose focus on assisting individuals and businesses by providing an environment that supports innovation, increasing education levels, new technologies and to promote trade and investment.

Any investment in infrastructure needs to be aimed at the long-term assistance that focuses on real appreciable assets like road, rail and fibre and on the more social, less tangible assets like assisted housing, education and skills. But while the focus of this investment should be to create the jobs of the future, any ministers reading through any proposed Productivity Commission recommendations should also keep in mind that those jobs should be full time and not seek to exploit those very same young workers we are seeking to attract.

I have also noted, from comments made by members of this place and the other place, that there is a lot of concern about securing ongoing infrastructure investment to regional areas. This concern has come from both major parties in this place, and rightfully so. Despite a lot of negative rhetoric put out by the current state government, regional South Australia was a major focus of the past Labor administration. The previous Labor government built hundreds of millions in critical infrastructure in roads, hospitals, schools and energy in regional areas. But more than this, we co-invested into the sectors of the economy to drive private investment, most notably and very publicly in Nyrstar and Arrium, but also in dozens of other smaller, less notable businesses and industries.

This investment has attracted interest in further private investment in our state. While it is easy to look at the comments of billionaires on their Twitter feeds or media statements, a more concerted look would reveal that many new industries, from agriculture to space to defence to medicine, have started to take a new look at South Australia as a result of the proactive attitude to long-term sustainable growth and the large-scale public investment in infrastructure that Labor administrations took.

Labor knew that regional SA contributes many billions of dollars each year to our state economy, and more than this, it drives the critical export markets which take our state to the world in more ways than one. We are key factors in the nation's agricultural success in many established markets such as barley and grapes but also in relatively new markets such as aquaculture. Regional South Australia has also been a key factor in driving the changing face of the energy market in South Australia. It now produces around a third of the nation's renewable energy that has begun to pique private interest in even further investment.

Of course, this has been another success of the previous Labor administration's policies around a future-focused mix of energy that contains a commitment to renewables and also a success of that public investment in infrastructure which I have previously spoken about. The previous Labor administration had a commitment to help keep regional SA as the state's economic engine room—a commitment which was not matched by the federal Liberal government during the previous decade and not matched again by the current federal Liberal government in its failure to deliver on the much spruiked but clearly misleading $1.8 billion false dawn in the last federal budget, a budget which we know will only deliver on about $160 million of this $1.8 billion figure.

I also keenly await to see how much the state Liberal Party will actually be delivering to the regional communities through its royalty for regional roads policy it took to the last election. We note at this time that the new state government has intentions, and that is good, but the minister is yet to make any announcements about how and how much. It is an interesting metaphor that there are members of this state government in the other place who would advocate the increase of speed limits on regional roads now before the road investment and ongoing maintenance to ensure that safety is locked into place. While the rhetoric of the royalty for regional roads policy sounds promising, I am wondering still just how much it will deliver and where the rubber hits the road, to use a metaphor

which seems apt. I certainly hope it is not a pork-barrelling exercise that will only materialise come the 2022 election.

I have also noted in this place previously that the Labor government's commitment to, and, more critically, the Liberal Party's failure to deliver for, regional SA has not escaped the notice of regional voters. Voters in Frome have long noted that it was only the state government—the Labor state government—that stepped up to the plate in underwriting the reinvestment in that community, and voters would again have noted the Treasurer's recent media releases regarding threats of litigation. Little wonder that the Liberal Party continues to struggle for votes in that thriving regional community.

Equally, the electors in Giles resoundingly returned Labor again, and we have seen Labor retain the seat of Mawson, even though it includes the very regional voters of Kangaroo Island. Those voters knew at the last election the value of electing truly local members who believe in driving economic reform through strong public coinvestment. It certainly also did not escape the notice of electors in the federal seat of Grey when they reduced the margin to the lowest it has been in over three decades at the last federal election. I wonder what will happen at the next one.

We know that the Liberal Party has not learned from these mistakes. We know this because with the Mayo by-election occurring in a few weeks' time, the Liberal Party factions have once again literally shown how shallow their commitment is to the people of regional South Australia. They have preselected a Victorian with a gentrified last name to run for them, literally moving back to SA in the past few weeks to have a visit, a Victorian who was recently openly stating that she would not return to a place she referred to as 'the serial killer capital'.

