LEGISLATIVE COUNCIL

Thursday, 28 February 2019

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

PAPERS

The following papers were laid on the table:

By the President—

City of Burnside—Report, 2017-18

By the Treasurer (Hon. R.I. Lucas)—

2018 South Australian State Election Report
Determination of the Remuneration Tribunal No. 1 of 2019—
Remuneration of Magistrates
Report of the Remuneration Tribunal No. 1 of 2019—
Review of the Remuneration for Magistrates

By the Minister for Trade, Tourism and Investment (Hon. D.W. Ridgway)—

Report on the future use of the former Royal Adelaide Hospital site pursuant to section 23 of the Adelaide Park Lands Act 2005.

Ministerial Statement

STATEMENT FROM THE ATTORNEY-GENERAL

The Hon. R.I. LUCAS (Treasurer) (14:17): I table a copy of a ministerial statement on the subject of legal issues tabled by the Attorney-General.

Question Time

MINDA INCORPORATED

The Hon. C.M. SCRIVEN (14:18): I seek leave to make a brief explanation before asking a question of the Minister for Human Services.

Leave granted.

The Hon. C.M. SCRIVEN: On ABC radio this morning, the current disputes within South Australian service provider Minda were described as 'a much-loved organisation tearing itself apart'. *The Advertiser* also reported this morning that disability advocate David Holst has been voted off the board of Minda and that board president, Dr Susan Neuhaus, committed to stepping down as president. This comes on top of explosive claims of abuse within Minda and sanctions in place over their aged-care facility. My question is: what action has the minister or her office taken to ensure that an organisation tearing itself apart will not have any impact on delivering services for some of the state's most vulnerable people?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:19): I thank the honourable member for her question. There is a separate range of issues that relate to Minda. Following the sanctions by the Aged Care Quality Agency that were brought in in December last year, I understand the board has now undertaken its own investigation in relation to a whole range of services within

the Minda organisation. I think it's fair to say that, in discussions I have held with Minda, they viewed that as a wake-up call to investigate and interrogate all of their services, of which there are a very diverse range.

In respect of the quality of services, that is a matter that my department is taking very seriously. They have not just met with Minda but they have stepped up their surveillance activities in relation to the services which are funded by the Department of Human Services. The quality and safeguarding commission, which is the commonwealth agency responsible for regulating NDIS-funded services, is also in that space. The community visitor has undertaken additional visits. In relation to the governance challenges before—

The Hon. E.S. Bourke: What guarantee are you giving about the NDIS?

The Hon. J.M.A. LENSINK: It's got nothing to do with me, giving a guarantee about the NDIS. The Labor Party clearly do not even understand the basics of how the NDIS operates, as typified by the motion that was tabled this week, which was just completely bizarre, but forget all that—and they were the ones who signed up to the agreement.

In relation to the board governance issues, as I have said they are challenging for the board. I think the board has resolved a number of issues going forward, as far as it is concerned. Ultimately, these are matters for the board and the membership going forward. I understand there is some consensus between both of those based on the Sunday meeting and the activities of the board.

MINDA INCORPORATED

The Hon. C.M. SCRIVEN (14:21): Supplementary: will the minister undertake to back the board, or is she still refusing to back the board, as she did yesterday?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:21): The honourable member does like to put words in members' mouths—fairly standard practice of Labor members, who actually don't even understand governance themselves. The board is elected from the Minda organisation and the responsibility of my agency is to ensure that any care concerns are investigated, that any other concerns are investigated and to ensure that Minda is complying with its service agreement.

The Hon. C.M. Scriven: Are you confident in the board, was the question?

The PRESIDENT: The Hon. Ms Scriven, is this a supplementary?

Members interjecting:

The PRESIDENT: Order!

The Hon. C.M. SCRIVEN: A supplementary, since we didn't get—

The PRESIDENT: A supplementary arising out of the answer, yes.

MINDA INCORPORATED

The Hon. C.M. SCRIVEN (14:22): A supplementary arising out of the original answer—thank you, Mr President—noting that the minister has again refused to back the board. Why hasn't the minister, then, met with David Holst or Dr Susan Neuhaus to discuss these matters?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:23): I am not sure whether the honourable member was listening to question time yesterday when I stated that I had met with Susan Neuhaus and the acting CE of the board. I can only assume that these questions are written for her by someone else who equally doesn't scrutinise *Hansard* or understand what is going on. I said yesterday that the reforms that Susan Neuhaus as board chair is undertaking is something that I completely support.

It is a very dangerous game that the Labor Party is playing. If they are genuinely concerned for the residents and clients, the volunteers, the workers, the reputation of Minda, they would not raise things in this context. They would support every effort, which is to ensure that quality care is being delivered—

Members interjecting:

The PRESIDENT: Order! I cannot hear the minister. Order! Minister.

The Hon. J.M.A. LENSINK: —rather than raising these issues in some cheap political pointscoring exercise.

Members interjecting:

The Hon. J.M.A. LENSINK: Well, members opposite do not understand governance arrangements, and we see that constantly.

Members interjecting:

The PRESIDENT: Order!

The Hon. J.M.A. LENSINK: This comes from the party that was responsible for Oakden, where ministers failed to understand and take their responsibilities seriously. The Marshall Liberal government and cabinet members do—

The Hon. I.K. Hunter: You haven't evidenced it. What have you done?

The Hon. J.M.A. LENSINK: —and we are assiduous in undertaking our—I have already outlined it for you, you bozo. I mean, what is wrong with these people? Are they hard of hearing?

MINDA INCORPORATED

The Hon. C.M. SCRIVEN (14:24): Further supplementary: why doesn't the minister feel that she has any responsibility to actually support the disability clients who are impacted by Minda's infighting?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:25): I reject that utterly. I would say that the Labor Party activities undermine all of the arrangements that are being put in place. They have done that continuously. As I have outlined, I have had allegations—

The PRESIDENT: Don't point at them. Through me.

The Hon. J.M.A. LENSINK: —made to my office without substantiation or details, which means we can't investigate them. The Labor Party has an appalling track record on this. They should be ashamed, and I am going to make sure that the non-government sector knows the games you play.

MINDA INCORPORATED

The Hon. C.M. SCRIVEN (14:25): Further supplementary: in relation to Minda, is the minister aware of the sale of a $10 million Minda property, and does she think the sale is appropriate?

The Hon. J.S.L. Dawkins: That wasn't in the original answer.

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:26): Apart from that—

The PRESIDENT: Minister, do you wish to answer it?

The Hon. J.M.A. LENSINK: The Minda organisation has a range of services. Some of them are funded by my department and some of them are aged-care services that are funded by the commonwealth government. They have a retirement village, which is not something that my department is responsible for regulating. What I know from those allegations is all that I have read in the media. I will check with my department whether there's anything relevant, but as far as I know, being a non-government organisation, that is in the purview of Minda to determine themselves and is not part of the responsibilities of my department.

DISABILITY SERVICES

The Hon. C.M. SCRIVEN (14:26): My question is to the Minister for Human Services. Will the minister confirm that her office received correspondence on 18 October 2018 from a member of the opposition, bringing to her attention the specifics, including the names of two disability support clients, alleging serious instances of abuse and misconduct?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:27): I have referred to this matter, in the sense that I did receive correspondence from the honourable member. She attached

a letter, which was from a third party organisation, which she didn't provide to me until three weeks later. My understanding is that the subsequent letter was not something that she provided to me until this year. I am not going to comment on any investigations because that would be inappropriate.

DISABILITY SERVICES

The Hon. C.M. SCRIVEN (14:27): Supplementary: can the minister clarify how a letter could be attached and then not provided? That was very unclear in her answer.

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:27): It wasn't unclear at all, but one letter was attached and one letter was received subsequently, from my understanding.

The PRESIDENT: The Hon. Ms Scriven, a further supplementary.

Members interjecting:

The PRESIDENT: Can the opposition benches please allow their own member to ask a supplementary.

The Hon. D.W. Ridgway interjecting:

The PRESIDENT: The Hon. Mr Ridgway, that doesn't help either.

DISABILITY SERVICES

The Hon. C.M. SCRIVEN (14:28): Is the minister saying that she wasn't in possession of the information when she replied to the opposition on 15 November, indicating that her department was aware of these concerns and that these instances had already been investigated, or were in the process of being investigated?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:28): As I outlined in my ministerial statement on Tuesday, we were aware of these prior to receiving the letter from the member for Hurtle Vale because the third party had already done the right thing and provided it to the investigations unit.

The PRESIDENT: Further supplementary.

DISABILITY SERVICES

The Hon. C.M. SCRIVEN (14:28): Yes. Just to clarify, the minister is saying that she didn't receive the information from the member for Hurtle Vale before replying on 15 November, saying she was aware of the allegations. Is that what the minister is saying?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:28): That's not what I said at all. Read the *Hansard*.

The PRESIDENT: One further supplementary, I think, the Hon. Ms Scriven.

DISABILITY SERVICES

The Hon. C.M. SCRIVEN (14:29): Will the minister undertake to not only read her own *Hansard* but also consider whether she has misled the chamber on this matter on multiple occasions?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:29): We checked all the correspondence last week, just to double-check the trajectory. I am absolutely confident that I am correct. I think the member for Hurtle Vale might want to actually check with her staff about whether they have fessed up about all of these matters. She is clearly in some delusional land that she hasn't done anything wrong, and our facts say otherwise.

NATIONAL DISABILITY INSURANCE SCHEME

The Hon. E.S. BOURKE (14:29): I seek leave to make a brief explanation before asking a question of the Minister for Human Services.

Leave granted.

The Hon. E.S. BOURKE: As the minister would be aware, block funding agreements for disability support providers is coming to an end for many organisations in March 2019, a little over

four weeks away. My question to the minister is: what work has the minister undertaken to ensure no organisation or South Australian living with a disability is left behind as the date for block funding comes to an end?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:30): I thank the honourable member for her question. Once again, the Labor Party doesn't have its facts correct. I don't think they understand the basis of the National Disability Insurance Scheme, which is that, previously, state and territory governments have provided annual block funding to non-government organisations and other service providers to provide services to clients. As those clients transition to the NDIS, my department reduces funding on a pro rata basis. Organisations have been aware of this situation for many, many years. These are the arrangements that were signed under the previous government bilateral agreement. Premier Jay Weatherill—

Members interjecting:

The PRESIDENT: Order!

The Hon. J.M.A. LENSINK: Premier Jay Weatherill—

Members interjecting:

The PRESIDENT: Minister, just wait until they finish their conversation. Are we ready to go, to listen to the minister? Minister.

The Hon. J.M.A. LENSINK: The Labor Party's grasp of this issue is just woefully embarrassing. Everybody knows that this is the arrangement; that as clients transition to the NDIS funding to non-government organisations will reduce on a pro rata basis. The honourable member has her facts incorrect in terms of the date. We expect to be at full transition at 30 June this year. All things having been transitioned, then that is the date of the end of it.

The PRESIDENT: Are we seeking a supplementary, the Hon. Ms Bourke?

NATIONAL DISABILITY INSURANCE SCHEME

The Hon. E.S. BOURKE (14:32): I do have a supplementary, thank you, Mr President—

The Hon. I.K. Hunter interjecting:

The PRESIDENT: The Hon. Mr Hunter, please!

Members interjecting:

The PRESIDENT: The Hon. Mr Hunter, minister, if you want to have a private conversation, please have it outside the chamber. The Hon. Ms Bourke is about to ask a supplementary.

The Hon. E.S. BOURKE: I note, in conjunction with the minister's answer, that this is now the second time that you have refused to answer the details we are asking about the end date. Will the minister undertake to work with and fund the disability support sector properly and put an end to the merry-go-round about the funding and when the cease date will be happening?

The PRESIDENT: It's not really a supplementary, but the minister is keen to answer it.

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:32): Mr President, it's just embarrassing actually—really, really embarrassing. In terms of the National Disability Insurance Scheme, I don't know how many times I have to repeat myself about this scheme and the radical reform that it is undergoing. I heard Julia Gillard in recent months say that it was part of the crowning achievements of her term as prime minister. Premier Jay Weatherill signed the bilateral, which means that we are under these arrangements, which means that, when we are a full scheme, the states step away from funding them. I can't understand. We have been working assiduously, as I have talked about, through our quarterly check-ins—

Members interjecting:

The PRESIDENT: Go on, minister.

The Hon. J.M.A. LENSINK: Thank you—through our quarterly check-ins, through individual advocacy on behalf of individuals, individual advocacy on behalf of organisations, where we are able

to escalate matters on their behalf, where they have particular issues. There are a range of interface issues as well, which are the things that concentrate the minds of my departmental officials and the commonwealth officials to ensure that people don't fall into gaps. This NDIS change has been coming for a long time. I am somewhat baffled by this line of questioning from Labor members who don't even understand the scheme that has been set up.

NATIONAL DISABILITY INSURANCE SCHEME

The Hon. E.S. BOURKE (14:34): Supplementary: just to confirm, will any block funding continue past June 2019?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:34): My understanding is that when we are at full transition, there will not be any block funding remaining.

Members interjecting:

The PRESIDENT: Order! Supplementary, the Hon. Ms Bonaros.

NATIONAL DISABILITY INSURANCE SCHEME

The Hon. C. BONAROS (14:34): Is the minister aware of any undertakings that have been given by the department in relation to block funding being extended on a one-plus-one-plus-one-year basis?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:35): That is not ringing a specific bell unless it's in relation to specific areas where we have identified that there are gaps in services. The majority of the, I think it is, $743 million from South Australia is transitioning through but there are interface issues that we are managing on the way through and so there may be some services that we are trying to support on the way through. But, in the main, the general services that most people would be familiar with should be. They are due to be transitioned by 30 June and so funding for the vast majority of services will be the responsibility of the NDIS.

NATIONAL DISABILITY INSURANCE SCHEME

The Hon. C. BONAROS (14:36): Supplementary: will the minister undertake to defer to her department and bring a response back to this place about whether indeed such arrangements have been discussed, and whether those discussions have taken place also with the relevant organisations involved?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:36): I will double-check but I would have to say that, if it affects anyone, it would be a small number of services that affect specific cohorts where we are working through some of those interface issues. But, in the main, most providers, I understand, have known that this is the arrangement and I would be very surprised if they were not aware of that.

The PRESIDENT: Before I give the Hon. Mr Hood the call, members should be mindful that if you seek leave for a brief explanation, please give the topic, so the other members can decide whether to grant leave. And, particularly for the government benchers, if you have a complaint about the nature of a question being asked, you stand on your feet and you raise a point of order. It is easily accessible in the standing orders, particularly to the Liberal front bench. The Hon. Mr Hood.

TRADE OFFICES

The Hon. D.G.E. HOOD (14:37): My question is for the Minister for Trade, Tourism and Investment. Will the minister outline how the Marshall Liberal government is reversing Labor's cuts to the South Australian trade office network?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (14:37): I thank the honourable member for his ongoing interest in the regaining our ground policy that we took to the last election to open a network of trade offices around the world. On Monday 4 March, I will fly out to Tokyo on a business mission that will take in Japan and Korea. During my time in Japan, I will be assisting South Australian exporters at Foodex Japan, the 44th International Food and Beverage Exhibition, the largest Asian exhibition dedicated to food and drink.

The exhibition will run for four days where around 85,000 buyers from various food and beverage companies and suppliers are expected to attend from more than 80 separate nations. The centrepiece of my visit will be the opening of the North Asia trade office and investment office in Tokyo. The office will be located within the Tokyo Austrade building, delivering significant advantages not only at an operational level but also an overall cost perspective.

This office will cover our significant trading partners of Japan and Korea as well as the broader region, and aiding South Australian businesses to take full advantage of the trade and export opportunities that our free trade agreements provide, and facilitating foreign direct investment into our state. Members would be aware that this is the second trade and investment office the Marshall Liberal government has opened in our first year of government, following closely behind the opening of our Shanghai office in November last year. The office opening is the next instalment of the Liberal government's delivery on our election commitments to roll out a comprehensive trade office network across the globe.

We are reversing Labor's cuts and restoring our reputation internationally by showing our trading partners that South Australia is present and invested in their markets. We understand that businesses need dedicated, on-ground support—fleeting visits once every few years just doesn't cut it. MoUs with no KPIs or follow-up just doesn't cut it either. I refer honourable members opposite to an article from InDaily in 2015, and I quote:

> InDaily can reveal the cost of a major delegation is roughly equivalent to maintaining a dedicated office for a year.

Former minister, the Hon. Martin Hamilton-Smith and very good friend of those members opposite, especially the opposition leader, 'confirmed the estimated cost of the 256-delegate China mission was $187,000'.

Let's reflect on that: $187,000 could keep a trade office open, providing support for hundreds of South Australian businesses whenever they needed it, for an entire year. Using the former minister's own words—and the Hon. Kyam Maher is a very good friend of the Hon. Martin Hamilton-Smith—'A good export development program will use both elements (international offices and trade missions) because they benefit from one another.' Yet those opposite shut down all but one of our trade offices.

That is enough talk about the failed policies of those opposite. I am here to talk about our positive agenda. With everything going smoothly, we aim to have the rest of our offices open and operating by the end of 2020. The quicker we can get them opened and staffed, the sooner our local businesses can begin to benefit from their on-ground support and expertise.

The second leg of our North Asia trip will see us visit Korea, where we will meet a range of officials and businesses interested in learning more about the great opportunities we have on offer in South Australia. Engagements include meetings with the Australian Ambassador in Seoul and senior trade commissioner in Austrade as well as Hanwha Energy, Hyundai motors, H2 Korea and more. As you can see, we are about ending the travelling circuses of the former minister. The Marshall Liberal government is supporting our exporters. I look forward to updating the chamber on the successful outcomes and the opening of our North Asia office during the next week of parliament.

REPATRIATION GENERAL HOSPITAL

The Hon. J.A. DARLEY (14:41): My question is to the Minister for Health and Wellbeing. Can the minister provide an update about the implementation of the government's policy regarding the Repatriation General Hospital. Can the minister also provide details regarding the estimated time frame for implementation of this policy?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (14:41): I thank the honourable member for his question and acknowledge his long-term interest in undoing the damage of Labor's Transforming Health. This government was elected with a commitment to reactivate the Repat site as a genuine health precinct and to work with the community in doing so. As minister, one of my early actions was to stop Labor's sale of the site and secure it for public health services going forward. We reopened the hydrotherapy pool and began the community engagement process we had promised.

On the 17th of this month, the government released the master plan for the site for public comment. Yesterday, Morrison government ministers Greg Hunt, Minister for Health, and the Hon. Ken Wyatt, Minister for Senior Australians and Aged Care, together with the federal member for Boothby, Nicolle Flint, the Premier, myself and state members including the member for Elder came together to be part of an announcement of a joint investment of $70 million in the reactivation of the Repat site. The Morrison government has committed $30 million for a new statewide brain and spinal rehabilitation unit, with a 26-bed inpatient ward, and ongoing funding of $1.3 million per year for the operation of an eight-bed specialist care dementia unit.

The Marshall Liberal government's commitment of nearly $40 million will support an 18-bed, tier 7 dementia unit, replacing some of the beds lost through the closure of the Oakden facility. The funding will provide a state-of-the-art gymnasium for all brain and spinal patients as well as a 'town centre' in the heart of the Repat to create a community hub and open outdoor space on the precinct. The town square redevelopment will also include refurbishment of the SPF Hall and a new cafe.

As I said yesterday, this is not the end of the conversation about the Repat. Other parts of the precinct provide an opportunity for surgical procedures and care transition. We are working with a non-government organisation for the provision of what will become a 60-bed dementia hub and other partnership discussions continuing.

Recognising the history of this site, I am also in discussions with veterans' groups and ex-service personnel. I have reaffirmed the Marshall Liberal government's determination that the Repat chapel, the remembrance gardens, the museum and the SPF Hall are protected as community assets for the future. While yesterday's announcement is not the finish line, it brings the government one step closer to its commitment to reactivate the Repat as a critical part of the state's health system.

Labor broke their promise to 'never, ever close the Repat', cutting more than 100 beds from the health system. This has directly contributed to the pressure the health system faces today. The Ambulance Employees Association's Phil Palmer this week said that he could see that the closure of the Repat would increase the risk of ramping. In his own words, he said:

> I stood on the steps of the Repat protesting the closure of that because I could see that would contribute to reducing capacity and therefore increasing the chance of ramping.

Labor broke South Australia's health system. The Repat announcement is a clear demonstration of the determination of this government to fix that mess.

ATTORNEY-GENERAL

The Hon. K.J. MAHER (Leader of the Opposition) (14:45): I seek leave to make a brief explanation before asking the Leader of the Government questions in relation to potential breaches of the law.

Leave granted.

The Hon. K.J. MAHER: Last year, the public of South Australia were made aware that comments made by the Attorney-General could amount to a breach of the ICAC Act and were being assessed by police. Legal advice tabled in this chamber from a former Federal Court judge concluded, based on information known, that a breach of the act, in particular section 56A, was likely to have occurred. Today, we learned that this matter has been referred to the DPP after police assessment. This has gone well beyond an initial police assessment and is now in the hands of the DPP. My questions to the Leader of the Government are:

1. When did the Leader of the Government first learn that this matter had been referred to prosecutors?

2. Does the Leader of the Government think it appropriate that any minister, let alone the Attorney-General, should stand aside if their actions have been referred to the DPP?

The Hon. R.I. LUCAS (Treasurer) (14:46): These matters have been canvassed since late last year. The Attorney-General late last year and again today in her ministerial statement, which I have tabled in this chamber, has outlined clearly and succinctly her position in relation to this issue. I have nothing further to add in relation to that aspect of it, nor would it be appropriate for me to add

any commentary in relation to the issue. In relation to when I first became aware of this particular aspect of the issue, it was today.

ATTORNEY-GENERAL

The Hon. K.J. MAHER (Leader of the Opposition) (14:46): Supplementary question: given that the ministerial statement was tabled today, is the Leader of the Government able to inform the chamber of when today he was first informed?