It really is a worry. At least, the Liberal Party should be worried about its regional voting base that has seen them lose four of their supposed regional seat strongholds to Labor or Independents. It was very nearly five, if a few hundred votes in Heysen had gone another way. I implore the new state government to start learning from its mistakes in regional South Australia. I ask that it look to the reward for acting in the interests of South Australian regional voters, voters who have started to show the Labor Party, and other committed actual local South Australians who live there, a strong return in support when it comes to elections.

A good start for the new state government would be to stand up to its big buddies in Canberra, that it not allow comments like that of our current Liberal Prime Minister, who upon visiting South Australia recently declared that he thinks not having lived here for quite some time when seeking to represent the state is not an issue.

We need our local state government to be honest with the Prime Minister when it comes to preselections of candidates and seriously question how good a candidate is if they choose not to live here, and if they actually like the state or if they just regard it as a hassle. The new state government may need to stop just having meetings with the federal government and instead start demanding, or at least seeking more than just what is given. It may need to start looking to its regional voters, who are crying out for ongoing public investment and regional jobs, and review its stated intention to tell them to look elsewhere.

In closing on this topic, I want to note the recent thoughtful comments of Port Augusta Mayor Sam Johnson on regional South Australia and on South Australia generally:

> Regional SA is a credit to the state, as is Adelaide and its people. So let us recognise this combined success, and grow together. Without each other, the other is destined to fail.

On that, I will finish.

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

FAIR TRADING (GIFT CARDS) AMENDMENT BILL

Second Reading

The Hon. R.I. LUCAS (Treasurer) (16:33): I move:

That this bill be now read a second time.

I seek leave to have the second reading explanation and the explanation of clauses inserted in *Hansard* without my reading them.

Leave granted.

The *Fair Trading (Gift Cards) Amendment Bill 2018* ('the Bill'), amends the *Fair Trading Act 1987* ('the Act') to require that any gift cards sold in South Australia (SA) must have a minimum expiry date of three years.

The Government has committed to making gift cards more consumer friendly, by ensuring that any gift cards sold in SA have a minimum three year expiry date. The proposed amendments also contribute to the Government's priority of reducing red tape and modernising regulation.

The Bill seeks to address the detriment and financial loss experienced by people who purchase or use gift cards. According to consumer advocate group, Choice, Australians spend approximately $2.5 billion each year on gift cards. An estimated $200 million of that is lost in unredeemed gift cards. As the e-commerce market grows, the use of online e-gift cards has also increased.

The terms and conditions of gift cards vary greatly, with the timeframe of expiry dates typically ranging from three to over 12 months. However, consumers often do not have sufficient time to redeem the full value of a gift card and there is a perception that the system as a whole is inconsistent and unfairly favours businesses. Some larger companies such as Apple and Bunnings have set a higher standard by offering gift cards with no expiry, whereby consumers can consider the credit similar to cash.

On 31 March 2018, similar reforms commenced in New South Wales (NSW), mandating a minimum three year expiry date for gift cards. The NSW reforms were widely supported for providing a fair balance between the rights and obligations of consumers and businesses.

The NSW reforms prescribe a number of categories of exemption, including loyalty or reward programs, temporary marketing promotions and vouchers supplied for charitable or fundraising purposes. Subject to the passing of the Bill through Parliament, targeted consultation will be undertaken to prescribe similar exemptions in SA by regulation.

Due to the fact that jurisdictions must adhere to free trade, the proposed SA amendments are limited in the same manner as the NSW reforms with respect to online and over the phone purchases where the gift card is delivered to an address outside of SA or where the consumer's contact details include a residential address outside of SA.

The Federal Government is currently investigating the feasibility of national reforms that would bring all jurisdictions into line with NSW. In the meantime, there is great value in SA adopting reforms that are consistent with those recently introduced in NSW, to minimise varying and complex regulation across the jurisdictions.

These reforms will streamline the diverse practices of businesses and achieve greater confidence, consistency and fairness for consumers. The impact on business is anticipated to be negligible and transition costs are likely to be minimised for larger businesses already operating in NSW.

I commend this Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Fair Trading Act 1987*

4—Insertion of Part 6A

This clause inserts Part 6A which consists of section 45D.

Part 6A—Gift cards

45D—Prohibition on sale of gift cards with expiry date of less than 3 years

Proposed subsection (1) makes it an offence for a person to sell a consumer in South Australia a gift card with an expiry date that is earlier than 3 years after the date of sale of the gift card. Proposed subsection (2) makes it an offence for a person who sells a gift card to a consumer in South Australia, or who has agreed with the seller to redeem that gift card, to impose an administrative charge or fee that reduces the redeemable value of the gift card after the sale of the gift card. In each case the maximum penalty is $5,000.

Proposed subsection (3) provides that a term or condition of a gift card sold to a consumer in South Australia is void to the extent that it would make the sale of the gift card, or the imposition of a charge or fee, an offence under section 45D.

Proposed subsection (4) provides that if the expiry date of a gift card is void because of subsection (3), the expiry date is to be taken to be 3 years after the date of sale of the gift card.

Proposed subsection (5) excludes from the operation of the section—

- a gift card sold to a consumer before the commencement of the section; or
- a gift card sold to a consumer online or by phone where the gift card is to be delivered to the consumer at an address that is outside South Australia or the contact details of the consumer provided in connection with the sale of the gift card include a residential address that is outside South Australia; or
- a gift card of a class prescribed by the regulations; or
- a gift card sold to a person, or person of a class, prescribed by the regulations; or
- a gift card sold in circumstances prescribed by the regulations.

Proposed subsection (6) defines the terms *expiry date*, *gift card* and *redeemable value*.

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

CRIMINAL LAW CONSOLIDATION (CHILDREN AND VULNERABLE ADULTS) AMENDMENT BILL

Second Reading

The Hon. R.I. LUCAS (Treasurer) (16:34): I move:

That this bill be now read a second time.

I seek leave to have the second reading explanation and the explanation of clauses inserted in *Hansard* without my reading them.

Leave granted.

I move that this Bill now be read a second time.

Mr President, today the Government *reintroduces* into this House the Criminal Law Consolidation (Children and Vulnerable Adults) Amendment Bill (the Bill), a Bill that lapsed on the dissolution of the last Parliament.

Members might find familiar the remarks I will now make about the Bill. They are drawn from remarks made in 2017 by the former Government.

The Bill amends the offence of criminal neglect in section 14 of the *Criminal Law Consolidation Act 1935* (the CLC Act) to address difficulties experienced in the prosecution of offenders for that offence. It also creates a general offence of child neglect.

Currently, section 14 attributes criminal liability to carers of children under 16 and vulnerable adults where the child or adult dies or is seriously harmed as a result of an unlawful act. The offence occurs where the accused had a duty of care to the victim but failed to protect the victim from harm that the accused should have anticipated.

Importantly, the Bill addresses the shortcomings experienced in practice by the Police and the Director of Public Prosecutions arising from the definition of 'serious harm' as it applies to children who are the victims of the offending.

These shortcomings have made it difficult to establish the elements of the offence, particularly that the child has suffered 'serious harm' as defined.

In practice, this has meant that where a victim has suffered harm, perhaps multiple broken bones or other trauma, and healed quickly, the offender has not been able to be prosecuted in a way that reflects the true harm caused.

Mr President, for the purposes of the section 14 offence of criminal neglect, 'serious harm' currently means—

(a) harm that endangers, or is likely to endanger, a person's life; or

(b) harm that consists of, or is likely to result in, loss of, or serious and protracted impairment of, a part of the body or a physical or mental function; or

(c) harm that consists of, or is likely to result in, serious disfigurement.

Children generally have a superior ability to heal from injury compared to adults. Where the victim of an alleged offence under section 14 is a child, it may therefore be difficult to establish the elements of the offence, particularly that the child has suffered 'serious harm' as defined as a 'serious and protracted impairment'.

Major injuries that would amount to 'serious harm' when sustained by an adult may not have this result when sustained by a child. This is because, although suffering much pain and distress from serious injuries, children possess a natural ability to recover quickly and fully that adults do not possess.

Consequently, the definition of 'serious harm' for the purposes of the offence created by section 14 does not cover many serious injuries to children and is more apt to address serious injuries to adults.