The Hon. R.I. LUCAS (Treasurer) (14:47): I don't propose to add anything more to the answers I have already provided.

ATTORNEY-GENERAL

The Hon. K.J. MAHER (Leader of the Opposition) (14:47): Supplementary arising from the original answer: is the Leader of the Government, in his many years of experience in this chamber, aware of another time when a minister has been referred to the DPP and was not stood aside?

The PRESIDENT: I am not entirely sure that was out of the original answer, but the Treasurer seems to want to answer it.

The Hon. R.I. LUCAS (Treasurer) (14:47): I have nothing further to add because, indeed, that has nothing to do with my original answer.

YOUTH SYMPOSIUM: LEADING FOR OUR FUTURE

The Hon. J.S. LEE (14:47): My question is to the Minister for Human Services about the Youth Symposium: Leading for Our Future report, which was launched recently and which event I also had the pleasure to attend. Can the minister please provide an update to the council about whether the report of the youth symposium will inform the government's strategic directions about youth going forward?

The Hon. J.M.A. LENSINK (Minister for Human Services) (14:48): I thank the honourable member for her question. On 20 February, at the Australian Migrant Resource Centre, a number of people attended the launch of the youth symposium report, which was a project undertaken jointly by the AMRC and the Commissioner for Children and Young People. I acknowledge that the honourable member participated very much in the consultations in October last year.

Also in attendance was the Hon. David Pisoni, who gave an outline of a range of things that are taking place in the industries and skills portfolio; the Hon. Rachel Sanderson, as the local member and the Minister for Child Protection; and, I think, the Hon. Irene Pnevmatikos as well; along with a range of other distinguished guests. We heard from a range of speakers—as I mentioned, the Hon. David Pisoni—and some of the participants through the symposium from last year as well, who I think were particularly touched that a large number of government members had attended, which they took as an endorsement and support for the important work of this youth symposium report.

The symposium report focuses on a very important cohort of newly-arrived migrant young people, who can face particular challenges in gaining employment and pathways into various sectors. So it is a very important piece of work to advise government about how to assist young people going forward.

Through the Department of Human Services we are also undertaking a youth strategy, and this particular report is very timely as we go forward with our consultations. It will certainly assist us in some of the key areas for young people, which are pathways to employment, technical education and other areas of education, and a range of areas going forward. We look forward to integrating that into our learnings as we embark on a much broader strategy for South Australia.

ADELAIDE FOOTBALL CLUB

The Hon. F. PANGALLO (14:50): I seek leave to make a brief explanation before asking the Minister for Trade, Tourism and Investment, representing the Minister for Transport, Infrastructure and Local Government, questions regarding the Adelaide Aquatic Centre and the Adelaide Football Club.

Leave granted.

The Hon. F. PANGALLO: It has been widely reported that the Adelaide Football Club is looking at relocating from its West Lakes headquarters to sites in the Adelaide Parklands, including an area near the Adelaide Zoo and the Adelaide Aquatic Centre, which the City of Adelaide reports loses $7,000 a year and which requires urgent upgrades. The council says it cannot afford to keep bailing it out.

Plans seem to be well advanced to have the aquatics centre the club's preferred site, which would involve its demolition, along with taking over the adjoining park and football oval currently leased to Blackfriars Priory School. The matter was raised by North Adelaide residents last night, who have written to their local member, the Hon. Rachel Sanderson, posing a series of questions about the aquatic centre's future and rumours surrounding the Crows' interest. My questions are:

1. Has the Adelaide Football Club submitted a proposal or made representations to the government and the City of Adelaide that it wishes to take over the site, and how far advanced are those negotiations?

2. Are there implications or conditions that will need to be met under existing laws governing the Parklands for any new redevelopment in the Parklands, known as Park 2?

3. Would there be a requirement for tenders to be called for any future use or redevelopment of the site?

4. Should any development proceed and the centre be demolished, the city would no longer have aquatic facilities for the public. Does the government see a need to have aquatic facilities, and could there be an opportunity to have this incorporated in any future development?

5. What would happen to the lease signed by Blackfriars Priory School only last year?

6. Should the Adelaide Football Club move to the site and redevelop it, would it be required to pay for all the works?

7. Will the Adelaide Football Club be gifted the land or would it pay a nominal or peppercorn lease payment?

8. Has the club indicated that it will be seeking financial assistance either in the form of loans or grants from the state and/or federal government to finance the project?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (14:53): I thank the honourable member for his explanation and very extensive list of questions. I suspect we got to double figures, I'm not sure. There was certainly a range of issues canvassed in those questions—

The Hon. F. Pangallo: Eight.

The Hon. D.W. RIDGWAY: Eight, he says; there were eight, so we didn't quite get to double figures, but there were a large number of questions. I will be very happy to take them on notice and refer them to my good friend and colleague, minister Stephan Knoll, in another place.

AMBULANCE RAMPING

The Hon. T.T. NGO (14:54): My question is to the Minister for Health and Wellbeing. Does the minister agree with doctors, nurses and paramedics that his government's response to the extreme ramping crisis has been insufficient and lacking in urgency?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (14:54): I received a letter this morning from the ANMF in response to my letter of Tuesday, and I note that the ANMF letter echoes the political arguments of the Labor Party. I note that the Labor Party is now in this parliament using the letter in political debate. The Labor Party and its union mates can play politics; for my part, I am focused on better patient outcomes.

On that point, I think the member chose to accuse me of a lack of urgency. Well, sure enough, that echoes a Labor theme, which is in the letter. They say, 'There appears to be a complete absence of urgency.' Let's look at that. One of the issues that this letter raises is criteria led discharge. It states:

> Whilst noting the policy development work in criteria led discharge commenced by the previous government and completed late in 2018, we note the absence of any clear schedule or program for its implementation.

In the attachment it says:

> The unions are pleased that SA Health has finally released the CLD policy agreed last year and promoted by unions, particularly the ANMF, for over a decade or longer.

For over a decade or longer. That reminded me of an ABC news report on 12 July 2017. Let me read you a few snippets. It said that nurses should be given more powers to discharge patients. It said:

> …(ANMF) state secretary Elizabeth Dabars said the State Government agreed to roll out nurse-led discharges in some areas of the health system 18 months ago.

Eighteen months ago. This is a policy which, in the letter today, the unions are saying they were campaigning for for more than a decade. In this report we are told that there had been initiatives in the 18 months before that. They go on to quote, and this is a direct quote from Ms Dabars:

> This is one of those situations where it doesn't make any sense not to act because quite frankly the system itself, and therefore the patients, are the ones who are disadvantaged by the failure to act…

This was in 2017. This was a Labor government. The unions had been campaigning for this policy for more than a decade. The article goes on:

> But here we are, years later since the concept was originally proposed and agreed to, with no discernible change.

So 10 years of campaigning; Labor had done nothing. Later on in the same article she goes on to say:

> Ms Dabars said she had raised the matter of nurse-led discharge with the Health Minister Jack Snelling and executive level staff at SA Health on many occasions.

So help me with the symmetry here: Labor, more than 10 years, no policy—thanks, mates; Liberal, less than a year, policy delivered—a campaign against us. It doesn't make sense to me.

MENTAL HEALTH SERVICES

The Hon. J.S.L. DAWKINS (14:57): I seek leave to make a brief explanation before asking a question of the Minister for Health and Wellbeing regarding mental health.

Leave granted.

The Hon. J.S.L. DAWKINS: I have been working with professionals and advocates in the mental health field now for many years. As the Premier's Advocate for Suicide Prevention, I have appreciated the opportunity to strengthen these relationships and contribute to better mental health outcomes. One strong lesson I have learned is the important difference that each individual can make. Will the minister update the council on mental health support programs?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (14:58): I thank the honourable member for his question and acknowledge his work over many years in the field of mental health, particularly suicide prevention, and particularly for his work in more recent times as the Premier's Advocate for Suicide Prevention.

Awareness and acknowledgement of the importance of mental health, in addition to physical health, has been growing in recent years through such initiatives as R U OK? Day, but more needs to be done, particularly in the preventive space. Preventive health support, particularly in the mental health space, not only takes pressure off acute care services but, more importantly, is associated with better outcomes for health consumers. In this respect, it is important to note the difference we can all make through our daily interactions.

This individual impact is only heightened when people have access to mental health and suicide awareness training programs. To aid in this, SA Health has recently offered training in suicide and self-harm mitigation through the Connecting with People program. Connecting with People, informed by evidence-based principles, aims to increase empathy, reduce stigma and enhance participants' ability to respond compassionately to someone who has suicidal thoughts, or following self-harm.

The training is available as a set of modules delivered directly to delegates at a venue of choice. To develop long-term capability in organisations, SA Health also offers Train the Trainer. Those trained may then themselves offer Connecting with People to other organisations. Approximately 2,600 people to date have been trained in Connecting with People suicide awareness training across South Australia.

This work continues to expand, to include the Department for Correctional Services, PIRSA, and the Department for Environment and Water, as well as existing community groups, suicide prevention networks, NGOs and health professionals. On 6 February, the across government agencies issues group on suicide prevention, chaired by the member for Waite and consisting of 22 senior government executives, including the Commissioner for Public Sector Employment, Ms Erma Ranieri and members of the Premier's Suicide Prevention Council, undertook the training.

Members of this parliament, together with their staff, were also given the opportunity to undertake the training in the Old Chamber on 19 February. I am delighted that approximately 40 members, staff and ministerial staff attended this training, which was hosted by the honourable member in his role as Premier's Advocate for Suicide Prevention, and that members from both sides of this chamber attended.

The session also included the rollout of a telephone script tool that can be used by staff when taking calls from people who are suffering suicidal thoughts. This telephone script was in fact developed by a collaborative approach by the Office of the Premier's Advocate for Suicide Prevention with input from the Office of the Chief Psychiatrist's suicide prevention staff. Further training sessions will be scheduled for members and parliamentary staff who were unable to attend this session, and these training sessions are held regularly with government agencies and in the community. I encourage all members and staff to attend.

GENE TECHNOLOGY

The Hon. M.C. PARNELL (15:01): I seek leave to make a brief explanation before asking a question of the Minister for Health and Wellbeing about the government's position on the deregulation of new genetic modification techniques.

Leave granted.

The Hon. M.C. PARNELL: In question time last September, I asked the minister about the Marshall Liberal government's position on the proposed changes to the commonwealth gene technology regulations that would deregulate a number of new GM techniques. I understand that the federal government has asked the states to sign off on the proposed regulatory changes by 11 March this year.

Last week, on 20 February, the Consumers Union of Japan issued an open letter to Australia under the title 'Please regulate new GM technologies strictly'. In that letter, they say:

> Consumers in Japan are strongly opposed to GM technology and do not want to eat such products.
>
> In light of this, we are alarmed to hear that Australia is considering to deregulate new GM technologies, including CRISPR, in animals, plants and microbes. Japanese consumers would not at all be willing to eat such products, either.

They end their letter with:

> Please regulate new GM technologies as strictly if not even stricter than older GM technologies, or you risk harming Australia's image as a food producer here in Japan, and we will boycott all such products.

I have also previously outlined concerns about the likely impacts on trade and markets in Europe that will result from a decision to deregulate these GM techniques in Australia. I won't repeat those now, but I do want to put on the record my disappointment that my freedom of information request to the minister's office for access to the regulatory impact statement and any consideration of trade and market access implications relating to this important decision was refused last December.

My questions are: given the significance of any decision to deregulate new GM techniques and the likely negative impact on overseas markets for Australian food products if this goes ahead, can the minister:

1. Provide details of any analysis on trade and market access impacts, including economic impacts on South Australian farmers and businesses?

2. Publish any such analysis, as well as releasing the regulatory impact statement?

3. Advise what position he will be taking on behalf of South Australia, and could he outline his reasons for taking this position?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (15:04): I thank the honourable member for his question. On 11 October 2018, the national gene technology forum met for the first time in nine years. It met in Adelaide, and it was to discuss two issues: the outcome of the national review of the gene technology scheme and the technical review of the commonwealth Gene Technology Regulations.

The technical review of the Gene Technology Regulations was instigated by the national regulator to provide clarity following technical advances in this field. These regulations specify activities and organisms that fall under the national scheme. The technical review considered any risks to human health and the environment and proposed steps to address ambiguity in regard to some gene technology techniques. The forum—that is the ministers forum, the national gene technology forum—welcomed this technical review and requested further information regarding the impacts of the proposed changes to the Gene Technology Regulations. This information is still under consideration.

In relation to any out of session proceedings, I am not aware of any, but I will certainly take that on notice and seek clarification. Likewise, I would need to seek clarification on modelling. I would not expect SA Health to be doing any modelling. This forum is a commonwealth-state forum, and I imagine it would be done by the national gene technology bodies. I assure the house that the government will take into consideration all relevant impacts when it considers the regulations.

CRYPTOCURRENCIES

The Hon. J.E. HANSON (15:06): My question is to the Treasurer. Will the Treasurer advise whether the government has invested in cryptocurrency?

The Hon. R.I. LUCAS (Treasurer) (15:07): I am happy to consult with my appropriate ministerial colleagues and indeed others to bring back an answer on notice to the honourable member's question.

WINE INDUSTRY

The Hon. T.J. STEPHENS (15:07): My question is to the Minister for Trade, Tourism and Investment. Can the minister give the council an update on recent trade and investments in the South Australian wine sector?

The Hon. D.W. RIDGWAY (Minister for Trade, Tourism and Investment) (15:07): I thank the honourable member for his question and his ongoing interest in the South Australian wine sector. South Australia is indisputably Australia's wine capital, producing approximately 50 per cent of all bottled wine and of course, Mr President, as you would well know, 80 per cent of Australia's premium wine. In the past 12 months to December 2018 South Australian wine exports have earned $1.89 billion, an increase of 21 per cent from the previous year. Our wine sector has a global reputation for excellence, and we are seeing sustained and diverse investment into the industry, demonstrating confidence in both the sector and the outlook for South Australia's economy.

On Friday 15 February, I was privileged to open the new RedHeads winery in the Barossa Valley. This is a multimillion dollar investment by UK-based international wine merchant Direct Wines, which incidentally was founded in 1969 by the Laithwaite family and now employs some 1,000 people across the globe. The company has a turnover of well over half a billion Australian dollars a year and owns wineries and vineyards across Australia, France, the United Kingdom and the USA.

The new RedHeads winery is based in Angaston, with a capacity of 500 tonnes, and incorporates an eight-hectare vineyard and a cellar door. It is a winery built by the Ahrens group, a spectacular new building, and it was a pleasure to meet a number of the UK executives, including the founder's son and group chief executive, Mr Tom Laithwaite.

I also want to make special mention of the Agent-General's office in London which played an important role in working together with my department to assist Direct Wines in their investment. This demonstrates to us again how important it is for South Australia to have in-market government representation.

The Marshall Liberal government welcomes the investment made by the Direct Wines group, which will create jobs and further connect quality South Australian wine to key markets in both the United Kingdom and the United States.

GAYLE'S LAW

The Hon. C. BONAROS (15:09): I seek leave to make a brief explanation before asking the Minister for Health and Wellbeing a question about Gayle's Law.

Leave granted.

The Hon. C. BONAROS: About three months ago, SA-Best and our Centre Alliance Senate candidate, Skye Kakoschke-Moore, revealed that the government was almost 12 months behind schedule in introducing and implementing a new law in honour of murdered nurse Gayle Woodford—an unacceptable delay that angered Gayle's family. Because the legislation had not been proclaimed by the state government, it has not been operationally enforced.

When we first asked about this issue in this place, the minister said he was 'keen to hear the feedback from the consultation that is currently underway'. My question to the minister is: can the minister advise whether Gayle's Law has now finally become operational? If so, when did it become operational, and what sort of feedback are we receiving from nurses working in remote areas of the state, if indeed the law is operational? If it hasn't become operational, then why not?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (15:10): I thank the honourable member for her question. Gayle's Law was always intended to have regulations to support it. In fact, the issues are so complex. I can remember, in the debate in this parliament, that we found it very difficult to assess the merits or likely effectiveness of the law because so much was intended to be in the regulations. In my previous answer, I expressed my disappointment that the Woodford family hadn't been kept informed, and I have asked my department to ensure that the Woodford family continues to be updated on the progress.

The aspiration of this parliament in passing the legislation was that we would provide health practitioners working in remote areas of South Australia greater protection, requiring them to be accompanied by a second responder when responding to an out of hours or unscheduled emergency call-out for treatment. Since the legislation passed through this place, a number of information sessions were held with stakeholders about the legislation's intent and operation, which led to the distribution of a discussion paper in November 2018, seeking views on matters to be prescribed by regulation, as well as issues that might impact on the legislation's implementation.

In response to the discussion paper, 10 submissions were received. The submissions have been used to inform the drafting of the regulations. The regulations will be sent out for further targeted consultation with stakeholders. This process will include meetings with stakeholders to address the issues that they raised in their submissions and also outline the responsibilities under the legislation. Certainly, my request to the department is that the consultation and the regulations be finalised within the first half of this year. The stakeholders consulted are many and diverse—obviously, our local health networks, our health organisations and also Aboriginal-controlled health organisations.

I think the parliament needs to appreciate that the legislation we drafted is actually quite inclusive; for example, it has been identified that it would pick up a general practitioner working in a large country town. Under the regulations, 'remote' is defined quite broadly, so that is something that we need to consult on. We will be engaging doctors' groups as well as nurses and other health professionals. One of the issues that will be discussed in the consultation—and members of this house are welcome to contribute to the discussion on the regulations—is how broad the range of health professionals should be.

For example, there is public debate at the moment whether social workers should be covered by the health professional regulation. The same question arises here: should social workers be regarded as health professionals when they work in the remote context? I am pleased that the

submissions on the discussion paper have led to draft regulations, which will be going out for consultation with stakeholders. My understanding is that it is in the next week or two. I have certainly seen a draft, and I am looking forward to the response.

A number of organisations have made it clear that it will have resource implications. A number of the commitments that the commonwealth has made to supporting second responders and supporting the safety and security of remote health professionals is time limited, so we will have to work through the impact of the law. In relation to one side at least, it has been indicated that the full implementation of a second responder may make that health service unviable. We need to work through the issues to make sure that we support sustainable health services but fundamentally ensure that health professionals working in remote areas have the protection and support they need.

The PRESIDENT: The Hon. Ms Bonaros, a supplementary.

GAYLE'S LAW

The Hon. C. BONAROS (15:15): Just to ensure that I understood correctly, if there are any shortfalls in that funding, is that something that the state government is going to ensure is covered?

The Hon. S.G. WADE (Minister for Health and Wellbeing) (15:15): Yes; it's a good question. In fact, it draws me back to the point I made earlier in my answers, which is the diversity of health professionals that are involved. For example, funding for GPs in country towns is the responsibility of the commonwealth government. Aboriginal community-controlled health organisations are often the recipient of state and federal money, usually more commonwealth money than state money. It is an interesting interface because, often, we can't regulate something that is regulated or funded by the commonwealth, for example, residential aged care. But, apparently, in terms of work health and safety, we can put on state laws that will impact on the staffing requirements of commonwealth organisations.

Let's put it this way: we need to tease out those issues. I would expect the organisations we consult with to give us some insight as to what commitments they have had from the commonwealth. We will certainly be urging the commonwealth, in the spirit of partnership, to support our efforts to improve safety. It's been raised in the federal parliament by your colleagues and others. Considering that we have shared responsibility for the delivery of a range of health services in remote areas, I think we also have joint responsibility to support the second responders network.

The PRESIDENT: The Hon. Ms Bonaros, a further supplementary.

GAYLE'S LAW

The Hon. C. BONAROS (15:17): Just finally, I note the minister's comments in relation to keeping the Woodford family abreast of developments. The minister, I am taking it, will undertake to ensure that they are kept abreast of all those developments in terms of the final implementation of the regulations.

The Hon. S.G. WADE (Minister for Health and Wellbeing) (15:17): That's certainly my request. I will take the opportunity to go back and make sure that they are on the mailing list for the discussion paper. Obviously, most of them—not individuals—are organisations, but we certainly share the grief of the Woodford family. I am determined to make sure they stay engaged in the conversation.

CARNEVALE FESTIVAL FUNDING

The Hon. R.P. WORTLEY (15:17): My question is to the minister assisting the Premier. Has the assistant minister ever had discussions with Mr Mario Romaldi? I remind the assistant minister to the Premier that Mr Romaldi resigned from SAMEAC because of inappropriate remarks he placed on Facebook. Has the assistant minister ever had discussions with Mr Romaldi about providing funding to support an Italian festival that he would be involved in managing?

The Hon. J.S. LEE (15:18): I thank the honourable member for his continuous interest in multicultural affairs and the matter relating to the meeting I had recently with Mario Romaldi as well as George Belperio. The meeting was not just to discuss funding. The meeting was to update me about, potentially, what the Italian community as a whole would like to do with the Carnevale festival.

To inform the honourable member, Carnevale was supposed to hold a festival in 2018, but that was not organised by the community at all because of a lack of capacity and resources to manage the festival. So the Italian community have broadly discussed who is going to be the next organisation that will take over the Carnevale Italian festival. But there was no funding promised at all to Mario Romaldi or George at this point because the government of South Australia would like to support what the Italian community wants to do, but it is a matter for the Italian community to decide which organisation will manage the festival going forward.

CARNEVALE FESTIVAL FUNDING

The Hon. R.P. WORTLEY (15:19): Supplementary: is the assistant minister aware if Mr Mario Romaldi is indicating to third parties that he has secured funding from the assistant minister for an Italian festival?

The Hon. J.S. LEE (15:20): I am not privy to whatever funding Mario Romaldi has indicated to the community. It is my understanding that discussion with the broader community is still in process.

CARNEVALE FESTIVAL FUNDING

The Hon. R.P. WORTLEY (15:20): Supplementary: what open and transparent process is the assistant minister undertaking to allocate this funding?

The Hon. J.S. LEE (15:20): No application for funding from the Italian community has been submitted to Multicultural SA at this point so the process will be carried out as per the procedures and governance structure of the Department of the Premier and Cabinet, because Multicultural SA is now under DPC.