For example, a baby of three months of age who sustains multiple leg fractures or multiple serious injuries causing pain and suffering will, however, most likely recover quickly with no impact on his or her development because of the infant's capacity to repair and their young age. The injury is not likely to be considered a 'serious and protracted impairment'.

People who inflict such injuries on children may therefore escape criminal prosecution. If an adult suffered the same injury, there would most likely be a permanent impairment as a result.

People who harm children should not escape liability in this way, and these anomalies should be corrected.

The Bill ensures that the offence in section 14 of the *Criminal Law Consolidation Act* is capable of extending to injuries inflicted on children notwithstanding their greater capacity to heal.

The shortcomings of the definition of 'serious harm' have also highlighted that the present law is such that an abusive parent or carer can only be prosecuted if there is either criminal neglect leading to death or serious harm or there is clear proof of an actual assault or a definite act giving rise to a real risk of harm or serious harm. There is no general offence of child abuse, cruelty or neglect as there is in some other jurisdictions, including the United Kingdom, New Zealand, Queensland and the Australian Capital Territory.

The only relevant local offences are the offence in section 14 and the limited and rarely used minor indictable offence under section 30 of the *Criminal Law Consolidation* Act (which the Bill renumbers as section 14A) of failing to provide a child or other vulnerable person with necessary food, clothing or shelter when one is liable to do so.

This means that in South Australia the situation must reach the point where there is clear proof of some specific offence, rather than proof of cruelty or a sustained course of abuse or neglect, before an abusive or neglectful parent or carer can be prosecuted. This arguably undermines the protection that the criminal law should extend to children and other vulnerable persons and the ability of the State to punish abusive parents and carers.

The Bill amends section 14 of the *Criminal Law Consolidation* Act so that it applies to any act, whether lawful or unlawful, and where the relevant acts, omissions or course of conduct have caused either death or harm to a child or vulnerable adult. This is achieved by removing references to unlawful acts and serious harm from section 14 and associated definitions of those terms.

The removal of the word 'unlawful' from the criminal neglect offence means the offence can apply to death or harm arising from acts, omissions or courses of conduct that, in themselves, fall short of being unlawful. It will not be necessary to prove that the relevant act, omission or course of conduct was unlawful, such as an assault inflicted on the child or vulnerable adult leading to death or harm. The individual act, omission or course of conduct could be lawful.

'Harm' is defined broadly for the purposes of the expanded section 14 offence to mean physical or mental harm and includes detriment caused to the physical, mental or emotional wellbeing or development of a child or vulnerable adult (whether temporary or permanent).

The penalties for the expanded section 14 offence have been significantly increased. It is appropriate that the maximum penalties on a conviction are substantial to reflect the gravity of offending against children and vulnerable adults. A person convicted of neglect causing death to a child or vulnerable adult would face a maximum sentence of life imprisonment.

This reflects the penalties in the *Criminal Law Consolidation* Act for murder, manslaughter, and aggravated causing death by use of a motor vehicle. A person convicted under section 14 of neglect causing harm to a child or vulnerable adult would face a maximum sentence of 15 years imprisonment. This places the maximum penalty at around the mid-point of the spectrum of penalties for other analogous harm-based offences in the *Criminal Law Consolidation* Act.

For example, aggravated recklessly causing serious harm, aggravated intentionally causing serious harm and aggravated serious harm by use of a motor vehicle carry maximum sentences of 19 years, 25 years and life imprisonment, respectively. Aggravated recklessly causing harm, aggravated intentionally causing harm and aggravated harm by use of a motor vehicle carry maximum sentences of 7, 13 and 7 years imprisonment, respectively.

In each case under the expanded section 14 offence, whether the offender caused death or harm, it would be for the sentencing Court to determine the appropriate sentence on a conviction having regard to all the circumstances of the offence, victim and offender. As a result, it is no longer necessary to attempt to define 'serious

harm' in a way that reflects the different physiological responses to injury of children and adults as the Court should take into account when sentencing the offender the severity, duration and impact of the injuries inflicted on the child or vulnerable adult, and the lawfulness or unlawfulness of the underlying acts or omissions.

I commend the Bill to the House, and table a copy of the Explanation of Clauses.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Criminal Law Consolidation Act 1935*

4—Substitution of heading to Part 3 Division 1A

This clause makes a consequential amendment to a heading.

5—Insertion of section 13B

This clause inserts definitions for the purposes of the Division. In particular it should be noted that a reference to an ***act*** includes an omission or a course of conduct.

6—Amendment of section 14—Criminal neglect

This clause extends the offence of criminal neglect so that it will no longer be limited to death and serious harm resulting from an unlawful act but will now apply to death or harm resulting from any act. The provision also increases the penalty for the offence, deletes some interpretative provisions that are now being moved to proposed new section 13B and inserts new provisions relating to an offence consisting of a course of conduct.

7—Insertion of section 14A

This clause inserts a new section as follows:

14A—Failing to provide food etc in certain circumstances

The current section 30 is being moved into this Division (with minor changes for consistency of terminology).

8—Repeal of section 30

This section is being relocated to Division 1A—see clause 7.

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

DISABILITY INCLUSION BILL

Final Stages

The House of Assembly agreed to the bill without any amendment.

At 16:36 the council adjourned until Tuesday 19 June 2018 at 14:15.

Answers to Questions

SOUTH AUSTRALIAN TOURISM COMMISSION

1 The Hon. K.J. MAHER (Leader of the Opposition) (9 May 2018). In relation to the decision to award a new contract for the provision of creative services to the South Australian Tourism Commission (SATC) to an interstate firm:

1. On what date and in what form was the minister first made aware of the intention to award a new contract to an interstate firm?

2. How did the minister communicate the decision to others in government, including the Premier or anyone in the Premier's office?

3. Did the decision require approval from the minister?

4. What was the value of the new contract?

5. Was the value of the new contract above the figure set out in Treasurer's Instructions allowing an agency to approve the contract?

6. Did the minister sign or note any briefing or document related to the decision?

7. If the minister signed or noted any briefing or document to the decision, what was the date it was signed or noted?

8. What were the names and positions of the people attending the meeting held on Monday 30 April 2018 to discuss the new contract?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment):

1. My office received a briefing note from the SATC on Wednesday, April 18th. I read that briefing note some time over the next 36 hours.

2. I verbally advised the Premier's office

3. The decision resulted from a procurement process initiated under the former government for which the SATC required the approval of the State Procurement Board. As the Premier advised the House of Assembly on 3 May 2018, this government is not in the business of overturning the outcome of a tendering process initiated by an independent authority requiring companies to invest significant funds to participate.

4. The total value of the procurement is estimated at $2.5 million per year for four years, based on the SATC's budget and historical spend across this category of services. The successful primary agency, TBWA has committed where possible to use South Australian based production houses and other specialist providers, when selecting appropriate production partners. TBWA will also open an office in South Australia, and is currently reviewing locations.

5. Yes.

6. I noted and signed the briefing note.

7. It was signed on 7 May.

8.

- Hon Steven Marshall MP—Premier of South Australia;
- Hon David Ridgway MLC—Minister for Trade, Tourism and Investment;
- Mr Sean Keenihan—Chair, SATC Board; and
- Rodney Harrex—CE SATC.

TELSTRA

34 The Hon. K.J. MAHER (Leader of the Opposition) (29 May 2018). On what date did members of the Liberal Party meet with representatives from Telstra, including Mark Bolton, to discuss mobile blackspots in 2017?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment):

Meetings which may or may not have included opposition members of the previous parliament does not relate to my business as a minister. The member should refer to the Legislative Council Standing Orders.

TASTING AUSTRALIA

In reply to **the Hon. K.J. MAHER (Leader of the Opposition)** (9 May 2018).

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment): After careful consideration it has been decided not to disclose the details and value of the investment in the event based on the commercial value

of the information. This commercial value would be destroyed or diminished if disclosed. This is consistent with the position adopted by the former government on disclosing the cost of major events.

SCREENING CHECKS

In reply to **the Hon. J.E. HANSON** (9 May 2018).

The Hon. J.M.A. LENSINK (Minister for Human Services): The Department for Human Services has advised:

All staff employed within my ministerial office have a current DHS child-related employment screening.

REX AIRLINES

In reply to **the Hon. C.M. SCRIVEN** (16 May 2018).