The PRESIDENT: The Hon. Mr Wortley, the time has expired.

The Hon. R.P. Wortley: This was the killer punch!

The PRESIDENT: I am in no doubt but I look forward to you asking it at the next question time. The time for questions without notice having expired, I now call on the business of the day.

Bills

MOTOR VEHICLES (COMPULSORY THIRD PARTY INSURANCE) AMENDMENT BILL

Introduction and First Reading

The Hon. R.I. LUCAS (Treasurer) (15:21): Obtained leave and introduced a bill for an act to amend the Motor Vehicles Act 1959. Read a first time.

Second Reading

The Hon. R.I. LUCAS (Treasurer) (15:22): I move:

That this bill be now read a second time.

This bill is about maximising benefits for South Australian motorists by providing a fair and competitive compulsory third-party insurance scheme. In 2016, the former government approved four private insurers to underwrite the CTP scheme and established an independent CTP regulator to oversee insurers and the scheme. The CTP scheme is in a period of transition to a market-based competition model. The competition model will begin on 1 July 2019 and apply to CTP insurance policies which commence from 1 July 2019. Since 1 July 2016, motorists' CTP insurance policies have been automatically allocated to approved insurers. This autoallocation will no longer apply after the expiry of the transitional period on 30 June 2019.

This bill will enable the continuation of autoallocation for new vehicle CTP policies after the commencement of the competition model. The autoallocation will occur based on a scheme determined by the minister rather than enshrined in the legislation. The proposed scheme will allocate new vehicle policies according to approved insurer market share at the lowest premium price offered for the premium class by any of the approved insurers at the time of allocation. Autoallocation will not apply to renewal of CTP insurance policies.

The continuation of autoallocation for new vehicle policies will remove the possibility of commissions and inducements being offered by insurers to motor vehicle dealers to acquire CTP business where there is no direct benefit to the motorist. Experience from other jurisdictions is that commissions paid by insurers to intermediaries, such as motor vehicle dealers, hinders competition by providing a barrier to new entrants or insurers wanting to increase market share. The commissions are passed on premium costs and offer no value to the motorist. Motorists will not be disadvantaged by the removal of choice at point of sale as they will be able to nominate an alternative insurer within the first three months of the new policy, with that nomination taking effect at the fourth month of the policy.

One element of the CTP scheme established by the former government was to allow CTP insurers to compete for customers through offering value-added goods and services. This bill therefore enables approved insurers to offer direct policy holder benefits (inducements) as approved by the minister. However, these inducements cannot be a charge against the CTP business. In other words, if an insurer offers some form of inducement, like a multipolicy discount, the associated costs will not be borne by all South Australian motorists through their CTP premiums.

The minister will approve the types of inducements to be offered by the insurer to ensure they benefit motorists. This will give the market flexibility and promote innovation, rather than prescribing all types of allowed inducements in law. Common inducements offered in other jurisdictions include at-fault driver protection policy, multipolicy discount, rewards program membership or a gift card. This change aligns South Australia to the other privately underwritten schemes in New South Wales, Queensland and the ACT. I seek leave to insert the detailed explanation of clauses into *Hansard* without my reading them.

Leave granted.

EXPLANATION OF CLAUSES

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of Motor Vehicles Act 1959

4—Amendment of section 8—The register

This clause amends section 8 to enable the Registrar of Motor Vehicles to make corrections and alterations to the register of motor vehicles if satisfied that the register is incorrect, incomplete or inaccurate.

5—Amendment of section 99—Interpretation

This clause amends section 99 to remove the definition of *transitional period* which will become redundant on 1 July 2019.

6—Amendment of section 99A—Insurance premium to be paid on applications for registration

This clause amends section 99A to allow an applicant for the registration of a motor vehicle (other than a new motor vehicle) or for the renewal of registration of any motor vehicle to select an approved insurer for the motor vehicle. The approved insurer for a new motor vehicle will continue to be selected by the CTP Regulator in accordance with a scheme determined by the Minister. The amendments also provide for the CTP Regulator to choose the approved insurer for a motor vehicle if the applicant fails to make a selection.

If a new motor vehicle is registered for a period of more than 3 months, the registered owner of the vehicle may, within the first 3 months of the registration, nominate an approved insurer other than the approved insurer selected by the CTP Regulator. If this happens and the policy of insurance is transferred, the insurer selected by the CTP Regulator (the old insurer) must pay to the insurer nominated by the registered owner (the new insurer) the same proportion of the insurance premium received by the old insurer for the policy of insurance as the unexpired portion of the period for which the policy remains in force bears to the whole of the period for which the policy of insurance is effective under the Act.

For the purposes of section 99A, a motor vehicle is a *new motor vehicle* if it has not previously been registered anywhere in Australia and less than 2 years have elapsed since the year and month in which it was manufactured.

7—Amendment of section 101—Approved insurers

This clause amends section 101 to remove provisions that will become redundant on 1 July 2019.

8—Substitution of section 129A

This clause substitutes section 129A.

129A—Commissions and other financial benefits and inducements prohibited without Minister's approval

The proposed new section 129A prohibits approved insurers from giving or offering to give anyone commissions, discounts, gifts, rebates or any other form of financial benefit or inducement in respect of policies of insurance unless the benefits or inducements are of a class approved by the Minister from time to time.

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

STATUTES AMENDMENT (CHILD EXPLOITATION AND ENCRYPTED MATERIAL) BILL

Second Reading

Adjourned debate on second reading.

(Continued from 26 February 2019.)

The Hon. I.K. HUNTER (15:29): I rise today to indicate that the opposition is generally supportive of the thrust of the bill. We will be supporting the amendments that I believe the Hon. Mr Parnell will be moving, which have the effect of placing a limit on the entire package of legislation strictly to child exploitation material. The bill before us amends the Child Sex Offenders Registration Act 2006, the Criminal Law Consolidation Act 1935, the Evidence Act 1929 and the Summary Offences Act 1953.

First, the bill establishes new offences to deal with child exploitation material websites, and legislation I suppose is always trying to play a catch-up game with what is occurring in real life, particularly with technology. The online domain is no exception. Law enforcement agencies should be given every possible means to ensure they can do their job to hunt down and punish those people who engage in the most heinous of practices.

Secondly, the bill will provide a means via an order for the police to require a person to provide access to encrypted or protected electronic material that is reasonably suspected by police to be connected with criminal activity. As I indicated at the outset, we will support the Hon. Mark Parnell's amendments to limit the effect of this bill to child exploitation material, and we should absolutely crack down on paedophiles and on child exploitation material. We are, however, persuaded by the arguments that the Hon. Mark Parnell has advanced, particularly the arguments around self-incrimination, privacy, journalist shield laws and, of course, parliamentary privilege. With those few words, I indicate our support, on behalf of the Hon. Mr Wortley and those members of the opposition, for the bill and for the Hon. Mr Parnell's amendments.

The Hon. R.I. LUCAS (Treasurer) (15:31): I will leave the Opposition Whip to sort out the recalcitrant Hon. Mr Wortley. I thank members on both sides of the parliament for their contributions on this important bill, and the contribution from the Hon. Mr Hunter, at the death knell there. As the Attorney-General stated in her second reading explanation, this bill was introduced by the former government. However, it was not successfully passed through this parliament before the end of the last sitting year.

Upon forming government, the Attorney-General set about continuing work on this neglected bill. The bill, as stated, provides the much-needed tool in the investigation and prosecution of criminals. Criminals are, unfortunately, not confined to committing child exploitation offences. As previously seen in the former government's bill, this bill deals with serious offending beyond child exploitation. As pointed out by the Hon. Mark Parnell, the commission of child exploitation offences online and the existence of online child abuse networks is of particular concern to the community and to us all.

However, the use of modern technology and encryption programs extends to many other types of modern crime, including terrorism, drug trafficking, revenge porn, cyber-facilitated abuse,

cyber fraud and domestic violence. I know that these offences are also horrific crimes and of great concern to the community.

Why would we provide police with the powers to investigate child exploitation offences but not terrorism, drug trafficking, revenge porn—and the list could go on. Other jurisdictions with similar powers, including Victoria, Western Australia, Queensland and the commonwealth, do not confine their equivalent powers to child exploitation offences; they are also applied generally.

It appears that there has been some misunderstanding regarding the object of this bill. The first part of the bill introduces new child exploitation offences not addressed by existing laws, closing the current loophole and criminalising the creation, promotion and use of child exploitation material online. The second is to provide new investigative powers to police to assist police detect these and other crimes. To inextricably link the two parts and suggest that the second be confined by the first fundamentally misinterprets the whole purpose and intent of the bill and the significant challenges of modern-day policing.

To ensure that the bill is the best possible version, further work was undertaken with the South Australian police force to ensure that measures in place in the bill are workable and provide enough scope to gather data, whilst also maintaining the rights of those being searched.

Some of the differences seen in the bill from the former government's bill respond directly to these discussions with the police. Attention has been drawn to the operation of proposed section 74BW. Subsection (4) clarifies any ambiguity around the order, allowing a third person to assist in accessing information. These third parties will be acting on instructions from SAPOL, under the guidance and direction of SAPOL, and will assist in circumstances where the third party already has access to the data behind the access point. Notably, the bill also has firm requirements for reporting and review to the minister and parliament. These amendments were added into the former bill by the Hon. Andrew McLachlan MLC, now President of the Legislative Council, and, on behalf of the government, I commend him for this work.

Where there are extra powers to investigate there must be appropriate scrutiny of those activities. This bill ensures that annual reports must be provided which detail how many applications were made by police officers, how many applications were granted and refused, a general description of the serious offences in relation to which the orders were made, a description of the types of devices and computers and data storage devices, and the number of such, where information was received from them.

In addition, the report will detail whether any persons were charged with a serious offence during that year on the basis of the research conducted. This data is vital in ensuring that searches are being conducted in accordance with the intent of the act and that the act remains effective with new and emerging technologies, which continue to change on a daily basis.

It has been argued in this place that the bill is too strict and undermines considerations of privacy and the right to silence. These arguments are, in the government's view, misguided. The bill merely extends what already occurs in the physical world to the modern, digital world. We are comfortable with police breaking into a house with a search warrant and accessing any other physical evidence they may come across, we are comfortable with police forcing access to a locked door, safe or drawer regardless of the private contents.

This bill allows the police to perform the same search in an electronic context, but this context requires assistance because it is becoming impossible to break open data. It is critical to acknowledge that the bill does not require a suspect to testify against himself or herself, that a person is not being forced to confess guilt; they are being required to provide information.

I note the Hon. Mr Parnell's alarm and concern that the police may force access to your electronic data using the powers proposed, spend valuable time scouring the data of your dash cam footage, and then seek to use it against you. SA Police are incredibly busy with the difficult and dangerous task of investigating serious crimes and keeping our community safe, for which the government is grateful. I cannot imagine they will be interested in trying to catch the Hon. Mr Parnell out for leaving on his headlights or exceeding speed limits. In any event, all the misdemeanours identified are not considered to be a serious offence for the purposes of this bill, so the

Hon. Mr Parnell can rest assured that such data will not and cannot be used against him in such circumstances.

I do not intend to get into a debate that seeks to rank criminal offences in accordance with the Hon. Mr Parnell's private views about what he considers to be serious offending and what he considers to be trifling. The criminal law and the offences comprised in it do not sit in categories of black or white, harmless or harmful, as is implied. They are intricate shades of grey, and the member's opinion on what is considered serious will undoubtedly differ to a sample of opinions taken from the street.

The ICAC has noted that the Office of Public Integrity encounters the problem of being unable to gain access to encrypted records, and this has the potential to significantly undermine the vital investigatory work of his office. The effect of the member's second amendment is to remove ICAC investigations. The government now places on the record that we oppose the amendments put forward by the honourable member.

I now turn to the interesting point raised by the member in relation to parliamentary privilege. Parliamentary privilege refers to the special rights and immunities that belong to each house of parliament, their committees and their members, that are considered essential for the proper operation of the parliament. Relevant Australian laws derive primarily from the laws of England and, more specifically, those of the House of Commons and its members. It is undefined, not codified—and for good reason.

The member sought advice in relation to what will, may or may not attract privilege in investigations that may utilise the proposed investigative powers of this bill. As he is aware, this is not a question that can be answered without context. However, I will say, on behalf of the government, that where a member of parliament is accused of a criminal offence it has never been suggested that his or her status as a member places him in a different position with regard to the law, of arrest or trial, from that of an ordinary citizen.

Parliamentary privilege is an important convention and an essential element of modern parliamentary democracy. The member's amendment has no legal effect; however, the government does not oppose it. The internet and rapid advances in technology bring obvious benefits for modern society; however, there is a dark side to these advances. The ease and manner in which people can communicate is being used for sophisticated criminal purposes.

We note the concerns of the crossbench in the scope of this bill and, as such, have flagged amendments, which the parties in this place have seen, to define the scope of 'serious offence' and ensure that both child exploitation and other crucial offences like terrorism, murder, forced marriage, drug trafficking and others are included. Given the lack of support for what the government believes are sensible amendments, they have not been filed; however, we will continue to pursue them between the houses.

The government notes—we are, if nothing else, political realists—that there is not the support for the government's position in relation to the Hon. Mr Parnell's amendments. So whilst we will continue to oppose them and we will continue to advocate for an alternative amendment, we accept the political reality that this afternoon the bill is likely to go through in an amended form.

Finally, on behalf of the government, I note that it is interesting that the Labor Party are supportive of amendments which completely redefine a bill they have previously showed so much support for, given it was their own, in essence. On behalf of the government, I leave members opposite with this extract from the debate of the 2017 bill, a quote from the Hon. John Rau, former attorney-general, who stated:

> …'Why should I be in a different position if, rather than storing it in my cupboard or in my filing cabinet, I have stored it in the cloud or I have stored it in a device containing a digital memory capacity?' then the answer is obviously: how can you possibly draw that distinction? You cannot. If the offence is actually collecting this material, or storing this material, or holding this material so that you can access the material, why on earth does the mechanism by which you have accessed the material make any difference?

I urge support for the second reading.

Bill read a second time.

Committee Stage

In committee.

Clause 1.

The Hon. M.C. PARNELL: I thank the minister for his second reading summing-up and his excellent grasp of arithmetic and the numbers in this place, and I am pleased, on the indications given by members, that today, when we finish this bill, it will apply to child exploitation offences and will be limited to that purpose. I know the government's preferred option was to have it of much wider scope, and I appreciate that the government at the very last minute—yesterday, I believe—provided us with a list of other very serious offences that they thought might be a way to cut through, that we could add those into the bill. I do not think that is the right way to go.

The only thing in the minister's response that disturbed me a little bit was when he talked about trying to fix this up between the houses. I think there is a far better way to proceed. That way would be for us to deal with this bill now, deal with the Greens' amendments and then get this bill as quickly as possible to the House of Assembly so that it can pass through its remaining stages, because then, as a matter of urgency, we have given the police the powers they have asked for in relation to child exploitation offences.

The invitation I gave when I spoke, some while ago now, to the government was, 'Bring back another bill that deals with other crimes, other situations where the government believes that these powers to be able to'—

The Hon. R.I. Lucas: Would you support that?

The Hon. M.C. PARNELL: No; I am saying bring back another bill—

Members interjecting:

The Hon. M.C. PARNELL: No; the thing is, I am saying the government brings back a bill. If they want to bring back a bill with a list of the crimes they believe this provision should apply to, we will consider that.

The Hon. R.I. Lucas: And you will oppose it.

The Hon. M.C. PARNELL: No; you can work through your list, from terrorism to murder, and I will come back with swapping the price tags on the toaster in Bunnings. Really, this is a very serious matter of public policy. What the Legislative Council has said so far is, 'We're prepared to act swiftly. We're prepared to give the police the powers they want in relation to child exploitation material, and we can do that today.'

Of course, it is up to the government what they do. If they want to sit on this for another three weeks and then come back between the houses with further amendments, they are certainly entitled to do that, but it does make some of the remarks of the Treasurer from yesterday ring quite hollow when we are all being accused of courting the paedophile vote come election time, and that we are not being tough enough. Here is the Legislative Council saying to the government, 'We can deal with child exploitation material today. The House of Assembly can deal with it today. We can give the police the powers they want very quickly.'

I appreciate that the government has accepted that my first amendment has the numbers. Curiously, the government said that whilst it does not believe my second amendment has any work to do because of the nature of parliamentary privilege, what I said earlier on is that if my first set of amendments got through I would not move that second amendment. The reason I would not move it is quite simple. If we limit it to child exploitation offences and then we add a special provision relating to parliamentary privilege, it looks as if we are trying to protect members of parliament in relation to child exploitation material, and I do not want to do that.

What I said—and I will stick with this—is that if my first amendment gets up I will not move the second amendment. That should not cause too much grief. The government has said that, while they do not necessarily oppose it, they do not think it has any work to do, so it should be no skin off anyone's nose. I want to make it clear that when it comes to these abhorrent offences, as the

Treasurer said, members of parliament should be treated the same as anyone else. We want to make that crystal clear, so I will not move that second amendment.

In terms of assisting the committee, it is in your hands, Mr Chairman, but I have nothing further to add in relation to clause 1. I note that all of my amendments relate to clause 11. That is the operative provision. I am happy to move them as a block, but I am just thinking it might be necessary to split them up. If I have declared now that I am not moving my set number 2—I will say that now—and when we get to clause 11, I will move mine as a block, if that is appropriate.

The Hon. R.I. LUCAS: I will briefly outline the government's position. I did, on behalf of the government, outline our concerns at the second reading reply. From the government's viewpoint, we do accept the political reality. However, we will, in opposing this particular amendment, use this as a test vote for the views of the majority of the council. Our understanding is that the numbers will not be with the government, but nevertheless we will test the vote on the floor and we would accept this as a test vote for the package of amendments the Hon. Mr Parnell is proposing to move.

Put simply, if I can repeat the position, the government's position is that clearly these offences are serious but that so too are terrorism offences, drug trafficking offences, revenge porn, cyber-facilitated abuse, cyber fraud and domestic violence. What those who are opposing the government's position are saying is that they are prepared to arm the police with the powers which they will be able to use in relation to child exploitation, but in relation to terrorism, drug trafficking, revenge porn, cyber-facilitated abuse, cyber fraud and domestic violence offences, the people who support the Hon. Mr Parnell are saying, 'No, we won't support it.' At least I thank the Hon. Mr Parnell for his momentary lapse into honesty there—

The Hon. T.A. FRANKS: Point of order, Mr Chair: the Treasurer just impugned improper motives from the member, and I ask him to withdraw it.

The CHAIR: Treasurer.

The Hon. R.I. LUCAS: No, I am not going to withdraw, Mr President, I congratulated him for his lapse into honesty, because when I put the question to him—

The Hon. M.C. PARNELL: Point of order: my recollection of the member's words were—I think it was a 'momentary lapse into honesty', the implication of which is that all of the rest of the time I am not honest. I think that is an adverse reflection.

The CHAIR: Can you clarify your comments, Leader of the Government?

The Hon. R.I. LUCAS: I am very happy, in the interests of proceeding, to withdraw that imputation about the honourable member. Can I congratulate him on his honesty in responding to the question that I put to him. The honourable member's position has been, 'Let's split the bill,' and he invites the government to come back with a second bill to tackle the issues of terrorism, drug trafficking, revenge porn, cyber-facilitated abuse, cyber fraud and domestic violence. When I put the question to the honourable member and said, 'Will you support the bill?' he said, honestly, 'No.'

I am congratulating him for his honesty, because the honourable member's position is disingenuous, if I am allowed to use that word, because the position he is putting is, 'Let's split the bill and we'll tackle this issue now, and we'll tackle the other issues, like terrorism, drug trafficking, revenge porn, cyber-facilitated abuse, cyber fraud and domestic violence, in a second bill,' and he invites the government to bring that particular bill back, but he is still going to oppose that particular bill as well.

I think it should be clear to everyone that the Hon. Mr Parnell's position, one which is being supported by a number of other members in this chamber, so we are led to believe, is that they do not want to see this particular power extended to trying to tackle these other very serious offences. That is the government's position. We want the powers to tackle child exploitation offences, but we also believe that terrorism and the range of other serious offences also are meritorious or deserving of these additional powers as well.

As I said, from the government's view, we will take this first vote as a test vote for the package of amendments the Hon. Mr Parnell is moving to clause 11 in relation to this particular issue. If we are unsuccessful on the first we will accept the vote of the majority.

The Hon. M.C. PARNELL: I did say that I had nothing else to say on clause 1, but in deference to some people I consulted in relation to these amendments, I should put on the record that I wrote to the Law Society with a copy of my amendment, and they have written back. I have circulated this reply to all members. The crux of their response is to say:

> The society supports this amendment and has previously submitted that the definition of 'serious offences' should strictly pertain to offences related to CEM.

CEM is child exploitation material. It continues:

> In its current form, the Bill would apply to any indictable offence, or an offence with a maximum penalty of 2 years imprisonment or more.

In this advice they are basically saying that the approach the Greens are taking is consistent with the Law Society's approach.

By way of defence to the Treasurer's attack, when he asked whether I would support it I was not saying I would support any particular measure. He was asking whether I support the approach; yes, I do. He was asking me if I would guarantee to support a bill I have not seen; I have no idea what is in it. Of course the answer to that is always no. Are you going to support a bill that you have not seen and where you do not know what is in it? He identified about four offences, all of which are horrible crimes. I do not disagree that they are horrible crimes, but if he wants to go through the 20 or 30 different offences that they have flagged they might include, we are debating a second bill that we have not seen yet.

I want the record to show that my request of the government is to come back with a second bill and give the police the powers they want in relation to child exploitation material now. The Greens will look at every government bill on its merits, as we always do. We will thoroughly analyse it. We will consult with stakeholders, which is an important thing here. These laws, which relate to every single citizen who owns a phone or a computer, have not been widely consulted on in the community. I think they were scurrilously attached to a bill that everyone automatically expected we were all going to support in relation to child exploitation material.