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment): The Minister for Primary Industries and Regional Development has advised:

The state government has not failed to advocate for the retention of services to Mount Gambier by Rex Airlines. I have discussed the matter with Rex. A key issue for Rex is an ongoing pilot shortage. However, our discussion identified that the relationship between the South-East community and the airline can be strengthened, providing the opportunity to restore services in the future.

GLOBELINK

In reply to **the Hon. J.E. HANSON** (16 May 2018).

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment): The Minister for Transport, Infrastructure and Local Government has prepared this advice:

The commitment to engage with the community is already delivered. The opportunity for any member of the public to have their say on shaping the future of freight transport in South Australia is available online at https://www.saglobelink.com.au/.

The Department of Planning, Transport and Infrastructure is currently finalising tender documents for procuring the development of the business case for GlobeLink. Given the scale and importance of this initiative, it will be important to bring a diverse range of industry skills and capabilities into the process.

The first tender for the process will be called before the end of June 2018, thereby meeting the 100-day commitment.

REGIONAL AIR SERVICES

In reply to **the Hon. F. PANGALLO** (17 May 2018).

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment): The Minister for Transport, Infrastructure and Local Government has prepared this advice:

The instrument for regulating air services in South Australia is the *Air Transport (Route Licensing-Passenger Services) Act 2002*.

The act establishes a licensing system for regular passenger transport services on declared routes between airports in the state in order to encourage an operator or operators of air services to establish, maintain, re-establish, increase or improve on marginally viable routes.

The air services route between Adelaide and Mount Gambier has been established for more than 25 years. Current passenger demand is approximately 47,000 seats per year which makes it Rex's second largest regional South Australian route.

I am advised that Regional Express will still be retaining a capacity of 66,000 seats annually following the recently announced service amendments, with 36 flights per week remaining.

The Department of Planning, Transport and Infrastructure therefore advises that the route is not considered to be marginally viable. Variations in the provision of services by the operator is considered to be in response to fluctuations in the relatively strong market demands on this route.

The Port Augusta to Adelaide air passenger service is currently the only declared route in South Australia due to relatively low patronage.

In comparison, there are currently six flights per week on the Port Augusta route.

In light of these facts, I have been advised by the Minister for Transport, Infrastructure and Local Government that there is currently no intention to regulate the air route between Adelaide and Mount Gambier under the *Air Transport (Route Licensing-Passenger Services) Act 2002* at this time.

SOUTH AUSTRALIAN TOURISM COMMISSION

In reply to **the Hon. K.J. MAHER (Leader of the Opposition)** (29 May 2018).

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment): The written advice was from the chief executive of the South Australian Tourism Commission, Mr Rodney Harrex.

SOUTH AUSTRALIAN TOURISM COMMISSION

In reply to **the Hon. K.J. MAHER (Leader of the Opposition)** (29 May 2018).

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment): I have been advised:

The Creative Services Acquisition Plan (the first step in the procurement approval process) was approved by SATC Accredited Purchasing Unit, which provides governance oversight of all significant procurements within the SATC, on 30 October 2017.

The acquisition plan was then submitted to, and approved by, the State Procurement Board on 13 November 2017. At this time authority to approve the purchase recommendation (the document which recommends the appointment of the preferred supplier or suppliers) was delegated to SATC by the State Procurement Board.

Following completion of evaluation processes the purchase recommendation was approved by SATC Accredited Purchasing Unit 20 April 2018.

My office was advised it is not the role of a minister to approve the commencement of, or results of, procurement processes. These approvals occur under the State Procurement Board's delegated authority.

Once the procurement process, is completed, contract negotiation commences with the preferred party to finalise the contract.

With regard to the execution of the contract, Treasurer's Instruction 8 applies. This means that if the value of the contract exceeds $1.5 million, the chief executive needs to seek my approval to execute the contract, provided that the SATC board has noted that such a contract is being entered into. This has not occurred at this time.

As an independent statutory authority, the SATC executes contracts in its own name, not in the name of the Minister for Tourism. Accordingly, I have no role in contract execution.

GREAT SOUTHERN RAIL

In reply to **the Hon. J.E. HANSON** (29 May 2018).

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment):

I have met with Chris Tallent, the chief executive of Great Southern Rail. We discussed a range of issues, including but not limited to GlobeLink, Great Southern Rail’s tourism, rail operations and future plans.