I am really unhappy with the way the government has done this, combining these two issues into one bill. The minister has explained that we are all confused and that it really was quite a natural thing to put them together. I think the government should come back, deal honestly with the South Australian public, have a proper consultation—

The Hon. R.I. Lucas: Are you suggesting we weren't dealing honestly on every other occasion?

The Hon. M.C. PARNELL: The government should come back and have a proper consultation in the community about privacy laws, the right to silence and all of these issues. That will help inform the debate on the number two bill that I have invited the government to bring back. I want to put on the record that the Law Society believes that the approach the Legislative Council is taking today is the right approach.

The Hon. C. BONAROS: Can I start by saying that I think this is the second day running on which I take exception to the suggestions that are being made by the Treasurer in this place in relation to our views on issues as serious as domestic violence, murder, rape, terrorism, drug trafficking and cyber abuse. I think our records in this place, in terms of our positions previously, speak volumes about where we stand on those issues. For the record, I would also like to clarify that we certainly have not said that we are not open, and I think I speak for myself and my colleague. We would be very open to supporting legislation that addresses those very specific issues.

The issue that we have is that we have been given a draft that lists some 60-odd offences that do not fall within the scope of child exploitation and therefore, arguably, not within the scope of the issue that we have been considering; that is, child exploitation. That is really why we have taken exception to the way that we are dealing with this bill.

I think the Hon. Mark Parnell has put forward a very sensible solution to this; that is, that we deal with the child exploitation element of the bill and give the police the powers that they want now to address the issue of child exploitation. Between now and the next sitting week, the government

can come back with another bill that deals with these other issues that have been listed, which we all treat very seriously, and give us the opportunity to consult on those matters for due process to take its course and for us to appropriately consider which of those matters we think ought or ought not be included in that bill.

That does not mean that we do not take seriously or that we somehow support domestic violence, murder, rape, terrorism, drug trafficking, cyber abuse, cyber crime and whatever else you want to add to the list. However, it is inappropriate to present us with a list of 60-odd items, saying, 'These are all the things we are going to tack on to child exploitation,' and suggesting that we should just pass those without actually considering those items, based on their own merits. The suggestion that we support those sorts of crimes is also extremely offensive.

On behalf of SA-Best, I indicate that I think the Hon. Mark Parnell has pointed to a very sensible course of action, and that is the one that we will be supporting.

Clause passed.

Clauses 2 to 10 passed.

Clause 11.

The Hon. M.C. PARNELL: I move:

Amendment No 1 [Parnell–1]—

Page 7, after line 18 [inserted section 74BN(1)]—Before the definition of *computer* insert:

child exploitation offence means any offence involving sexual exploitation or abuse of a child, or exploitation of a child as an object of prurient interest;

I do not propose to speak to it. We have agitated the issues.

The Hon. C.M. SCRIVEN: I indicate that the opposition will be supporting this amendment.

The committee divided on the amendment:

Ayes 11
Noes................ 8
Majority............ 3

AYES

Bonaros, C.	Bourke, E.S.	Franks, T.A.
Hanson, J.E.	Hunter, I.K.	Ngo, T.T.
Pangallo, F.	Parnell, M.C. (teller)	Pnevmatikos, I.
Scriven, C.M.	Wortley, R.P.	

NOES

Darley, J.A.	Dawkins, J.S.L.	Hood, D.G.E.
Lee, J.S.	Lensink, J.M.A.	Lucas, R.I. (teller)
Stephens, T.J.	Wade, S.G.	

PAIRS

Maher, K.J.	Ridgway, D.W.

Amendment thus carried.

The Hon. M.C. PARNELL: I move:

Amendment No 2 [Parnell–1]—

Page 7, lines 34 and 35 [inserted section 74BN(1), definition of *investigator*]—Delete the definition of *investigator*

Amendment No 3 [Parnell–1]—

Page 7, lines 36 to 39 [inserted section 74BN(1), definition of *serious offence*]—Delete the definition of *serious offence*

Amendment No 4 [Parnell–1]—

Page 8, line 20 [inserted section 74BQ]—Delete 'or an investigator,'

Amendment No 5 [Parnell–1]—

Page 8, lines 27 and 28 [inserted section 74BR(1)]—Delete 'or an investigator'

Amendment No 6 [Parnell–1]—

Page 8, line 30 [inserted section 74BR(1)]—Delete 'or an investigator'

Amendment No 7 [Parnell–1]—

Page 8, lines 38 and 39 [inserted section 74BR(1)(c)]—Delete 'or investigator'

Amendment No 8 [Parnell–1]—

Page 9, line 4 [inserted section 74BR(3)(a)]—Delete 'serious offence' and substitute 'child exploitation offence'

Amendment No 9 [Parnell–1]—

Page 9, lines 6 and 7 [inserted section 74BR(3)(b)(i)]—Delete 'serious offence' and substitute 'child exploitation offence'

Amendment No 10 [Parnell–1]—

Page 10, line 1 [inserted section 74BR(6)]—Delete 'serious offence' and substitute 'child exploitation offence'

Amendment No 11 [Parnell–1]—

Page 10, line 9 [inserted section 74BS(1)(c)]—Delete 'serious offence' and substitute 'child exploitation offence'

Amendment No 12 [Parnell–1]—

Page 10, line 25 [inserted section 74BT(1)]—Delete 'or an investigator'

Amendment No 13 [Parnell–1]—

Page 10, line 29 [inserted section 74BT(1)]—Delete 'serious offence' and substitute 'child exploitation offence'

Amendment No 14 [Parnell–1]—

Page 10 lines 29 and 30 [inserted section 74BT(1)]—Delete 'or investigator'

Amendment No 15 [Parnell–1]—

Page 10, line 34 [inserted section 74BT(1)(a)]—Delete 'or investigator'

Amendment No 16 [Parnell–1]—

Page 11, line 6 [inserted section 74BT(1)(b)]—Delete 'or an investigator'

Amendment No 17 [Parnell–1]—

Page 11, line 8 [inserted section 74BT(1)(c)]—Delete 'or investigator'

Amendment No 18 [Parnell–1]—

Page 11, lines 10 and 11 [inserted section 74BT(1)(c)]—Delete ', subject to subsection (2),'

Amendment No 19 [Parnell–1]—

Page 11, lines 13 to 17 [inserted section 74BT(2)]—Delete subclause (2)

Amendment No 20 [Parnell–1]—

Page 13, lines 9 and 10 [inserted section 74BW(3)(a)]—Delete 'serious offence' and substitute 'child exploitation offence'

Amendment No 21 [Parnell–1]—

Page 13, line 12 [inserted section 74BW(3)(b)]—Delete 'serious offence' and substitute 'child exploitation offence'

Amendment No 22 [Parnell–1]—

Page 13, line 13 [inserted section 74BW(3)(b)]—Delete 'serious offence' and substitute 'child exploitation offence'

Amendment No 23 [Parnell–1]—

Page 13, line 14 [inserted section 74BW(4)]—Delete 'or an investigator'

Amendment No 24 [Parnell–1]—

Page 13, line 16 [inserted section 74BW(4)]—Delete 'or investigator'

Amendment No 25 [Parnell–1]—

Page 14, line 30 [inserted section 74BY(1)(c)(i)]—Delete 'serious offences' and substitute 'child exploitation offences'

Amendment No 26 [Parnell–1]—

Page 14, line 38 [inserted section 74BY(1)(d)]—Delete 'serious offence' and substitute 'child exploitation offence'

Amendment No 27 [Parnell–1]—

Page 15, lines 1 to 30 [inserted section 74BY(2)]—Delete subclause (2)

Amendment No 28 [Parnell–1]—

Page 15, lines 31 and 32 [inserted section 74BY(3)]—Delete 'and the Independent Commissioner Against Corruption'

Amendment No 29 [Parnell–1]—

Page 16, lines 1 and 2 [inserted section 74BZ(2)]—Delete 'and the Independent Commissioner Against Corruption'

The CHAIR: Does any honourable member wish to make a further contribution? They are not strictly consequential but I intend, unless an honourable member objects, to put them collectively in the one question. Does any honourable member object? Then I put the question that amendments Nos 2 to 29 [Parnell-1] inclusive be agreed to.

Amendments carried; clause as amended passed.

Title passed.

Bill reported with amendment.

Third Reading

The Hon. R.I. LUCAS (Treasurer) (16:06): I move:

That this bill be now read a third time.

Bill read a third time and passed.

CONSTRUCTION INDUSTRY TRAINING FUND (BOARD) AMENDMENT BILL

Committee Stage

In committee.

(Continued from 26 February 2019.)

Clause 1.

The Hon. S.G. WADE: I advise you as Chair that since the committee last met on this bill, answers to questions put by members have been provided. I hope members found those helpful.

The Hon. C.M. SCRIVEN: Can I clarify whether those answers have now been entered into *Hansard*?

The Hon. S.G. WADE: I am happy to read them onto *Hansard*. In relation to the veto, the government was asked: how many times in the past 18 years have the veto provisions been used? I am advised that since 2002, the veto voting provision has been used on at least 12 occasions. The 2004 review of the act makes the recommendation that the veto voting provision should be removed

to ensure decisions reflect a majority of the board as a whole. Ironically, in 2005, the board used the veto voting provision to vote against the motion on recommendation 20 of the review to repeal the veto provision.

The opposition claimed 'we in the Labor Party managed to go 16 years without disrupting the CITB from its stated purpose'. A previous minister for employment and skills (Tom Kenyon) tried to reform funding priorities back in 2012 by amending the annual training plan. Removal of the veto voting is an important step towards modernising the board's processes.

Question 2: where did the Minister for Industry and Skills get the information that the veto voting provisions had been used recently by union members?

The minister was provided this information voluntarily after making a request to the chief executive officer of the CITB. I believe the presiding member approved the disclosure of this information. It is important to note that one of the amendments filed by the Hon. Frank Pangallo MLC aims to address the requests from the minister to the board for information pertaining to board operations. Blocking the minister from reviewing the agenda and minutes of the board is unusual and not good governance. It also infers that the board may not be working as it should be; that is, in partnership with the government of the day to deliver optimal training outcomes. The objective of the CITB is to provide:

> …a genuine strategic partnership between the Board and the Government whereby the Board's investment in training is integrated with the Government profile-funded training for the industry and whereby the two work together to improve the targeting of mechanisms to encourage and promote industry investment in training.

The 2004 review was undertaken to make recommendations to promote this.

Question 3: who has raised concerns about the composition of the board?

The Minister for Industry and Skills in the other place previously held the position of shadow minister for training (since 2008). Issues have been raised about the board through the many consultations/discussions with industry stakeholders after over the decade.

Question 4: what approaches and from whom did the government receive about the CIT before the election?

I am advised that issues have been raised about the board through the many consultations/discussions with industry stakeholders over the last decade.

Question 5: which members of the CITB were consulted by the Minister for Industry and Skills before the introduction of the bill to the House of Assembly?

Consultation was undertaken with industry, including the Property Council of Australia (SA), Civil Contractors Federation SA, Master Builders Association of South Australia, Master Plumbers Association of South Australia, Training and Skills Commission, CEO and presiding member of the Construction Industry Training Board, Australian Subcontractors Association and Housing Industry Association of SA. I have been advised that all have indicated their strong support of the bill.

The Minister for Industry and Skills wrote to over 30 industry stakeholders to inform them of the amendments proposed under the bill. This was an opportunity for stakeholders to provide feedback. I have been advised that no feedback or request for meeting to discuss the reforms were received from the employee associations (unions). Stakeholders included both employer and employee associations prescribed in the current act, including the Communications, Electrical and Plumbing Union (CEPU), the Australian Workers' Union (AWU) and the Construction, Forestry, Maritime, Mining and Energy Union (CFMEU). On 21 September, the Minister for Industry and Skills held a meeting with employee representatives (unions) to discuss a range of training matters. The CITB was not raised by the unions.

Question 6: what was the precise involvement of the Master Plumbers Association in the consultation process?

The minister has met with the Master Plumbers Association many times over the years. Discussions included training reforms and the Construction Industry Training Board.

Question 7: did the minister meet with the Housing Industry Association prior to the introduction of the bill to discuss the bill?

The minister has met with the Housing Industry Association many times over the years. Discussions included training reforms and the Construction Industry Training Board.

Question 8: the Property Council and the Master Builders Association and the Civil Contractors Federation met on 10 September to provide feedback and advise on the drafting of the bill. Did they meet together or separately, and were any unable to attend?

Discussions were held with each individually.

Question 9: did the Minister for Industry and Skills meet in the same way with any of the three employee associations to discuss the bill prior to its introduction?

The Minister for Industry and Skills wrote to over 30 industry stakeholders to inform them of the amendments proposed under the bill. This was an opportunity for stakeholders to provide feedback. I have been advised that no feedback or request for a meeting to discuss the reforms were received from the employee associations (unions).

Stakeholders included both employer and employee associations prescribed in the current act, including the Communications Electrical Plumbing Union (CEPU), the Australian Workers Union (AWU), and the Construction, Forestry, Mining and Energy Union (CFMEU). On 21 September, the Minister for Industry and Skills had a meeting with a number of employee representatives (unions) to discuss training matters. The CITB was not raised by the unions.

Why were only three associations (see question 9) considered worthy of involvement in the development of the bill?

Consultation was undertaken with industry. I have been advised that the minister also discussed the CITB personally with industry groups, including the Property Council of Australia SA, the Civil Contractors Federation (SA Branch), Master Builders Association of South Australia, Master Plumbers Association of South Australia, Training and Skills Commission, CEO and presiding member of the Construction Industry Training Board, National Electrical and Communications Association, the Air Conditioning and Mechanical Contractors' Association, Australian Subcontractors Association and the Housing Industry Association of South Australia.

The Minister for Industry and Skills wrote to over 30 industry stakeholders to inform them of the amendments proposed under the bill, including employee groups. This was an opportunity for feedback. I have been advised that no feedback or request for a meeting to discuss the reforms were received from the employee associations (unions).

Did the National Electrical and Communications Association, the Air Conditioning and Mechanical Contractors' Association, the Master Plumbers Association and the Australian Subcontractors Association attend meetings with the minister regarding the bill?

I have been advised that the minister met or personally discussed the bill with the National Electrical and Communications Association (NECA), the Air Conditioning and Mechanical Contractors' Association (AMCA), the Master Builders Association (MBA) and the Australian Subcontractors Association.

Were there any meetings with any individuals or bodies prior to the introduction of the bill?

The minister met with individuals, industry, community groups and organisations on an ongoing basis, and has done so since being elected to state parliament.

Question 10: what component of Mr Handley's CV is relevant to his appointment?

Mr Handley has the relevant experience. Crown advice was sought prior to recommending his appointment to the Governor. Mr Handley has been engaged by a registered training organisation to assist them with auditing and compliance activity (including ASQA auditing and compliance activities), and as such has been engaged in vocational education or training. He brings valuable financial and auditing skills that are of great benefit to the operation of the board. I have been advised that Mr Handley was elected unanimously as chair of the CITB's finance and audit committee.

Question 11: under the current composition of the board, South Australia has had a less than a third of the decrease in apprentice numbers compared with other states. Why is a model that is based on other states being proposed?

South Australia has the most prescriptive legislation in the nation. The intent of the CITB is to align state training priorities. The importance of a strong partnership between the board and the government for the effectiveness of the investment in training is critical. Removing sectorial interests will better promote the needs of the industry overall. Skilling South Australia is a key initiative of the South Australian government. A renewed CITB will work better to align training funding, to complement the work of the government to ensure more South Australians have access to skills training and life-long careers.

Renewing the CITB is not unique, and has been undertaken in line with the state government's reforms to rejuvenate training in South Australia. The Training and Skills Commission has also been revitalised as part of broader reforms to rebuild South Australia's training system to ensure more South Australians have an opportunity to participate in a skilled future workforce.

As per the 2004 independent review of the act, 'The review agrees that it is desirable to have a category of board membership which directly links the board to the government's agenda for workforce skill development.'

Question 12: does the government consider the apprenticeship and training support is sufficient at present or too great or not great enough?

The state government has an ambitious target to create an additional 20,800 apprentices from traineeships over four years. The government has a vital role to play through strategic policy to improve and increase new opportunities for our young people, particularly through training. It is also important that opportunities are available to existing workers to upskill through training programs. Skilling South Australia is delivering these opportunities to more South Australians.

Question 13: what skills are currently lacking on the board?

A renewed board will be able to respond to changing industry requirements and enhance training outcomes in line with government investment in policy, including the state government's $203 million Skilling South Australia training investment.

Question 14: are there any plans to extend the CITB levy to include defence or mining or any other areas?

I have been advised that any such proposal would be a matter for the board to consider following consultation with industry and stakeholders. I indicate to the committee that the minister referred to in the answers is the Minister for Industry and Skills from the other place, and that those answers were provided by that minister.

The Hon. C.M. SCRIVEN: Firstly, let me place on the record my appreciation that there have been some answers brought back. However, I point out that a number of the questions have not been answered and, instead, answers to a question that was not asked have been provided. That does, therefore, result in a number of further questions, all to do with clause 1.

In passing, in answer to question 1 about when the veto has been used, the Minister for Industry and Skills said:

> Ironically, in 2005, the board used the veto voting provision to vote against the motion on recommendation 20 of the review to repeal the veto provision.

However, I imagine that the minister would have been aware that that would need to be changed through legislation and the board would have no impact on that. It was an interesting thing for him to put in when it was quite irrelevant.

In terms of the question about when the Minister for Industry and Skills received information that the veto provisions had been used, the answer provided was that the minister was provided this information voluntarily after making a request to the chief executive officer of the CITB. I believe the presiding member approved the disclosure of this information. That is, of course, relevant because

the responsible person to the minister is the presiding member, as opposed to the CEO. So could the minister let me know what date that information was provided to the minister?

The Hon. S.G. WADE: I do not know the answer to that question.

The Hon. C.M. SCRIVEN: Is the minister able to take it on notice and bring back a reply?

The Hon. S.G. WADE: The government does not intend to take any further questions on notice. We believe that at the end of the second reading stage all members had an opportunity to ask further questions. The government was very cooperative in taking questions on notice at clause 1, and has expeditiously provided the answers.

I cannot see how the date of the letter can impact on the substance of the advice provided to the committee, and I urge the committee to no longer put up with Labor's filibustering. They might want to pay their dues to their union mates, but these pages, these answers, are very fulsome. They directly address the issues raised, and the committee should get on with its job.

The Hon. C.M. SCRIVEN: Despite that unexpected diatribe, verging on hysteria and union bashing, I will endeavour to explain to the minister why the date of advice being provided is relevant. The purported reason for this bill is to improve accountability and transparency. We have already seen a number of anomalies in regard to appointment of board members. The presiding member changed over the period of September/October; therefore, my question was leading to which presiding member supposedly approved the disclosure of this information, as would be required under the current code.

In terms of accountability and transparency, it is quite relevant, so I will I ask it again. In fact, there are two related questions: what date was that provided to the minister, and which presiding member apparently approved the disclosure of confidential board information?

The Hon. S.G. WADE: The honourable member's restatement of the question and the context of it actually highlights that it is even less relevant to this bill. If the honourable member is trying to reflect on a decision—

The Hon. J.E. Hanson: You are just refusing to answer the question. It is a legitimate question and you are refusing to answer it.

The Hon. S.G. WADE: Actually, I am not able to answer because you are hectoring me.

Members interjecting:

The CHAIR: Please restrain yourself.

The Hon. C.M. SCRIVEN: Point of order, sir: as far as I can see, Mr Chairman, you have not been hectoring anyone.

The CHAIR: I have warned the Hon. Mr Hanson to restrain himself. Minister, continue with your answer.

The Hon. S.G. WADE: The point I am making is that the opposition has ventilated an issue about an appointment to the current board. They have the right to do that. They obviously have a problem with the Minister for Industry and Skills, but I just want to stress to the council again that, no matter what issues the opposition has in relation to that appointment, they have every right to continue to pursue them, but it has nothing to do with this bill. It has nothing to do with this bill, because once this bill is proclaimed all the current appointments are null and void, so any flaws that the opposition might claim in relation to the past are a matter for the past.

The Hon. C.M. SCRIVEN: I have noted that the government is refusing to provide answers to do with accountability, which certainly must place more questions to the crossbenchers over the purposes of this bill, the true intent and whether we can really trust a current or future minister to appoint people based on merit, which is apparently the purpose of this bill. However, given that the government is keen to keep covering up this sort of information, I will move on.

My question is: is the minister aware that the board is actually an industry board and not a government board? This relates to a number of items. Will it continue to be a body to provide

information to the minister or is it instead envisaged that the minister will provide information and direct the board?

The Hon. S.G. WADE: In a number of the minister's answers he highlighted the importance of a strategic partnership and working together. That is the role of an independent board.

The Hon. C. BONAROS: Further on from that, is it not fair to say that this board is different from other boards insofar as it is a board which has been prescribed by legislation and one that deals with public moneys insofar as the levies are collected from those individuals who pay levies as a result of building works that they undertake?

The Hon. S.G. WADE: I thank the honourable member for her question. To clarify my remarks, you can be an independent board established by statute and have strategic objectives. Let me remind honourable members of the act. The functions of the board are:

> to act as a principal adviser to the Minister and the Minister for Employment, Education and Training of the Commonwealth on any matter relating to training in the building and construction industry and in particular to provide…

So this parliament gave them the responsibility to be in partnership not only with the state minister but also with the federal minister. My understanding of their role as a statutory board is to come to their own view but, considering that the minister and the government have a responsibility to implement their policy, it is our view that the board and the government should work together in a strategic partnership.

The Hon. C.M. SCRIVEN: The minister's contribution just a moment ago does come to the crux of the problem: if we want a board to come to its own view then there need to be mechanisms in place so we can be sure that they are not just mates appointed to the board, mates therefore indebted to a minister, mates therefore who will tow the minister's line or the government's line rather than come to their own independent point of view of what is best for industry. I will move—

The Hon. S.G. WADE: Sorry, was that a comment, was it?

The Hon. C.M. SCRIVEN: I was placing it on the record; you are welcome to answer it, minister, of course.

The CHAIR: Minister, do you wish to speak?

The Hon. S.G. WADE: I was just wanting to clarify if it was a question or a comment; if it was a comment then let it lie.

The CHAIR: The Hon. Ms Scriven, do you wish to go on?

The Hon. C.M. SCRIVEN: I am still on that same response, which the minister here read out, that the 2004 review was undertaken to make recommendations and promote that genuine strategic partnership. I appreciate that the member for Unley is the one who has provided these answers. If the member for Unley is supporting the recommendations of the 2004 review, can you explain why he is ignoring its recommendation that:

> As the review has accepted the pivotal role of employer and employee associations in the building and construction industry, then logically the associations should be represented on the Board to the extent they are necessary to provide coverage of all interested parties.

I continue that quote:

> The review is unable to conclude that any of the associations presently represented on the Board, an outcome strenuously negotiated at the time of the drafting of the legislation, should not be there for the purpose of providing such coverage.

So if the member for Unley is supporting the recommendations of the review, why is he not supporting that recommendation?

The Hon. S.G. WADE: In the minister's answer at the end of the second question, he was clearly referring to the need for a genuine partnership. As I said in that answer—and just to stress that the quote I am giving here is a quote from the 2004 review, I am advised—the objective of the CITB is to provide, and I quote:

…a genuine partnership between the Board and the Government whereby the Board's investment in training is integrated with the Government's profile-funded training for the industry and whereby the two work together to improve the targeting mechanisms to encourage and promote industry investment in training.

The 2004 review stressed the importance of strategic partnership. The fact that the minister is suggesting that his bill is supported by a key recommendation of the 2004 review makes no comment about other recommendations.

The Hon. C.M. SCRIVEN: Given the minister's comments there about the role of the board and the role of the department, is he aware that the memorandum of understanding signed by the department as a result of the last review sets out different responsibilities for the board and the department?

The Hon. S.G. WADE: No, I am not.

The Hon. C.M. SCRIVEN: Just to stress that, the memorandum of understanding sets out that the roles are different; they are not to be treated as one and the same. The Construction Industry Training Board is not a creature of government. It is collecting levies and administering those levies—public moneys, as the Hon. Ms Bonaros pointed out—and yet it appears from the intent of this bill and from the comments that we have heard here so far that the idea is to actually merge those roles so that the CITB, looking after money that is not government money, will be implementing the government's agenda. That clearly is why the structure of the board is being proposed in such a way that the minister will have absolute and ultimate discretion to appoint whoever he wishes, essentially to gain control of funds that are not the government's funds to use.

The Hon. S.G. WADE: I would remind the council that what the minister, on behalf of the government, is implementing as a reform program is very similar to other jurisdictions. We have the most prescriptive model in Australia, and it is a complete mischaracterisation of this bill to say that the CITB would become a creature of government, because that is not the experience of other states and territories.

If this government wanted to make it a creature of government, we would abolish it and put it in the department. The government does see the value of engaging with industry through the CITB, but we are committed to a genuine strategic partnership between the board and the government.

The Hon. J.E. Hanson interjecting:

The CHAIR: The Hon. Mr Hanson, please restrain yourself. We are in committee. The Hon. Ms Bonaros caught my eye first, the Hon. Ms Scriven, so I will give her the call.

The Hon. C. BONAROS: Thank you. Just for the sake of playing devil's advocate, the Hon. Clare Scriven has said that the fund is being used, potentially, under the changes as 'jobs for the boys' and stacking it in a way that supports those industry groups which are somehow affiliated with the Liberal Party. Can the exact same thing not be said about the union membership on that board and the fact that they have had a right of veto over those decisions? Does the exact same argument not apply in relation to the position that has been put forward by the opposition on this matter?

The Hon. S.G. WADE: I completely concur with the member. The Labor Party in this house, in this parliament, is trying to defend a structure where unions appoint unions and then carry a veto. How can—

The Hon. J.E. Hanson: 'Unions appoint unions'—outline how that's the case.

The Hon. S.G. WADE: Unions appoint union members. I believe that fundamentally undermines the opportunity to develop a collective industry view, and it significantly inhibits the capacity for strategic partnership. You have two groups within the board carrying a veto; it is not a structure which encourages a whole of economy, whole of society, whole of government approach. We believe the experience of other states and territories where the minister has more freedom to bring together all the skills, all the insights that would help the construction industry grow is a much better approach.

The Hon. C. BONAROS: And just on from that, then, all those groups which the minister has just alluded to support the bill—as I understand it; perhaps the minister can just confirm this

again for the record—in its current form as opposed to the act as it stands, as it is printed at the moment?

The Hon. S.G. WADE: I do not want to overstate the advice I have received. The advice I have received in relation to question 5 is that all of those organisations mentioned had strong support for the bill. I am not saying they have signed off on every clause. My understanding is that they support the act to be amended by this bill.

The Hon. C.M. SCRIVEN: I would like to respond to the devil's advocate question from the Hon. Ms Bonaros. It is very, very different; it is not exactly the same in any shape or form. What is being proposed in this bill is that there will be a board that will consist of between seven and 11 members, each and every one of them appointed solely at the discretion of the minister. The situation we have at the moment is not as I understand was originally communicated to Ms Bonaros's party, I consider incorrectly, in the member for Unley's briefing.

Currently, there is a board of 11. There are three union members—employee associations—on that board: three out of 11.

The Hon. C. Bonaros: With a right of veto.

The Hon. C.M. SCRIVEN: They have a right of veto. There are five employer associations—guess what?—with a right of veto. There are two who are supposed to be appointed for their expertise and experience in delivering vocational education and training who have a veto. When we are talking about strategic partnership, the very way that the legislation was established 25 years ago was to ensure that there is a strategic partnership. No matters can be taken off in one particular direction to benefit one group within the industry without the agreement of the other two groups. Vested interests will look after their own interests, and that is why no one group can push their own interests in the current situation.

The Hon. J.E. Hanson: Hence the current structure.

The Hon. C.M. SCRIVEN: Hence the current structure, as the Hon. Mr Hanson says.

The Hon. S.G. Wade: He's coaching you. He's trying to keep you afloat.

The Hon. C.M. SCRIVEN: No, we are simply a team, and I think given the experience of Tuesday no-one should be talking about needing to be coached.

So we have an existing situation where the structure has worked. It has ensured that vested interests cannot override each other, whereas the proposed bill will mean that there is pure and absolute power from the minister to appoint whoever he sees fit—or potentially she in the future. That means that anyone who is on that board is indebted to the minister of the day.

How are we going to be having an independent decision-making process when any member of the board knows that if they do not toe the minister's line they will not be reappointed? It is a ridiculous thing to suggest that that will create a better partnership than the current situation, which was reinforced in the 2004 review, which has been referred to a number of times, that says this is actually a key part of having a body that works together for industry.

Regarding the questions that were asked about who had raised concerns about the composition of the board, the minister has simply said that issues have been raised over the years. My question is: can the minister detail exactly which industry stakeholders raised concerns? It is all very well to have this general response of, 'Oh yes, I have spoken over the last 10 years and there have been concerns.' Which industry stakeholders have raised concerns? Within a number of different forums there have been people from the employer associations, as well as the employee associations, talking about the success of the board, which of course includes its current composition.

The Hon. S.G. WADE: The honourable member condemns her own argument from her own mouth. She says, 'Vested interests will look after vested interests.' Exactly. They will. So the fact that there are only three out of 11 who are employee organisations does not in any way weaken their veto. How is a veto power going to facilitate a strategic partnership? It would be more credible if the honourable member said that it would be good to put in a two-thirds provision, and you had these

sorts of groups nominated. Then you could say that at least two groups out of three agreed—but no, any one, including the three employee organisations, can veto.

The Hon. C.M. Scriven interjecting:

The Hon. S.G. WADE: Vested interests look after vested interests. That is what you said. This party, the Labor Party that seeks to be the alternative government in this state, is saying, 'No. We are going to stand up for our union mates against the broad interests of the state.' This party, the Liberal Party, the government of South Australia under Steve Marshall, will stand up for all South Australians. That is why the government—

The Hon. R.P. Wortley interjecting:

The CHAIR: The Hon. Mr Wortley, please, I call you to order!

The Hon. S.G. WADE: —wants to have an open process, including public expressions of interest. We are not going to stand up for vested interests looking after vested interests. We will stand up for the people of South Australia.

The Hon. F. PANGALLO: There are amendments afoot, and if they do get passed there will be employee representation, about which the minister will consult . There is another amendment: that the minister will consult with the presiding member of the board. But I just want to point out here that the unions do not really have any skin in the game regarding this board. How much do they contribute? How much do they contribute to that levy? How much do they actually financially contribute to that fund?

The Hon. C.M. SCRIVEN: None of the employer associations contribute to the fund. Zero.

The Hon. C. BONAROS: Where do the levies come from that contribute to the fund, and how does that compare to the contributions of the unions? I think my colleague the Hon. Frank Pangallo has made a good point in terms of—

The Hon. J.E. Hanson interjecting:

The Hon. C. BONAROS: Where are the levies that are being collected for this board coming from?

Members interjecting:

The Hon. C. BONAROS: No, you tell us where they are coming from.

The CHAIR: The Hon. Ms Bonaros, you have asked a rhetorical question. I need to keep some order in the debate, so have you formally asked—

The Hon. C. BONAROS: That is the question.

The CHAIR: Normally you can only ask a question of another member other than the government in relation to amendments. However, I am allowing this debate to go on because we have amendments coming, and we have a variety of amendments.

The Hon. S.G. Wade interjecting:

The CHAIR: I am the Chair, minister, and I am allowing the members to have a debate at clause 1, which we have done many times in the past, as you well know.

The Hon. S.G. Wade interjecting:

The CHAIR: Minister, please. I am tying this debate to the amendments that are to come. That is the basis upon which I am allowing it.

The Hon. C.M. SCRIVEN: Construction industry training funds come whenever anybody builds something, essentially. The employer associations do not contribute a cent to the fund; similarly, as has been pointed out, the employees are not contributing the funds. Every time any of us builds a house we contribute funds—any time something is built. To say that because the unions do not contribute money to the fund defeats the argument that therefore we should not have the employer associations on either.

In terms of what the unions provide, it is the workforce. This is a training fund for workers within the construction industry to ensure that we have the skills that we need for a thriving construction industry going forward. That is the contribution and that is the skin in the game. When you look at what the fund has done in terms of training, there are things like safety training. If workers do not have skin in the game to ensure there is safety training in a high-risk occupation such as construction, well, I do not know what skin in the game is.

The Hon. F. PANGALLO: There are some initiatives that the employee representatives have put to the board previously, and I hope that they will continue, and we will ask that they continue. I am just having a look at the make-up at the moment. When you say the board does not have any skin in the game—

The Hon. C.M. Scriven: No; I said it does not contribute money.

The Hon. F. PANGALLO: No, but their members do.

The CHAIR: The Hon. Ms Scriven and The Hon. Mr Pangallo, it is not a conversation. The Hon. Mr Pangallo, just state your piece and then you can invite another member to respond without asking them a question.

The Hon. F. PANGALLO: That is what I was going to do when I was going to go through the list. I am looking at the list, and there is the HIA, the Property Council, the Civil Contractors Federation and other organisations represented. Are you suggesting that their members, who actually do support much of what is going on with this bill, do not contribute to that board or to the levy? Is that what you are suggesting?

The CHAIR: The Hon. Mr Pangallo, just for future reference, a better way to express that is, 'I query whether the member is stating something,' rather than directing it as a question because the member has not moved her amendments yet.

The Hon. F. PANGALLO: Okay.

The CHAIR: It is just a question of phrasing. The Hon. Ms Scriven, you may wish to respond to that or not.

The Hon. C.M. SCRIVEN: Can you just restate what you are querying?

The Hon. S.G. Wade: Filibuster on a filibuster.

The Hon. C.M. SCRIVEN: No.

The CHAIR: Minister, please. If you have something to say, stand up.

The Hon. F. PANGALLO: The query is that there is representation from the employer groups or the contributors to the fund. Do you understand?

The Hon. C.M. SCRIVEN: Yes, I understand. Property owners pay into the fund—property owners, not employer associations. The associations that you mentioned are not paying in a cent. The question is: is the training board to be determined based on money in only, or is it: what skin in the game? Skin in the game is not simply money. If you are receiving training, if you are doing safety or other training as part of the construction industry, then of course you have skin in the game, of course you have something to contribute because it is the workers who are going to be undertaking that training.

The Hon. C. BONAROS: This question is directed to the minister. Has there been a suggestion that any programs associated with safety and workplace safety and training will not continue under the changes that are being proposed?

The Hon. S.G. WADE: I am advised that there is no suggestion of that from the government, and, of course, that would be a decision for the board. While I have the call, I will indicate that the Hon. Clare Scriven is misrepresenting the bill when she claims that it excludes employee organisations. It is completely within the broad discretion of the minister to appoint relevant people, and that would include people from employee organisations.

The Hon. C.M. SCRIVEN: That is a humorous response, given that the minister in this place was union bashing just a short time ago, not to mention the union bashing from the minister in the other place. To suggest that he will incorporate union members on any future board is just disingenuous; it is quite ludicrous to imagine that that is really his intention.

The Hon. F. Pangallo: How do you know that?

The Hon. C.M. SCRIVEN: I hear the interjection, 'How do you know that?' It is from the behaviour of the minister. Some of my further questions might illustrate that further. Question 5 was about which members of the CITB were consulted, and a number have been listed there. Can the minister explain why the member for Unley consulted only with employer associations before introducing the bill, whereas employee groups were merely informed by letter after its introduction?

The Hon. S.G. WADE: No, I do not.

The Hon. C.M. SCRIVEN: So the minister does not know why that was?

The Hon. S.G. WADE: You asked me for a commentary. I do not have commentary.

The Hon. C.M. SCRIVEN: No; I was asking for an explanation but I understand that there is no explanation. Has the member for Unley given any undertakings to employer groups that they will be appointed to the board if this bill passes?

The Hon. S.G. WADE: I am not going to take that question on notice. Clearly, I would not be able to answer that question and I would indicate to the council that the normal time for asking questions is at the end of the second reading and in clause 1. We had a full opportunity and I made it very clear that I was taking as many questions as the council might have on Tuesday. I have done my best to work with my colleague from the other place to provide answers, which I believe are very informative towards the debate. With all due respect to the honourable member, I do not intend to take that question on notice.

The Hon. C.M. SCRIVEN: I do appreciate from the minister in this place that he has acted in good faith and I place on the record my appreciation for that. The problem is that a number of the questions have not been answered properly, and that is why they have led to further questions. I note that that will not be answered. Question 8 was that the Property Council, the Master Builders Association and the Civil Contractors Federation met on 10 September, and the question was whether they met together or separately and whether discussions were held with each individually. My question, which I do want to put on the record, although I suspect the minister may say it will not be answered, is: did the member for Unley give any undertakings to any member of the Property Council that they will be appointed to the board if this bill passes?

The Hon. S.G. WADE: Likewise, I do not have the answer to that question and I do not intend to take it on notice.

The Hon. C.M. SCRIVEN: Did the member for Unley give any undertakings to any member of the Master Builders Association that they would be appointed to the board if this bill passes?

The Hon. S.G. WADE: A similar answer, sir.

The Hon. C.M. SCRIVEN: Did the member for Unley give any undertakings to any member of the Civil Contractors Federation that they will be appointed to the board if this bill passes?

The Hon. S.G. WADE: My same answer applies.

The Hon. C.M. SCRIVEN: Just to clarify: the member for Unley met with three employer associations over individual meetings on 10 September about drafting the bill, but the only interactions with employee associations was at the end of October via a letter telling them the bill had been introduced and advising that they could contact a public servant if they wanted to discuss the bill further, and yet that is being put forward as though that was an invitation for feedback. There were no invitations to employee groups to meet, despite the fact that the minister had met with employer groups before even the drafting of the bill.

Regarding the answer that on 21 September the Minister for Industry and Skills had a meeting with a number of employee representatives—unions—to discuss training matters, he says

the CITB was not raised. Which unions currently represented on the board did the Minister for Industry and Skills meet with on 21 September?

The Hon. S.G. WADE: I am advised that the meeting involved representatives of the CFMEU, SA Unions and the CEPU. As I previously advised, it was in relation to a range of training matters, but the CITB was not raised by the unions.

The Hon. C.M. SCRIVEN: The information I have is that the minister met with the CEPU only, and the purpose of that meeting was to discuss transition for members of the ASC. Therefore, the other matters were not on the agenda. My information is that the Minister for Industry and Skills did not meet at all with the other two of the three unions currently represented on the board. I think it might be worthwhile just checking whether the Minister for Industry and Skills, through his responses, has misled the chamber.

The Hon. S.G. WADE: I will certainly seek clarification, and I am sure I can table that as a question on notice. My understanding is that you are referring to the ASC being the topic. That is a training matter.

The Hon. C.M. SCRIVEN: I am not sure it is going to be helpful for the council for us to debate it back and forth, but transition of the ASC is a fairly specific item, I think. Has the Minister for Industry and Skills ever met with the Australian Workers' Union member of the board?

The Hon. S.G. WADE: I do not know the answer to that. With all respect to the honourable member, I do not intend to take it on notice. There were at least two milestone opportunities to put that question.

The Hon. C.M. SCRIVEN: Sorry, I did not hear the final part of that statement.

The Hon. S.G. WADE: I was making the point I was making earlier, which is that members traditionally use the end of their second reading contributions to pose questions. The other normal opportunity is at clause 1. I thought I made it clear to the council that I would seek answers, but if we are going to have answers brought back with new questions put down, this council is not going to fulfil its function as a legislative body. With all due respect, I think that this council has had plenty of opportunity to seek the information that is needed, through the briefings from both the minister and the department, through the second reading contributions and through the committee stage.

The Hon. C.M. SCRIVEN: With all due respect, I would point out that these are not new questions; these are questions that were taken on notice and have not been answered to provide the information. The question that we are referring to was whether the Minister for Industry and Skills met in the same way with any of the three employee associations. He simply has said that he met with some unions. My information is that that does not include the Australian Workers' Union, which is a current member of the board, or the CFMEU, which is a current member of the board. Hence my reason for clarification. I think it is due to the lack of information provided in the response of the Minister for Industry and Skills rather than any action on behalf of this side of the chamber.

The CHAIR: Are there any more questions on clause 1?

The Hon. C.M. SCRIVEN: In answer to question 10, which was: what component of Mr Handley's CV is relevant to his appointment, the Minister for Industry and Skills provided the answer that Mr Handley apparently has the relevant experience. He then said—interesting information that he was not willing to provide in his CV through an FOI—that Mr Handley has been engaged by a registered training organisation to assist them with auditing and compliance activity, and as such has been engaged in vocational education and training. Is the minister aware that the act states that the person in question must be a person who has appropriate experience in vocational education or training and who are or have been employed or engaged in the provision of such training; so the provision of such training? Can he explain how being an auditor is the provision of vocational education or training?

The Hon. S.G. WADE: My understanding of the minister's answer is that the Crown advice confirmed that Mr Handley had the relevant experience to be appointed. I am not going to have a debate about legal advice with the honourable member. I will defer to the Crown.

The Hon. C.M. SCRIVEN: Certainly. My understanding is that Crown won't release advice, so I am certainly not querying that, but in the answer from the Minister for Industry and Skills he appears to contradict the requirements of the act. I wish to place on the record that questions 12 and 13 have not been answered. Question 12 was: does the government consider the [CITB] apprenticeship and trainee support is sufficient at present or too great or not enough? We have an answer which appears to be a paragraph from the industry and skills website, which talks about the state government's ambitious target to create apprenticeships. But the question is in regard to the current level of apprenticeship and traineeship support provided by the CITB. Is the minister able to provide any additional information, given that that question has not been answered?

The Hon. S.G. WADE: No, I have not. I thank the honourable member: she made much better progress in the last two-thirds of the questions than we did in the first, so this has not taken nearly as long as I feared. Thank you.

The Hon. C.M. SCRIVEN: I note that question 13, similarly, has not been answered. The question was: what skills are currently lacking on the board? We have an answer that does not address that question at all; it is just talking about a renewed board supposedly being able to respond better. So as to the skills that are currently lacking, it would appear there are no skills currently lacking, otherwise the Minister for Industry and Skills would have provided an answer to that question.

Question 14 asks whether there were any plans to extend the CITB levy to include defence or mining or any other areas, and the answer was that that would be a matter for the board. My question would be: have any conversations occurred with the Minister for Industry and Skills about extending the CITB levy to include defence or mining or other areas?

The Hon. S.G. WADE: That is a totally new question that would better have been asked on Tuesday.

Clause passed.

Clauses 2 and 3 passed.

Clause 4.

The CHAIR: At some stage in the debate I will need each member who wishes to put forward an amendment to move it, and then there is a less than simple series of questions I will need to put to accommodate every member's amendments. I open up the committee to questions or commentary on clause 4. I remind honourable members that, if they wish to pursue their amendments, at some stage in the debate they have to move them, as I will require them all to be moved before I progress.

The Hon. C.M. SCRIVEN: I have some general questions on this clause. Could the minister explain who will determine what constitutes suitable knowledge of and experience or expertise in the building and construction industry as a requirement to be appointed to the board?

The Hon. S.G. WADE: The act makes it a requirement. If this amendment is accepted proposed section 5(1) will make it a requirement under paragraph (b).

The Hon. C.M. SCRIVEN: I am referring to the original bill put forward which, in section 5(1)(b), talks about persons who have knowledge of and experience or expertise in the building and construction industry. I am questioning who will determine what constitutes that suitable knowledge.

The Hon. S.G. WADE: Proposed subsection (1) provides:

> Subject to this section, the Board consists of the following members appointed by the Governor on the nomination of the Minister:

The minister will make nominations to executive council through cabinet, and the minister would be required to comply with the law.

The Hon. C.M. SCRIVEN: So the minister will make that determination; thank you. Will expertise in vocational education and training be required? If not, why not?

The Hon. S.G. WADE: If it assists the committee, I highlighted (1)(b) but perhaps I should also highlight (1a), which provides:

The Minister must, in making nominations for appointment to the Board, seek to ensure that the membership of the Board comprises persons who together have the knowledge, skills and experience necessary to enable the Board to carry out its functions effectively.

There is a range of skills in (1a) and there is the knowledge, in particular, in (1)(b). So your question, again, Ms Scriven?

The Hon. C.M. SCRIVEN: My question was: will expertise in vocational education and training be required, and if not, why not?

The Hon. S.G. WADE: Again, this comes to the issue of broad discretion. Of course that experience would be valuable to the board. The minister will need to balance up all the skills and knowledge available to him or her in making the nominations to the government.

The Hon. C.M. SCRIVEN: Proposed section 5(1)(c) provides:

2 persons who are, in the opinion of the Minister, independent of the building and construction industry.

Can you explain what is meant, or envisaged to be meant, by 'independent of the building and construction industry'?

The Hon. S.G. WADE: My understanding would be that in terms of broad governance there is value in people who bring skills but who do not have direct engagement with the relevant industry. My understanding is also that that would be an attempt to strengthen the corporate governance and, if you like, the capacity of the board to act strategically.

The Hon. C.M. SCRIVEN: I am just trying to get a bit more clarity around the sort of interactions. If I ask it the opposite way that might be easier for the minister: what sort of interactions with the industry would make someone not independent? That might be an easier way for the question to be answered.

The Hon. S.G. WADE: I think it is a broad expression—

An honourable member: Very broad.

The Hon. S.G. WADE: There would be a lot of people who are obviously involved in the building and construction industry. I think people who are 'independent' from it is self-evident on its terms.

The Hon. R.P. Wortley: Well, give us an example.

The Hon. S.G. WADE: Me; I am not involved in the construction industry.

The CHAIR: The Hon. Mr Wortley, if you want to ask a question stand up in the committee and ask it.

The Hon. S.G. WADE: I understand that under this legislation people such as I might be appointed by the minister.

The Hon. R.P. Wortley: Why on earth would they want you on the board?

The CHAIR: The Hon. Mr Wortley, this is in committee. You are free to ask a question if you so choose. Asking from your seated position is not acceptable.

The Hon. C.M. SCRIVEN: Given jobs for the mates, we may well see the minister appointed by the current Minister for Industry and Skills. That would not be surprising, and I think that is a weakness of this proposed legislation. In his second reading explanation in this place the minister stated that the changes will bring the act into line with analogous legislation in other states and territories. Which jurisdiction's legislation is this bill analogous to?

The Hon. S.G. WADE: This bill would mean that the act is consistent with other jurisdictions, in that the minister is not required to appoint by nomination by others; the minister would take on a broad ministerial discretion.

The Hon. C.M. SCRIVEN: My question, which has not been answered, is: which jurisdiction does that? For example, the minister in his second reading explanation mentioned the ACT, claiming

the minister there has broad ministerial direction to appoint the board, but the ACT authority has a governing board consisting of an independent—

Members interjecting:

The Hon. S.G. WADE: Mr Chair, I cannot answer questions I cannot hear.

The CHAIR: Can the two leaders, if they wish to continue to converse, converse outside the room. The Hon. Ms Scriven, please start again.

The Hon. C.M. SCRIVEN: Certainly. I was asking which jurisdiction this bill is analogous to, and that has not been answered. To assist the minister, the ACT was mentioned in the second reading explanation, and that currently requires a governing board consisting of an independent chair, two employer representatives and two employee representatives. In what way is the legislation similar to the ACT jurisdiction?

The Hon. S.G. WADE: I will try to make this point in relation to the ACT: the ACT has two people who represent the interests of employers and two representatives who represent the interests of employees. There is no capacity for an individual employee organisation or employer organisation to have their nomination imposed on the minister. The minister in the ACT retains a broad ministerial discretion.

If the honourable member wants to put up a provision in relation to, if you like, quotas within, that is one thing. However, the point the government is making in terms of the golden thread between the other jurisdictions, which is not present in South Australia, is that this state does not allow the minister a broad ministerial discretion and, in our view, significantly undermines the minister's capacity to forge a strategic partnership between the board and the government.

The Hon. C.M. SCRIVEN: I think it is probably worth noting that forging a strategic partnership might be assisted by meeting with all the members of the board, which has not occurred under this current minister. In the Tasmanian jurisdiction it does talk about a broad ministerial discretion, but it provides that the persons should have knowledge and understanding of the interests of employees and then five persons who, between them, have knowledge and experience of residential building, non-residential building, civil construction, building services and building professions.

The board is to contain, if practicable, at least one member from each of the northern region, the north-western region and the southern region, and a balance of genders. They are also looking for knowledge and skills in respect of all sections of the building and construction industry, vocational education and training—always useful for a training board I would have thought—policy development and strategic planning. In what way does is this proposed legislation for what would be the new board analogous to the Tasmanian situation?

The Hon. S.G. WADE: I would indicate that, if we are going to go through each jurisdiction and I am going to restate the same point, that to me sounds like a filibuster. I make it clear that the opposition apparently thinks there are other things to talk about in this chamber but then puts a filibuster in the way of those important matters.

Members interjecting:

The Hon. S.G. WADE: No, what I am saying is that the opposition has matters on the *Notice Paper* that they say they want to have debated, but there is no evidence of that, because what they are trying to do is block those matters by doing a filibuster on this bill. So let them be responsible for the matters that are further on in the agenda—let the record show.

In relation to the Tasmanian jurisdiction—and perhaps I can join in the filibuster—the Tasmanian jurisdiction, of course, is under the Building and Construction Industry Training Board Act of 1990, which requires a chairperson, three employee representatives with knowledge and understanding of the interests of employees within the building and construction industry, and five industry representatives with knowledge and experience of residential building, non-residential building, civil construction, building services and building professions.

Again, I stress that these are not nominations by specified organisations that are imposed on the minister. The minister has broad ministerial discretion. The honourable member can continue

to go through jurisdiction by jurisdiction; the answer will be the same. This state, under this legislation, does not provide a broad ministerial discretion, in the government's view, that significantly inhibits the capacity for a strategic partnership. I would suggest that the opposition has made their case. Let that case be put to a vote and let us move on with other important matters before the parliament.

The Hon. C.M. SCRIVEN: I will put on the record that the jurisdictions that I am asking about are the jurisdictions that were specifically mentioned in the second reading explanation by the minister, as well as by the Minister for Industry and Skills in the other place. Commentary is then made that it is consistent to say simply that this broad brush is going to be similar to the other jurisdictions, when there are so many absolutely clear differences, The differences are that these other jurisdictions do have boards that represent, and are part of, particular areas.

To illustrate that point, Western Australia says that the board shall consist of seven members appointed by the minister after consultation with a whole lot of bodies, including many unions. I would be happy to read them out, but the minister seems to think that I am filibustering, which is certainly not the case. It is simply the fact that a piece of legislation that appears to be contradictory to the proposed purposes that have been put forward by the government needs to be scrutinised. I am asking for answers as to why the introduction of the bill was said to comply with various other jurisdictions—'analogous' was the word used—when there are so many clear differences that fly in the face of that.

I also point out, in relation to the statement that the minister is obliged to accept, essentially, whoever is put forward, that there is a list provided to the minister under the current legislation which he can choose from. When we get to moving amendments, you will see that an amendment that I have lodged does indeed allow greater choice from the minister if he should so desire but still maintains the composition of the board that ensures that all of the industry is represented.

The Hon. J.E. HANSON: The other thing I wanted to point out is in reference to the other jurisdictions. Is the minister aware if the other jurisdictions have a similar rate of levy which is calculated in their jurisdictions as how we calculate it in ours?

The Hon. S.G. WADE: I am the minister representing, so that is obviously not a question that I am au fait with. I take the opportunity to stress, in relation to the Hon. Clare Scriven's comments, that when the minister in the other place in his second reading explanation, and I representing him in my speech, talked about analogies, we were not suggesting that every provision of every jurisdiction other than ours was the same. That is a ludicrous interpretation of what was being said. What the minister is trying to stress is that we are the odd jurisdiction out in terms of having a very limited ministerial discretion. All other jurisdictions have a broader ministerial discretion.

The Hon. J.E. HANSON: That is an excellent answer to the Hon. Ms Scriven's question. I was wondering if I could get an answer to mine.

The Hon. S.G. WADE: No; I already said I am not privy to that.

The Hon. J.E. HANSON: Then perhaps I can assist the minister. The fact is that the rate of the levy and how it is calculated in regard to other jurisdictions is different. I was wondering if you could answer another question, which is: if there is a plan to bring the governance structures in line with other jurisdictions, are there further plans, as part of anything that the minister might intend to do, to bring anything else in line with other jurisdictions in regard to governance, including levies?

The Hon. S.G. WADE: If I ever aspired to the position of President, I would wonder if a question about a minister's intention to bring up future bills might actually be a hypothetical question.

The CHAIR: The minister can refuse to answer it.

The Hon. S.G. WADE: I shall.

The Hon. R.P. Wortley: He has refused to answer every other question, so why not?

The CHAIR: The Hon. Mr Wortley, please. This is committee; it is not second reading. You can stand up and make whatever comment you want.

The Hon. J.E. HANSON: I just wish to point out that it actually is a matter of governance. I know this in a number of ways. One, it appears in the same legislation as the manner in which board

members are appointed. It appears in our legislation; it appears in other jurisdictions' legislation. Furthermore, I note that great reference has been made by the minister in the other place and indeed the minister here in regard to the review performed in 2004, and part of that review in fact was looking at how the levy was calculated and the rate of the levy. So it is most definitely a matter of governance. It is within context of what we are ventilating here.

My further question—and I notice none of them have been answered yet—would be: is there any plan to look at the rate of that levy and how it is structured in relation to bringing us in line with other jurisdictions, as in fact you have stated, minister?

The Hon. S.G. WADE: The government has never suggested that this bill addresses all the issues in the 2004 review. Other matters are for other bills and I leave that in the hands of the relevant minister.

The Hon. J.E. HANSON: It is valid. The aspect that has been referred to as chapters five and six of the 2004 review actually relates to the government aspects which the government is looking at. Mentioned as part of that is whether or not the nature of the training levy and the recommendations around it were to be changed or not. The nature of that levy and how it is collected actually goes to whether or not you are going to look at a levy system which is based on construction value or whether you are going to go to a levy system based on labour costs. If we are bringing ourselves in line with other jurisdictions in relation to governance, it goes to my question, which I will ask again: is there any plan to look at the nature of the governance relationships in relation to levy costs?

The Hon. S.G. WADE: I make the point to the honourable member that the minister did not propose any amendments that relate to the levy. I am advised that this is a general bill and members would have been free to move amendments in relation to the levy, if they so chose. I indicate that in relation to other matters in the review, I do not have any advice as to what the minister's intentions might be in terms of future bills.

The Hon. J.E. HANSON: The reason it is relevant is you are changing the nature and composition of the board. How the board looks at the assessment of value of work, how it does these things in internal governance to the board, the recommendations that are made to the minister and the recommendations the minister makes back to the board are all matters of governance. These matters go to whether or not the rate of levy could be changed.

If you are changing the composition of the board to be less representative of industry, then you are leaving them vulnerable to things like the assessment of value of work changing in the nature of whether you make it a labour-based cost, making it harder for employers to put on employees, thus justifying, by the way—to go to another point—the presence of unions on the board, or whether or not you are going to leave it at a value of work base, which is how it is now.

The reason I am seeking for it to be at least in some way ventilated here, which I notice they have nothing on, is that this goes to the critical functions of the board and the composition of the board and the kinds of relationships it is going to have with the government and the kind of relationships the minister will be placing on the board members.

I ask my question again, and I really would appreciate an answer to it: is there any contemplation that any of these things will be changed? And I would really like the government to rule it out.

The Hon. S.G. WADE: With all due respect to the honourable member, you are asking me an open-ended question: will the government ever introduce legislation that will change the levy? I do not have any advice from the minister about what his forward legislative program is. That is the only advice I can give.

The Hon. J.E. HANSON: I will make the obvious point: that is very concerning. The nature of change in the composition of the board should give everyone within the industry certainty that we are not going to see major changes brought in in relation to something as crucial as how the levy is constructed, assessed and paid is going to change. You should be able to rule that out now. The fact that you cannot really brings into question whether or not the minister has actually thought through

what it is he is changing in relation to governance structures on this board. I would like you to take that on notice and bring it back.

The Hon. R.P. WORTLEY: Will you answer that question or not answer it?

The CHAIR: Is that your commentary?

The Hon. R.P. WORTLEY: No, I want to ask a question.

The Hon. S.G. WADE: This committee session is closed when we report progress. There is no capacity for me to take a question on notice for this committee.

The Hon. R.P. WORTLEY: The minister was asked a while ago about what sorts of skills an independent person on that board would require to actually be appointed to the board.

The Hon. S.G. WADE: No, that was not a question I was asked. I was asked—

The Hon. R.P. WORTLEY: No, I asked you while sitting down, and you responded, 'Someone like me,' which was referring to you. Why would you want to be on the CIT board? Why would we want someone like you on that board?

The CHAIR: The Hon. Mr Wortley, please.

The Hon. R.P. WORTLEY: I have a question. I have not finished.

The CHAIR: I appreciate the commentary, but I am not sure it is appropriate to incorporate your interjections and the ministers interjections when you have an opportunity. Do you have a question?

The Hon. R.P. WORTLEY: I do.

The CHAIR: Then please ask it.

The Hon. R.P. WORTLEY: The legislation provides for two persons who are, in the opinion of the minister, independent of the building and construction industry. If they are not to have anything to do with the industry, I would like to know what sorts of skills the minister would be looking for to appoint them to a very important board involved in training.

The Hon. S.G. WADE: They might bring skills in the law; they might bring skills in finance.

The Hon. C.M. SCRIVEN: Would it be fair to assume that someone who is a close associate of the minister would be deemed to be not independent and therefore not suitable for appointment to the board, if this goes through?

The Hon. S.G. WADE: On behalf the minister, I accept the compliment from the honourable member that she regards the minister as embodying the essence of the building and construction industry, such that anybody who is close to him would be, by definition, not independent of the industry. However, with all due respect, I think there will be other people who will fit that category.

The Hon. C.M. SCRIVEN: Can you explain why the proposal is to have an appointment between four and eight people? How were those numbers arrived at?

The Hon. S.G. WADE: Currently, we have the highest number of members. Proposed section 5(1)(b), which indicates at least four but not more than eight members, is constructed so that the minister can have flexibility in terms of the number of members on the board as well as the composition of the board.

The Hon. C.M. SCRIVEN: Does that number of four to eight have a direct relationship to the number of employer associations that the minister was meeting with in terms of developing this bill?

The Hon. S.G. WADE: It is a bizarre suggestion. The minister has made it clear that the whole raison d'être of this legislation is a broad ministerial discretion. If he wanted to ensure the representation of a particular group, he would name them.

The Hon. C.M. SCRIVEN: I think that ensuring representation of a particular group is different to potentially making undertakings to groups meeting in one-to-one meetings prior to development of the bill, and that was the reason for my question. I move:

Amendment No 1 [Scriven–2]—

Page 2 line 13 to page 3 line 14—Delete clause 4 and substitute:

4—Amendment of section 5—Composition of the Board

(1) Section 5(1)(c) and (d)—delete paragraphs (c) and (d) and substitute:

(c) 5 persons nominated by the Minister selected from a list prepared by the employer associations referred to in Schedule 2, being a list for which each employer association is to contribute 2 persons; and

(d) 3 persons nominated by the Minister from a list prepared by the employee associations referred to in Schedule 3, being a list for which each employee association is to contribute 2 persons.

(2) Section 5(1a)—delete subsection (1a) and substitute:

(1a) The Minister must, in making nominations for appointment to the Board seek to ensure that the membership of the Board comprises persons who—

(a) in respect of nominations under subsections (1)(c) and (d), reflect the diversity of the building and construction industry; and

(b) together have the knowledge, skills and experience necessary to enable the Board to carry out its functions effectively.

(1b) A person is only eligible to be included on a list under subsection (1)(c) and (d) if the person has knowledge of, and experience or expertise in, the building and construction industry.

(1c) If the Minister does not, within a reasonable time after requesting that a list be provided, receive a list in accordance with subsection (1)(c) or (d) that enables the Minister to make the necessary nominations, the Minister may—

(a) by notice in writing, request the relevant associations to provide a list, or a further list, within a time (being not less than 1 month) allowed in the notice; and

(b) if a list, or further list, is not provided within that time, then the Minister may select a person, or persons, as the case requires, for appointment to the Board (and a person so selected may then be appointed to the Board as if the person had been selected from a list prepared by the associations under this section).

(3) Section 5—after subsection (6) insert:

(6a) However, if—

(a) the office of a member of the Board becomes vacant before the expiry of the term of appointment specified in the member's instrument of appointment; and

(b) a person had been appointed to be the deputy of that member,

the person who had been appointed to be the deputy of the member may act as a member of the Board in respect of the vacant office—

(c) for the balance of the term of appointment referred to in paragraph (a); or

(d) until a person is appointed to the vacant office under this section,

whichever first occurs (and a reference in this Act to a member of the Board will be taken to include, unless the contrary intention appears, a reference to a person acting as a member under this subsection).

This deals with the issue of what has been suggested is a lack of ability of the minister to make appointments that he is happy with.

The Hon. S.G. Wade: He or she.

The Hon. C.M. SCRIVEN: He or she, indeed. I will speak, though, in the 'he' as the current minister is a 'he', although perhaps the minister in this place is suggesting that we are going to have a new Minister for Industry and Skills soon. Maybe that is just a tip; I do not know.

The Hon. S.G. Wade: I am standing up for women's rights, the Hon. Ms Scriven.

The Hon. C.M. SCRIVEN: Excellent; I am interested to see who is replacing Mr Pisoni.

The Hon. E.S. Bourke: Demoted again. He just cannot cut it.

The Hon. C.M. SCRIVEN: Well, from what I have been hearing around the traps, that would not be at all surprising; however, back to the task at hand. The amendment that I propose keeps the representational nature of the board. I would remind members that this was a recommendation of the 2004 report that the Minister for Industry and Skills has referred to numerous times. I will remind members that that report talked about the central importance of having all of those sectoral interests represented and how it had contributed to a very effective board and that it could find throughout its research—remembering this is an independent report—no reasons to change that.

However, let us be honest: any minister may have a particular personality clash with someone who is proposed to be a representative of a sector. This amendment would allow an expansion of the number that would be proposed for the minister to then choose from. There would be five persons nominated by the minister selected from a list prepared by the employer associations and three persons nominated by the minister from a list prepared the employee associations. The total number on the board would say the same, but the second part of each of those says 'being a list for which each…association is to contribute 2 persons'.

To explain that, rather that proposing that Mr Smith, Mr Jones and Ms Brown would be the representatives, as agreed by, for example, the employee associations, they would instead propose a list of six people that they had agreed upon, and then the minister could choose from them. Similarly, with the employer associations, rather than contributing only five names, they would contribute 10 names, again which they agree upon amongst themselves, as is currently the case, and then the minister could choose from that. If the concern really is about essentially a personality clash or similar, this would enable that to be overcome because there would be a broader number of individuals to choose from. I think that is the main change for the first page of my amendment.

The second, which is amendment No. 1 [Scriven–1], if this amendment does not get through, is simply a matter of governance, but hopefully this one is not controversial. I hope there is widespread support for this one. At the moment, the Governor appoints deputy members, or proxies, to use the colloquial term. But, if a member ceases to be a member, either because of the expiration of their term or for another reason, the deputy also automatically ceases, so that means that, on a board, there will be fewer people for a period of time until a new board member is appointed.

This is a very simple proposal that if a person has been appointed to be a deputy, that person continues after the balance of the appointment or until another person is appointed to the vacant office under this section. It just means that if there is a board of six, for example, that is not changed because someone's other commitments mean that they move interstate and they no longer wish to be on the board. They move overseas or whatever the case may be. So it is a simple governance suggestion and hopefully that one will have support. I look forward to taking any questions about the proposal for the composition of the board.

The Hon. S.G. WADE: I just point out that the Hon. Clare Scriven suggested that there were two amendments, and the second one she hoped would be supported. That is not how the amendment reads. It is one amendment with two elements, so I seek your clarification. Are we voting on one or two?

The Hon. C.M. SCRIVEN: My apologies if I gave that impression. The amendment that we are looking at covers both providing extra names for the board and the governance issue. I was simply talking to the governance issue as it does stand as a separate amendment if—as I am guessing from the numbers, sadly and embarrassingly for the crossbenchers—we are not going to get the support needed for the entire amendment No. 1 [Scriven-2].

The CHAIR: Before we go on, can I explain that the Hon. Ms Scriven's amendment No. 1 [Scriven-2] contains paragraphs which are also in her subsequent amendment, because this amendment deletes the whole of clause 4. So if this amendment fails, as I understand the honourable member, she would move to recommit and that may be successful, otherwise to bring in the clause of which the council had already considered the second part. Have I made myself clear?

The Hon. S.G. WADE: I thank the Chair for the clarification and also the Hon. Clare Scriven. Effectively, if we reject this amendment, we will have the opportunity to consider the governance element, as the Hon. Clare Scriven describes it, when we look at amendment No. 1 [Scriven-1].

The CHAIR: Assuming that the council agrees to a recommittal.

The Hon. S.G. WADE: I will deal with that issue when we are considering that amendment, but let me address the first part of amendment No. 1 [Scriven-2] which relates to clause 4, subsections (1) and (2). This amendment essentially reflects the current act in that the minister would be obligated to appoint five members nominated from a list prepared by the employer associations and three persons from a list prepared by the employee associations.

The association will provide a list to the minister for which each employee and employer organisation is to contribute two persons. This amendment is clearly a test clause for this council's view of this bill. This amendment would tie us again to a prescriptive approach. It takes away the broad discretion of the minister that this bill proposes. It is not supported by the industry. It is not supported by the government.

The Hon. F. PANGALLO: We will not be supporting the amendment.

The CHAIR: Just before we go around each member, for the benefit of the Chair, I would also like to see an indication, if members are minded to do so, as to, if this amendment fails, whether they are minded to vote for a recommittal because they have some interest in further debating it.

The Hon. S.G. Wade interjecting:

The CHAIR: I appreciate that. That is why I am raising it; otherwise, if I do not know a recommittal is coming, honourable members will not have an opportunity to speak.

The Hon. S.G. WADE: I respect the Chair's advice that that would be a good way to proceed. On behalf of the government I indicate that the government will be supporting amendment No. 1 [Scriven-1]. It is the government's view this amendment ensures that deputy members' positions do not cease upon a member's position becoming vacant. The amendment will enable a deputy member to act as a member of the board in respect of the vacant office for the balance of the term of employment or until a person is appointed to the vacant office. The government supports it.

The Hon. J.A. DARLEY: I indicate that I will not be supporting the opposition's amendment No. 1 [Scriven-2], but I would support amendment No. 1 [Scriven-1].

The Hon. T.A. FRANKS: The Greens will be supporting the opposition amendments in their totality.

The CHAIR: That is both the Scriven amendments. The Hon. Mr Pangallo, I know that you have said that you are not supporting amendment No. 1 [Scriven-2].

The Hon. F. PANGALLO: I will not be supporting amendment No. 1 [Scriven–2], but I will be supporting amendment No. 1 [Scriven-1].

The CHAIR: If I understand the mood of the council—and honourable members will correct me—there is a lack of support for amendment No. 1 [Scriven-2], but obviously we will test it to a vote. However, there appears to be support for a recommittal on amendment No. 1 [Scriven-1]. Does any honourable member have a different view? It is quite important, because I have a series of quite technical motions to put and I want to make sure that every member has an opportunity to have a say and have their motion voted on.

Thank you for that indication. I now ask the Hon. Mr Pangallo to move his amendment No. 1 [Pangallo-1] and speak to it if he so chooses, and then I will give the call to the Hon. Mr Darley for his amendment.

The Hon. F. PANGALLO: I move:

Amendment No 1 [Pangallo–1]—

Page 3, after line 2—After inserted subsection (1) insert:

(1aa) The Minister must, before nominating a person for appointment to the Board under subsection (1)(b) or (c), consult with the presiding member of the Board (unless the office of presiding member is vacant).

The amendment requires the minister to consult the presiding member before nominating persons to the board. This improves transparency in appointments by the minister and lessens any concerns that the nominees may not have been appointed on merit. It also provides the presiding member the opportunity to provide some informed feedback on the nominees.

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

Amendment No 1 [Darley–1]—

Page 3, after line 2—After inserted subsection (1) insert:

(1aa) The Minister must, in nominating persons under subsection (1)(b) for appointment to the Board, seek to ensure that—

(a) at least 1 person is nominated to represent the interests of employers in the building and construction industry; and

(b) at least 1 person is nominated to represent the interests of employees in the building and construction industry.

As indicated during my second reading speech, my amendment will outline that, when making appointments to the board, the minister must seek to ensure that there is at least one person on the board who represents the interests of the employers and one person on the board who represents the interests of employees. Criticism about the current act is that the composition of the board is too restrictive and that the requirement should be broader.

However, there was concern from stakeholders that leaving all board appointments entirely at the discretion of the minister may mean that the board could be comprised entirely of employers or entirely of unions representing employees. Such an outcome would not be beneficial for the building and construction industry as a whole because the board would not have balanced input from all stakeholders.

I have spoken with several stakeholders about my amendment. While some initially were inclined to support the bill going through unamended, when I explained how simple and broad my amendment is, they had no issue with supporting it. My amendment will see that there is at least one person on the board who would be able to provide a different perspective in the extraordinary case where the minister may appoint a one-sided board.

The Hon. S.G. WADE: On behalf of the government I indicate that we will be supporting the amendments of both Mr Pangallo and Mr Darley in relation to clause 4. In relation to Mr Pangallo's provision regarding nominees to the board, that the minister must consult with the board's presiding member, the government's view is that that supports well-informed decision-making by the minister.

In relation to the amendment by the Hon. Mr Darley that at least one member of the board should represent employers and one represent employee associations, we believe that that still does not undermine the broad ministerial discretion of the minister. It goes back really to the comments I was making in relation to the interstate provisions. It is one thing to suggest representation; it is another thing to enforce it through a limited ministerial discretion.

The Hon. C.M. SCRIVEN: I would just like to firstly address the Pangallo amendment, which is that the minister would consult with the presiding member. The opposition will be supporting that amendment, assuming it does not cut across any of the others in the process—I do not think it does. However, I point out that it is a little bit of a sideshow in saying that that will increase accountability, given that the presiding member will be appointed at the sole discretion of the minister. You will appoint your preferred person and then consult with him or her about who else you will appoint, so it really does not increase a great deal of accountability. However, the opposition will support that amendment.

In terms of Mr Darley's amendment, the concern is that this gives the impression of being somehow representative of a significant sector of the industry, namely, the workers who do the work and undertake the training, whilst not being specific in any way about what is considered to be someone representing the interests of employees in this case, or the interests of employers. In other places we have seen, where there has been a similar sort of provision, that the person has been simply the head of a human resource department, so already working for an employer but because they have a connection to human resources they are considered to be in some way representative of the employees. I think that is of concern.

If that amendment was recommitted after my amendment—amendment No. 1 [Scriven-2]—and if my amendment is defeated in that event and it was recommitted, the opposition would be supporting that Darley amendment.

The CHAIR: Just to clarify, the Hon. Ms Scriven, I appreciate the position of the opposition. We will have a vote on a question about certain words standing as printed, and if on that vote there is a no then your amendment, [Scriven-2], will not have gone through and I will have to come up and report progress and come back in a recommittal, which the government says it is prepared to accept.

The Hon. T.A. FRANKS: For the record, the Greens oppose this bill in its entirety. These two amendments put forward by the Hon. John Darley and the Hon. Frank Pangallo, without any due disrespect to a pig, are simply putting lipstick on a pig. We are not attracted to support them, but I can read the numbers and I can add up that, with the government's support, the crossbenchers in the other parties do have those numbers.

The Hon. F. PANGALLO: I rise to say that we will support amendment No. 1 [Darley-1].

The Hon. J.A. DARLEY: I indicate that I will support all the Hon. Frank Pangallo's amendments.

The CHAIR: The question I will be putting is that all words up to and including page 3, line 2, stand as printed. If you support the Hon. Mr Darley and the Hon. Mr Pangallo's amendments, which we will put a little bit later, you vote yes (in the affirmative). If you support the Hon. Ms Scriven's amendments, you would vote no.

The Hon. S.G. Wade: You are leaving out 1 [1] in this consideration when you say that?

The CHAIR: Yes; we are not touching amendment No. 1 [Scriven-1], which will have to be addressed after we report progress, and then we recommit in my capacity as President and we come back into committee. We are not addressing in this phase of committee amendment No. 1 [Scriven-1]. I will have to report progress and come back into committee.

The Hon. S.G. Wade: So if you oppose [Scriven-2] you vote yes?

The CHAIR: Yes, If you support the amendments moved by the Hon. Mr Darley and the Hon. Mr Pangallo you vote yes to this. We are putting the question that the words up to and including page 3, line 2, stand as printed. I put the question that: all words up to and including page 3, line 2, stand as printed.

The committee divided on the question:

Ayes 10
Noes 9
Majority 1

AYES

Bonaros, C.	Darley, J.A.	Dawkins, J.S.L.
Hood, D.G.E.	Lee, J.S.	Lensink, J.M.A.
Lucas, R.I.	Pangallo, F.	Stephens, T.J.
Wade, S.G. (teller)		

NOES

Franks, T.A.	Hanson, J.E.	Hunter, I.K.
Maher, K.J.	Ngo, T.T.	Parnell, M.C.
Pnevmatikos, I.	Scriven, C.M. (teller)	Wortley, R.P.

PAIRS

Ridgway, D.W.	Bourke, E.S.

Question thus carried.

The CHAIR: I now put the question for amendment No. 1 [Darley-1]. Honourable members have spoken to this; does any honourable member wish to speak further on amendment No. 1 [Darley-1] and amendment No. 1 [Pangallo-1]? They have already been moved. No honourable member has indicated they wish to speak further on these amendments so I put that amendment No. 1 [Darley-1] be agreed to.

Amendment carried.

The CHAIR: I am now going to put amendment No.1 [Pangallo-1]. I put the question that this amendment be agreed to.

Amendment carried.

The CHAIR: I have one quick notice by way of clarification: amendment No. 1 [Scriven-1] will be addressed when we recommit, which will have to be after we report progress.

Clause as amended passed.

Clause 5.

The Hon. C.M. SCRIVEN: This is the provision that will delete the consensus provision, which members have chosen to refer to as the veto. Given that the allocation of funds is a decision that is made by the board, concerns have been brought to me about decisions to direct funds to particular training providers that may be with associations and also be members of the board. Without the existing consensus clause, can the minister explain what will prevent funds being allocated to training providers who have links to board members? If an organisation has a training arm, what will prevent board members directing funds essentially to themselves?

The Hon. S.G. WADE: It is certainly not the government's view that the arbiters of conflicts of interest are the holders of the veto, but if it pleases the council I would like to seek further advice to assure the council how conflicts of interest would be managed under the act as amended.

The Hon. C.M. SCRIVEN: When is that advice being sought?

The Hon. S.G. WADE: Now. I refer the honourable member to part 6 of the Construction Industry Training Fund Act 1993, which relates to training plans. Under that section, the board must:

> prepare a training plan for the purpose of improving the quality of training, and to increase the levels of skills, in the building and construction industry across all skill areas of that industry.

This is subsection (4):

> A training plan must, in the allocation of money to a particular sector of the building and construction industry, provide for training that is directly relevant to the needs of that sector.

The training plans are the means by which the board allocates funds, and the sectors are defined in the legislation. It focuses on sectors rather than individual training providers. The Construction Industry Training Board would be subject to the normal responsibility to act honestly, consistent with the Public Sector (Honesty and Accountability) Act.

The Hon. C.M. SCRIVEN: Thank you for that illustration, minister. Am I right in thinking, however, that the training plan is put together by the board?

The Hon. S.G. WADE: Yes.

The Hon. C.M. SCRIVEN: The provisions that you have just referred to could be changed by a board?

The Hon. S.G. WADE: No, the provisions I just referred to are in the act, and they are changed by this parliament.

The Hon. C.M. SCRIVEN: Just to clarify, are you saying that the act sets out the sectors that need to be covered in terms of training?

The Hon. S.G. WADE: Can be.

The Hon. C.M. SCRIVEN: Can be set out?

The Hon. S.G. WADE: I am advised that in the Construction Industry Training Fund Regulations 2008, regulation 4 deals with the sectors of the building and construction industry, and they are identified as the housing sector, the commercial sector and the civil sector. Part 6, section 32(4) of the act provides:

> A training plan must, in the allocation of money to a particular sector of the building and construction industry, provide for training that is directly relevant to the needs of that sector.

I do stress that the board must cause a training plan to be submitted to the minister for approval, and the minister may request that a training plan be amended or revised before approval.

The Hon. C.M. SCRIVEN: Thank you, minister for that clarification. However, it really does not alleviate my concerns. The conflict of interest provision in the act, section 8, provides:

> A member of the Board will not be taken to have a direct or indirect interest in a matter for the purposes of this section by reason only of the fact that the member has an interest in a matter that is shared in common with those engaged in or associated with the construction industry generally, or a substantial section of those engaged in or associated with the construction industry.

Given that training is provided by many construction industry players, including the Housing Industry Association, the Master Builders Association, the civil contractors association, SA Unions and individual unions, could this clause therefore be used to argue that provision of training is a matter shared in common with a substantial section of those engaged in or associated with the construction industry and therefore would not be a matter that needed to be disclosed under conflicts of interest?

The Hon. S.G. WADE: This bill does not propose any amendments to section 8 of the act. The disclosure provisions stand.

The Hon. C.M. SCRIVEN: I realise that, thank you, but the consensus provision that is in the current act prevents allocation of funds to, for example—and I am not impugning this organisation at all—the Master Builders Association unless there is consensus. Similarly, if funds were going to be directed to a union training organisation, that could not happen without a consensus from the employer associations. Hence my concern about conflicts of interest and how the conflict of interest provision could be circumvented, for want of a better term, because so many players within the construction industry share in common the provision of training, and therefore the existing section 8—Disclosure of interest could be interpreted to say that the provision of training is common to that sector.

The Hon. S.G. WADE: I just fundamentally disagree with the member's view that somehow having different groups within the board acting as the watchdogs on the other parts of the board for conflicts of interest is the way that corporate governance works. It does not happen in boards generally. I would also bring the council's attention to section 9 of the act, which provides:

> A member of the Board must at all times act honestly in the performance of the functions of his or her office, whether within or outside the State.

Neither section 8 nor section 9 are amended by this legislation. The government just does not accept the view that having groups of the board carrying a veto is somehow some arbiter of probity.

The Hon. J.E. HANSON: Just on the conflict of interest points raised, my understanding is that there are current practices in place in regard to conflicts of interest performed by the board; that

includes a code of conduct. Can the minister confirm that that code of conduct will not be sought to be amended by the government?

The Hon. S.G. WADE: Could I just clarify? Are you referring to a general statutory code of conduct or conduct that is a resolution of the board of the CITB? I am not sure of the nature of the code you are referring to.

The Hon. J.E. HANSON: The code of conduct assists the board in exactly the conflict of interest matters that they have in place now. Given that conflict of interest has come up and the board has developed a code of conduct, I am just confirming that in no way the government will be seeking for that code of conduct to be amended in any way.

The Hon. S.G. WADE: As we have said repeatedly, many matters are a matter for the board. This government would certainly not be seeking to undermine proper management of conflicts of interest within a board.

The Hon. J.E. HANSON: I read that to be that the government endorses the code of conduct as it stands now. Is that correct?

The Hon. S.G. WADE: It is not for the government. If the board has a code of conduct, they have the right to maintain it or change it. I am confident that the government will respect the independence of the board, including the management of their interests.

The Hon. J.E. HANSON: I know that the code of conduct was established on the basis of Crown law advice. Does the government continue to trust Crown law advice given to the board in relation to the code of conduct to prevent conflicts of interest?

The Hon. S.G. WADE: I am not sure where the member is taking me on this. I have not seen any Crown law advice, so how can I endorse it? As I said earlier, we respect Crown law advice, but it is a matter for the board to manage any board-endorsed codes of conduct.

The Hon. J.E. HANSON: For clarity, you are refusing to rule out that you would endorse a change to the code of conduct in relation to conflicts of interest.

The Hon. S.G. WADE: I have nothing more to add.

The Hon. J.E. HANSON: Does the government continue to endorse the position of disclosing conflict of interest matters in the board's annual reports?

The Hon. S.G. WADE: Could the member advise me where that is required?

The Hon. J.E. HANSON: It is current practice.

The Hon. S.G. WADE: I can only vouch for the legislation, which says that a disclosure of interest under this section must be recorded in the minutes of the board.

The Hon. J.E. HANSON: There has been a great deal of moralising in the other place and in this place about the nature of the best interests of governance and clarity. I think the point made by the government in relation to the amendments that it has brought forward is that it is saying, 'We want it to be transparent, we want best practice and we want all these things.' The points I am raising go to those things. Declaring conflicts of interest in annual reports and making sure that you can continue to endorse codes of conduct that actually contain best practice goes to good governance.

All I am asking is whether the government continues to endorse the current good governance practices of the current board and how it operates. Disclosing conflicts of interest in the annual report is something a lot of organisations do, not just this board. I am just asking whether or not the government continues to endorse that practice.

The Hon. S.G. WADE: As I have said previously, the government respects that independent boards govern themselves. The legislation requires that a disclosure under this section must be recorded in the minutes of the board. I stress that, once this bill is brought before the parliament, it is open to any member to seek to put into legislation what they regard as current practice or enhanced practice. The honourable member seeks an assurance from the government. The other course of action would be to move an amendment.

The Hon. J.E. HANSON: What I am seeking to know is whether or not the government actually believes its own mantra. I think I have my answer, but I am going to make it very clear: do you or do you not endorse the current best practices of the board in relation to disclosure of conflicts of interest in the annual general report and their current disclosure arrangements as they perform them now?

The Hon. S.G. WADE: I am not the relevant minister. The legislation lays down the requirements on the board. If honourable members want to change that bar, they are free to move amendments.

The Hon. C.M. SCRIVEN: Without the existing consensus clause, will anything prevent funds from being directed to non-accredited training?

The Hon. S.G. WADE: As I indicated on Tuesday, funds can be allocated to non-accredited training and the government supports the board continuing to have that capacity.

The Hon. C.M. SCRIVEN: Are you able to advise the chamber whether the government has had any approaches from the HIA, Master Builders, Civil Contractors Federation or the Property Council regarding being possible training providers in the industry of non-accredited training following the passage of this bill, if it passes?

The Hon. S.G. WADE: I am not able to answer that question. As I indicated earlier, that is clearly a question that the member could have anticipated at the second reading stage or at the committee stage. The fact that she chose to leave it so late in the debate—sorry, I hope so late in the debate. I hope this is not the middle stage of this debate, but filibusters are filibusters. I do not have that information and I do not intend to take it on notice.

The Hon. C.M. SCRIVEN: I would point out that I did raise the issue of non-accredited training, but the answer was a very general one, hence the further question tonight. The CITB currently allocates funding to a number of programs, in addition to apprenticeship and traineeship support.

To refresh members' memories, or to advise them if they are not aware, these include the MATES in Construction program, which is suicide prevention for workers; the construction workers program, which facilitates skill development for existing workers though upskilling and cross-skilling; development and innovation programs to address new and emerging technologies and skills shortages; and an Access and Equity program, which includes the Aboriginal Workforce Development Initiative and promoting careers for women in construction. I note that Mr Pangallo appeared to suggest in his second reading contribution that a program particularly for women would be innovative. I just point out that the board has already been doing that.

In the second reading explanation, the minister stated that the change in the bill would apparently enable the board to respond to the government's Skilling Australians strategy to support an additional 20,800 apprenticeships and traineeships over the next four years. Can you explain how this bill will ensure that the training funds administered by the CITB will not be directed exclusively to the government's political agenda, as opposed to the variety of programs—not necessarily the same programs that are in place, but the wide variety of types of programs—that the board has funded until this time?

The Hon. S.G. WADE: It will remain the board's decision as to the range of programs that it supports.

The Hon. C.M. SCRIVEN: To clarify, without this consensus provision, there is nothing to prevent the sole agenda essentially being the government's agenda, as opposed to what is going to be best for industry, such as suicide prevention, safety training, Aboriginal access programs—that type of thing that we have had in the past. There will be nothing to prevent all of those being scrapped?

The Hon. S.G. WADE: Again, I do not agree that the veto provisions are some protector of probity or some protector of broad interests. All I can do is reiterate that the board will continue to have the capacity to invest broadly.

Clause passed.

Clause 6.

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

Amendment No 1 [Franks–1]—

Page 3, line 28—After 'approved by the Minister' insert 'which—'

(a) must be the same for each member of the Board (other than the presiding member); and

(b) must not exceed the maximum amounts determined, as at 1 November 2018, by the Minister under this section (as in force on that date).

The reason I have undertaken to move this amendment is my concern that perhaps some dodgy deals have been done promising people potential board positions. That has certainly been some of the debate that has surrounded this particular bill. This amendment seeks to ensure that nobody does benefit unduly from that and caps the board payments to what they currently are.

The Hon. S.G. WADE: I am surprised that that was the rationale because, basically, the Greens' amendment is to say, 'Okay, there might be dodgy deals. We are not going to stop them but we are going to cap them.' The advice from cabinet office in relation to this amendment is that no other board has their remuneration set in legislation. The amendment would reduce flexibility and set up a special case without apparent cause for it. I certainly do not think it addresses the mischief the honourable member is trying to address.

The Hon. C.M. SCRIVEN: I just wanted to point out that at the moment the act says that allowances and expenses will not exceed amounts determined by the minister after consultation with the Commissioner for Public Sector Employment and this will simply be approved by the minister. So the question arises of why it is deemed necessary to remove the current guidelines on members' allowances and expenses and instead have them approved by the minister? It raises the question of will there be any cap whatsoever on members' allowances and expenses?

Given that the minister will determine solely at his own discretion how much to pay members of this board, and these are members of the board who he will appoint solely at his own discretion, clearly there is a significant risk of poor deals. There will be, as far as we can see, no guidelines in place regarding allowable expenses. What that means is if the minister determined, after appointing all of his mates to the board, that it was reasonable, for example, for the board to take a trip to look at construction training in the Swiss Alps and on the French Riviera and then in Las Vegas, there will be nothing to stop him from doing so.

Remembering this is not a government board so it would not even be government funds that were being expended in such a way. These are expenses of a training fund that is there for the purpose of training people within the construction industry. But, unless the minister can point to anything that is not clear from the bill, it appears as though there is nothing to stop the scenario that I have just given from occurring.

The Hon. S.G. WADE: The amendment that the government is proposing in section 10 confirms that the responsible minister approves board members' allowances and expenses. The bill removes the requirement for the minister to consult with the Commissioner for Public Sector Employment in determining board members' allowances and expenses. The Department of the Premier and Cabinet has advised that this consultation process no longer occurs. In that sense, all this amendment does is bring the legislation in accordance with practice—practice which, I presume, predates this government.

The Hon. C.M. SCRIVEN: I will seek members' indulgence because I do want to ask a question—and I appreciate the minister has the capacity to say that we should have asked the question earlier, but I hope, given it goes to the central point of transparency and accountability, that he will seek an answer, and hopefully it will be one he can provide now but, if not, I really do think it is important enough that he should come back to it. So the question is: where will details of expenditure of board members' allowances and expenses be available? I am referring to what each individual board member will be paid, because, as far as we can see, it could be unlimited.

How will there be any transparency around what will be paid to members and what expenses might be used? So in the Swiss Alps scenario, we would need to be sure that a huge junket was

somehow made known. Could it be, for example, published in the annual report what the expenses are or what the individual board members' remuneration is? That is my question. I appreciate that he is not obliged to answer but, hopefully, in the interest of accountability, he will be willing to do so.

The Hon. S.G. WADE: I have made every attempt today to provide information that is available to me, so I am pleased to be able to advise the honourable member that it is currently standard government practice for the Department of the Premier and Cabinet to produce an annual report tabled in parliament disclosing information about all government-appointed boards and committees across South Australia. The report discloses the members of each board and what they are individually remunerated.

The Hon. C.M. SCRIVEN: Thank you. I appreciate that most sincerely but, as I understand it, that does not include expenses that are paid; remuneration, yes, but not expenses is my understanding.

The Hon. S.G. WADE: I do not have advice about expenses, but considering that the Treasurer is here, I am sure he would be able to answer it. I am aware that the boards and committees are reporting in relation to what is maintained by the Department of the Premier and Cabinet, but I am not aware of any board having expenses disclosed. I do not have that advice to me. Certainly, in relation to the key issue of board members' remuneration, this would be disclosed. Considering that the filibuster continues, I undertake to provide an answer to that when this committee next sits.

Progress reported; committee to sit again.

SENTENCING (SUSPENDED AND COMMUNITY BASED CUSTODIAL SENTENCES) AMENDMENT BILL

Second Reading

The Hon. R.I. LUCAS (Treasurer) (18:28): I move:

That this bill be now read a second time.

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

Leave granted.

Concerns have been raised in the media and in Parliament regarding the categories of offenders in relation to whom home detention is available as a sentencing option for the court under the *Sentencing Act 2017* (the Sentencing Act).

Specifically, the concerns relate to the availability of home detention as a sentencing option for child sex offenders.

In response to the concerns raised, I have undertaken a considered review of home detention and related provisions.

The safety of South Australians, particularly children, and the welfare of victims are our highest priorities for sentencing reform.

This Parliament has already seen a one-page proposal from the Opposition which is a flimsy band-aid fix to a much larger problem with sentencing in SA. In contrast, as Attorney-General I have worked expeditiously to overhaul the home detention laws and clarify for the court, exactly what restrictions are placed on a serious sexual offender to ensure there is absolutely no doubt about how the laws that are intended to protect the community from serious sexual offenders should be applied.

Mr Speaker, before turning to the details of the Bill, it needs to be said that the conduct of the Opposition in the last few weeks has been disgraceful. The Opposition Leader and his colleagues have deliberately set about instilling fear into South Australians. Labor's scaremongering knows no bounds, and the politicising of these issues has been shameless.

Rather than scoring cheap political points, the Government has been focussed on addressing legislative deficiencies in sensible and thoughtful way.

The Sentencing (Suspended and Community Based Custodial Sentences) Amendment Bill 2019 (the Bill) addresses community concerns about the ability of a court to permit offenders convicted of sexual offences to serve their sentence of imprisonment on home detention.

It clarifies the restrictions on the ability of a sentencing court to permit a serious sexual offender to serve a sentence of imprisonment pursuant to a home detention order (HDO), so that there can be no doubt about how the laws that are intended to protect the community from serious sexual offenders should be applied.

Further, the Bill amends the Sentencing Act and *the Correctional Services Act 1982* to address technical differences and policy inconsistencies between provisions dealing with the imposition and operation of suspended sentences, intensive corrections orders (ICOs), and home detention under the Correction Services Act. It also addresses other issues that have been identified with the operation of the HDO and ICO schemes.

Finally, the Bill will also repeal unnecessary provisions introduced by the former Labor government into the Sentencing Act. These provisions relate to 'taking matters into account' and have created uncertainty without introducing any benefit. They do not relate to home detention.

The current position is that a home detention sentence can only be granted to a person who is being sentenced for a 'serious sexual offence' if the court is satisfied that special reasons exist, namely that by reason of the person being of advanced age or due to infirmity, they no longer present a risk to the community and the interests of the community as a whole are better served by a home detention sentence.

Home detention is available as a court-ordered sentence, and as a condition of an intensive corrections order or a suspended sentence in certain circumstances. It is also able to be granted to a prisoner who is serving a sentence by the Chief Executive of the Department for Correctional Services. While the issue that has received recent attention relates to court-ordered sentences of home detention, I considered it important to consider these other types of orders as well.

It is evident from a holistic comparison of each of these schemes that the application of the different options under the Sentencing Act is now a technical, complicated process. There are some differences between the schemes which are hard to justify or just make no sense.

In addition, various operational issues arising out of the introduction of home detention as a sentencing option have been raised with me. Some of these issues equally apply to the operation of intensive corrections orders.

The Bill I present today:

- Tightens up the 'special reasons' test in section 71 of the Sentencing Act;
- Addresses differences in terminology between the different options to ensure consistency in terminology;
- Addresses differences in the 'precluding' offences for home detention, suspended sentences, and intensive corrections orders (unless there is a clear policy basis for the difference). This includes removing the discretion on a court to impose a suspended sentence for sexual offences, but making provision for a 'young love' exception for certain offences only;
- Addresses an issue in respect of the ability of both HDOs and ICOs to be made cumulative upon a sentence being served in prison; and also in respect of the interaction of the HDO and ICO provisions with provisions relating to unexpired parole in the CS Act;
- Addresses a loophole in the provisions for dealing with breaches of HDOs and ICOs which presently permit an offender to breach their order with impunity in some circumstances; and
- Repeals unnecessary and confusing provisions that had been introduced for the first time into the Sentencing Act relating to the method for taking matters into account upon sentencing.

I will now deal with each of these points in detail for the Parliament.

The Bill amends the provision which created controversy in the recent matter of Mr Deboo. Presently, an offender being sentenced for a 'serious sexual offence' is precluded from serving that sentence on home detention unless 'special reasons' exist. Pursuant to section 71(4) of the Sentencing Act: 'in deciding whether special reasons exist … the court must have regard to both of the following matters, and only those matters:

(a) whether the defendant's advanced age or due to infirmity means that the defendant no longer presents an appreciable risk to the safety of the community…;

(b) whether the interests of the community as a whole would be better served by the defendant serving the sentence on home detention rather than in custody.

I have considered whether it would be appropriate to remove *any* scope for a court to impose home detention for 'serious sex offences' at all. On balance, I am of the view that there is some merit in retaining very limited discretion for the court to permit home detention in the very limited circumstances of an offender who is genuinely no longer at risk of reoffending due to age or permanent infirmity, and where the interests of the community would be better served by permitting imprisonment to be served pursuant to an HDO.

There is little to be gained by imposing a genuinely infirm prisoner on the correctional system (and thus the public purse) to maintain, in circumstances where the court does not otherwise form the view that the offending is so

serious that the interests of the community require imprisonment. However, this of course must be balanced against other factors, such as the need to maintain public confidence in the criminal justice system.

Accordingly, I am of the view that it is appropriate to amend the provision relating to special reasons to tighten up how it applies.

It was clearly intended that for a court to be satisfied that special reasons exist, they would need to be satisfied about both (a) and (b) above—however I understand it has been suggested that the court does not need to be satisfied of both limbs. To remove any doubt about what was intended, this Bill explicitly requires the court to 'be satisfied about' both limbs. It will also require any 'infirmity' relied on to be permanent.

The list of 'precluding offences' is similar but not quite the same between suspended sentences and home detention. At the moment, there are *more* sexual offences excluded from HDO's than are potentially excluded from suspended sentences, and HDO's also preclude terrorist acts while suspended sentences do not. There are currently no 'precluding offences' attaching to ICOs at all. I am of the view that the offence lists should be amended to be consistent, except for a few situations where there is a clear policy basis for the difference.

Flowing on from the above, it follows that it is presently legislatively possible to get a suspended sentence for a sexual offence, while being precluded from getting a HDO for those same sexual offences unless 'special reasons' exist.

I am of the view that it should *not* generally be possible to obtain a suspended sentence (or an ICO) for sexual offences, in line with the prohibition on such offenders receiving a home detention sentence.

However, I am of the view that it would be appropriate, in closing this loop-hole for suspended sentences, to make provision for the court to continue to permit 'young-love' offenders to serve their sentence as a suspended sentence or on home detention. The court must already be satisfied that good reason exists to suspend a sentence of imprisonment. It would not be expected that a court would ever find good reason exists in circumstances of violence or coercion.

It is thus proposed to define the limits of this exception by reference to the age difference of the offender (being a maximum three year age difference) and applicable only to offenders aged 18 or 19 years of age. This is in line with similar safeguards for this cohort under the *Child Sex Offenders Registration Act 2006*.

Further, section 96(7) of the Sentencing Act specifically provides for a home detention condition as part of a suspended sentence where the reason for suspending the sentence is due to the ill health, disability or frailty of the offender making serving time in prison unduly harsh. This provision existed prior to the introduction of home detention as a sentencing option in 2016. In my view the ability of the court to impose home detention as part of a suspended sentence should now be removed.

The provision setting out when an offender is permitted to leave their place of residence when subject to a home detention condition is essentially mirrored in intent in each of the provisions relating to HDOs, ICO's, and home detention under the CS Act. However, there are some differences in terminology. These arose following close consideration of the HDO provisions during passage of the Sentencing Act, resulting in some changes to the terminology which were not 'mirrored' in the ICO provisions or the home detention provisions in the CS Act. It is proposed to amend these provisions to ensure consistency.

The stated purpose and eligibility of the ICO presupposes an intervention program will be undertaken. However, the imposition of a condition to undertake an intervention program is discretionary, not mandatory. It is proposed to ensure that all offenders on an ICO will be required to undertake an intervention program to address this issue.

It is currently possible for a court to order both home detention and ICOs to be cumulative upon each other, but more unusually, upon a term of imprisonment to be served in a prison. There are various operational issues as to why this is not desirable.

A related issue arises in the context of the imposition of an ICO or a HDO for a defendant who had unexpired parole to be served at the date of fresh offending. The Bill will address this issue as well.

The implications of breaching a suspended sentence are markedly different to the implications of breaching a HDO or ICO. Upon breaching a suspended sentence, the offender is required to serve the entire sentence. Upon breaching a HDO or an ICO, the offender is only required to serve the balance of the sentence outstanding after taking into account the period spent in compliance with the order.

There is an explanation for this difference. It reflects the different nature of a suspended sentence with very little supervision or restriction on autonomy compared to a sentence that is not suspended and is instead being served in the community with strict supervision, and potentially severe restrictions on personal liberty and autonomy.

However, I am told that an issue has arisen with the way the court has interpreted the provisions.

In short, the way the provision is currently worded permits an offender to remain in the community on home detention while breach proceedings are being determined (which may take some time if there are adjournments and delays), continue to breach their home detention, and yet have virtually the entire period 'count' and be deducted from

the 'balance of the sentence to be served'. This interpretation undermines the intended consequences for breaching an HDO.

The Bill addresses this by amending the legislation to be clear that the balance of the sentence as at the date of the breach should be served in prison. The court will retain discretion to vary the balance to take into account time served in custody or on home detention in appropriate circumstances.

Importantly, in undertaking a wholesale review of the home detention provisions, it was noted there are unnecessary and confusing provisions I intend to deal with here.

Sections 31-35 of the Sentencing Act were introduced in the Sentencing Act by the former Labor government. They were said to establish a framework for the court to take further charged offences into account in sentencing for a 'principal offence' by imposing a greater penalty for the principal offence. Under this scheme, the defendant cannot receive a conviction for the further offences, and does not receive a penalty for them at all.

There appears to be absolutely no justification for this outcome. The provisions do not introduce any substantial benefit into the process, and instead create uncertainty and the possibility of protracted legal arguments about their operation.

Given this, I intend to repeal them entirely.

Mr Speaker, to conclude, I remind the Parliament that paedophiles and serious sexual offenders do not belong on our streets. This has long been a bi-partisan position. Despite the Opposition's efforts in recent weeks to instil fear into the community, I ask that Members opposite to work with us on the very laws the former Government introduced so that we, as a Parliament, close the loopholes, and fix Labor's home detention mess.

Mr Speaker, I commend the Bill to Members and I seek leave to insert the Explanation of Clauses into Hansard without my reading it.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Sentencing Act 2017*

4—Repeal of Part 2 Division 2 Subdivision 3

Part 2 Division 2 Subdivision 3 is repealed.

5—Amendment of section 52—Interpretation and application

The cross reference to the Commonwealth law in the definition of *terrorist act* is amended.

6—Amendment of section 70—Home detention not available for certain offences

The cross reference to the Commonwealth law in the definition of *terrorist act* is amended.

7—Amendment of section 71—Home detention orders

Currently, a court cannot make a home detention order in respect of a person being sentenced as an adult for a serious sexual offence unless the court is satisfied that special reasons exist for the making of the order. In determining whether special reasons exist, the court can only take into account the 2 matters referred to in existing section 71(4). One amendment substitutes section 71(4) so that it refers to the court being satisfied of the matters set out in section 71(4) (rather than the current language of taking them into account).

Another amendment provides for an exception (from the prohibition on making a home detention order in respect of a person being sentenced as an adult for a serious sexual offence) if the offence is a prescribed serious sexual offence that occurred in prescribed circumstances (both of which are defined).

Definitions of foster parent, prescribed serious sexual offence, prescribed circumstances and a position of authority are inserted for the purposes of these amendments.

8—Amendment of section 73—Orders that court may make on breach of condition of home detention order etc

Section 73(4) is amended so that this subsection (which relates to when a court revokes a home detention order and orders that the balance of the sentence be served in custody) only relates to the circumstances where the residence of a person subject to the home detention order is no longer suitable and no other suitable residence is available for the person's detention.

New subsection (4a) is inserted. It relates to when a court revokes a home detention order for breach of a condition of the order and orders that the balance of the sentence be served in custody. It clarifies (in conjunction with inserted subsection (4b)) when the balance of the sentence commences and the periods that may be taken into account by the court in reducing that sentence.

Another amendment repeals section 73(4)(b) (which provided for a reduction of the sentence to be served in custody if special circumstances justified the reduction).

9—Amendment of section 80—Intensive correction not available for certain offences

These amendments provided that the power to impose intensive correction orders (under the Subdivision) are not exercisable in relation to an offence involving a terrorist act. The cross reference to the Commonwealth law in the definition of *terrorist act* is amended.

10—Amendment of section 81—Intensive correction orders

Currently, section 81(3)(a) provides that an intensive correction order must not be made if the sentence is to be served concurrently with a term of imprisonment then being served, or about to be served, by the defendant. One amendment adds to that paragraph the circumstance where the sentence is to be served cumulatively on another term of imprisonment (other than a term of imprisonment to be served subject to an intensive correction order).

Another amendment inserts section 81(3)(ab), which adds to the list of circumstances in which an intensive correction order must not be made. Inserted paragraph (ab) is identical to section 71(2)(b) (which relates to circumstances in which a home detention order must not be made). The only difference is that the power of the court to make an intensive correction order for a person being sentenced as an adult for a serious sexual offence if satisfied that special reasons exist is not limited in the same way as that power in respect of home detention orders.

Definitions are inserted for the purposes of these amendments.

11—Amendment of section 82—Conditions of intensive correction order

One amendment provides that a home detention order will be subject to a condition requiring the person to undertake an intervention program. The other amendment is consequential.

12—Amendment of section 83—Orders that court may make on breach of condition of intensive correction order etc

The amendments inserting subsections (3) and (3a) are consistent with the amendments inserting section 73(4a) and (4b).

The amendments to section 83(4) are designed to make this provision consistent with section 72(1)(a) (the equivalent provision relating to home detention orders).

13—Amendment of section 95—Interpretation and application of Part

One amendment provides that the powers under the Part (to impose non custodial community based sentences) are not exercisable in relation to an offence involving a terrorist act. Another amendment relates to the interpretation of the reference to an offence of murder (and aligns the provision with section 70 (which relates to home detention orders)).

14—Amendment of section 96—Suspension of imprisonment on defendant entering into bond

Currently, a court cannot suspend a sentence of imprisonment in respect of a person being sentenced as an adult for (among other things) a designated offence and, during the 5 year period immediately preceding the date on which the relevant offence was committed, a court has suspended a sentence of imprisonment or period of detention imposed on the defendant for a designated offence. Currently, the list of designated offences includes certain offences that are (in Part 3 of the Act) included in lists of serious sexual offences.

The amendment that inserts paragraph (ba) into section 96(3) provides that a court cannot suspend a sentence of imprisonment in respect of an adult being sentenced for a serious sexual offence. Consequential amendments are made deleting paragraph (i) from the definition of *designated offence* (this paragraph lists the designated offences that are (in Part 3) listed as serious sexual offences).

Another amendment then inserts a definition of *serious sexual offence* (which is consistent with the definition in section 72 (the equivalent provision relating to home detention orders)).

Certain serious sexual offences (listed in subparagraph (ii) of the definition) are excluded from the definition of serious sexual offence if the offence occurred in prescribed circumstances (which is defined).

Section 96(7) is deleted.

15—Amendment of section 106—Provisions relating to supervision in the community

16—Repeal of section 109

17—Amendment of section 114—Orders that court may make on breach of bond

These amendments are consequential on the deletion of section 96(7).

Schedule 1—Related amendments and transitional provisions

Part 1—Related amendments to Correctional Services Act 1982

1—Amendment of section 37A—Release on home detention

The amendments to section 37A(3)(a) are designed to make this provision consistent with section 72(1)(a) (the equivalent provision relating to home detention orders).

2—Amendment of section 75—Automatic cancellation of parole on imprisonment for offence committed while on parole

Currently, section 75(1)(a) provides that where a person is sentenced to imprisonment for an offence committed while on parole, the person is liable to serve in prison the balance of the sentence. This does not apply if the sentence is suspended.

One amendment provides that the provision also does not apply if the person is ordered to serve the sentence (for the offence committed while on parole) subject to a home detention order or an intensive correction order.

Another amendment provides that, if a person is sentenced to imprisonment for an offence committed while on parole and the sentence is suspended or the person is ordered to serve the sentence subject to a home detention order or an intensive correction order, the person's parole is cancelled.

Part 2—Transitional provisions

3—Transitional provisions

The amendments apply to the sentencing of a defendant after the commencement of the measure, regardless of whether the offence for which the defendant is being sentenced was committed before or after that commencement.

The amendments also apply to proceedings for a breach of a condition of a home detention order or intensive correction order regardless of whether the breach to which the proceedings relate was committed before or after that commencement.

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

LABOUR HIRE LICENSING REPEAL BILL

Second Reading

The Hon. R.I. LUCAS (Treasurer) (18:28): I move:

That this bill be now read a second time.

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

Leave granted.

The Labour Hire Licensing Repeal Bill 2018 repeals the *Labour Hire Licensing Act 2017* (the Act) introduced by the former government.

The Act currently requires anyone who provides labour hire in South Australia to be licensed. However, since the commencement of the licensing scheme, the Government has received numerous complaints about the scheme's scope and application.

Numerous written submissions have been made to my office, including from industry representative groups and small businesses, outlining their confusion, angst and concerns in relation to the scheme. As a result of this, I undertook to closely review the issues raised, in consultation with the Consumer and Business Services (CBS), who have also been made aware of concerns from various businesses and industry groups across SA.

Following a review of the submissions received, it has become apparent that the licensing scheme applies to a range of businesses that were not intended to be captured, while failing to address the very issues that the scheme was supposed to address, namely the exploitation of workers.

These laws do very little to increase protections for workers and instead create an unnecessary layer of red tape for a number of industries that shouldn't be captured by regulations governing labour hire.

If the scheme is to proceed as it currently stands, there is a high likelihood that we will be regulating industries and business arrangements that extend well beyond what is reasonably required.

In September this year, I wrote to the labour hire industry to advise of the Government's intention to seek the repeal of this legislation and I must say, the response from industry groups in relation to this has been overwhelmingly supportive.

Workers already have important protections under Commonwealth and State legislation and the Government is of the firm view that existing laws can be better utilised to deliver a far more effective response to issues within the labour hire industry, as opposed to the unworkable laws introduced by the former government.

To more effectively tackle the issues at hand, I have already established a Taskforce whose primary purpose is to facilitate cross-agency and departmental collaboration, aimed at reducing the number and impact of unscrupulous labour hire providers in SA.

The taskforce which includes representatives from CBS, Return To Work SA, SafeWork SA, Revenue SA and the Small Business Commissioner, has undertaken a review of existing laws and determined that these are sufficient to deal with issues that have been raised in relation to the labour hire sector.

Strengthened cross-agency information sharing and continued operation of the Taskforce to promote appropriate information sharing, will enable a collaborative approach to be taken to address the relevant labour hire issues and concerns and support the compliance and enforcement activities that can occur under existing legislation.

The taskforce will focus on protecting vulnerable workers by sharing data that would more effectively identify, and potentially prosecute, those unscrupulous operators who are seeking to take advantage of workers.

I commend this Bill to the House and I seek leave to insert the explanation of clauses in *Hansard* without my reading it. It is a very short bill, but the explanation nonetheless is provided.

Explanation of Clauses

Part 1—Preliminary

1—Short title

This clause is formal.

Part 2—Repeal of Labour Hire Licensing Act 2017

2—Repeal of Act

This clause repeals the Labour Hire Licensing Act 2017.

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

CRIMINAL LAW CONSOLIDATION (FOSTER PARENTS AND OTHER POSITIONS OF AUTHORITY) AMENDMENT BILL

Introduction and First Reading

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

At 18:30 the council adjourned until Tuesday 19 March 2019 at 14:15.