

Extract from Hansard

Wednesday 13 May 2020

Local Government (Public Health Emergency) (Rate Relief) Amendment Bill



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**The Hon. A. PICCOLO (Light) (10:45):** Obtained leave and introduced a bill for an act to amend the Local Government Act 1999. Read a first time.

Standing Orders Suspension

**The Hon. A. PICCOLO (Light) (10:46):** I move:

That standing orders be so far suspended as to enable the bill to be taken through all stages without delay.

**The SPEAKER:** An absolute majority is not present. Please ring the bells.

An absolute majority of the whole number of members being present:

**The SPEAKER:** As an absolute majority is present, I accept the motion. Member for Light, do you wish to speak in support of the proposed suspension motion?

**The Hon. A. PICCOLO:** Mr Speaker, I would ask the house to support the suspension of standing

orders because the urgency of this bill is more so today than it was two weeks ago when we last sat, and I put the case for having the suspension of the standing orders to enable that to take place. We have heard in the last few days that, as we move away from the health crisis, the next one is going to be a major economic crisis, and that economic crisis—

**The Hon. S.K. KNOLL:** Point of order, Mr Speaker.

**The Hon. A. PICCOLO:** Mr Speaker, I am just outlining why it is urgent.

**The SPEAKER:** One moment. Minister for Planning, what is it?

**The Hon. S.K. KNOLL:** I would ask that the member be confined to the substance of the motion rather than the substance of the bill he wishes to discuss.

**The SPEAKER:** I have the point of order. I am listening to the member for Light. There will also be an opportunity for the minister to

make his alternative argument, if there is one. The member for Light has the call.

**The Hon. A. PICCOLO:** Thank you, Mr Speaker. This does not deal with the substantive nature of the bill, but it is urgent because we have heard, over the past few days, that the federal government may bring forward the closure of the JobKeeper program, for example, and we have heard from businesses about the impending crisis to our economy if that were to occur.

That is why this bill is very important. We should have measures in place to enable us to reduce the costs to and burdens on small businesses, particularly those that need to start again, so that they can reopen as soon as possible and provide employment. In the next few days, we will hear about the statistics that underpin this impending crisis; however, we have the opportunity to do something about it today in the debate on this bill.

**The Hon. S.K. KNOLL:** A copy of the updated bill was only provided to me at 8.51 last night. It contains amendments on a bill which was provided at around the same time during the last sitting week. The government has not had any opportunity to consider the latest version of the bill, and as such will not be supporting the suspension of standing orders.

**The house divided on the motion:**

Ayes ..... 20  
Noes ..... 23  
Majority ..... 3

**AYES**

Bedford, F.E.  
Bell, T.S.  
Bettison, Z.L.  
Bignell, L.W.K.  
Boyer, B.I.  
Brock, G.G.  
Brown, M.E. (teller)  
Close, S.E.  
Cook, N.F.  
Hildyard, K.A.  
Hughes, E.J.  
Koutsantonis, A.  
Malinauskas, P.  
Michaels, A.  
Mullighan, S.C.  
Odenwalder, L.K.  
Piccolo, A.  
Picton, C.J.  
Stinson, J.M.  
Wortley, D.

**NOES**

Basham, D.K.B.  
Chapman, V.A.  
Cowdrey, M.J. (teller)  
Cregan, D.  
Duluk, S.  
Ellis, F.J.

Gardner, J.A.W.  
Harvey, R.M.  
Knoll, S.K.  
Luethen, P.  
Marshall, S.S.  
McBride, N.  
Murray, S.  
Patterson, S.J.R.  
Pisoni, D.G.  
Power, C.  
Sanderson, R.  
Speirs, D.J.  
Teague, J.B.  
Treloar, P.A.  
van Holst Pellekaan, D.C.  
Whetstone, T.J.  
Wingard, C.L.

## **PAIRS**

Szakacs, J.K.  
Pederick, A.S.  
Motion thus negatived.  
Second Reading

**The Hon. A. PICCOLO (Light)**  
**(10:55):** I move:

That this bill be now read a second time.

This bill reflects what we have at the moment not only in this state but in this nation. We have a multiple crisis in the sense that we have clearly a health crisis, on

which the health officials have been advising us on how to act to make sure that we minimise death and injury in our nation. I think it is very important to note that. I notice the government make light of this, but if you are a passenger coming from Gawler into the city, for example, certainly the government has not heard the health message, because they are forcing people onto trains like sardines.

Members interjecting:

**The Hon. A. PICCOLO:** The government mocks, because all of them probably do not use public transport. 'We leave it to the other people to use public transport.'

**The Hon. S.K. Knoll:** I used it yesterday.

**The Hon. A. PICCOLO:** So people who need public transport—

**The SPEAKER:** The Minister for Planning is called to order for interjecting out of his seat.

**The Hon. A. PICCOLO:** Those who require public transport to get to work are treated like second-class citizens by this government. It is quite clear. If you do not believe me, just look at social media—the comments coming from people in my electorate and other electorates between Gawler and the city of Adelaide and those electorates west of the city. I can tell you this government is not that popular at the moment, with the way it treats these people, forcing people to be—

Members interjecting:

**The SPEAKER:** Order! Members on my right.

**The Hon. A. PICCOLO:** —treated like second-class citizens. That is the thing about this bill: this bill is about the haves and the have-nots. At the moment what we are seeking to do with the bill is to support those people who are the have-nots. I will explain why and why the government will oppose this bill. They look after the haves.

The Hon. T.J. Whetstone interjecting:

**The SPEAKER:** The Minister for Primary Industries and Regional Development is cautioned.

**The Hon. A. PICCOLO:** They have never looked after the have-nots. This bill is very important. It is not only the have-nots in terms of workers but the have-nots in terms of small business.

The second part of the crisis we have at the moment is an economic crisis. That is quite clear. Both at federal and state level, both governments and oppositions have said the same thing, regarding the impending economic crisis if we do not act and start reopening our economy. That is very important, but we need to do that in a very careful way to make sure we do not get a second wave of a health crisis through our nation.

Members interjecting:

**The Hon. A. PICCOLO:** Well, the government is not actually doing that. If you were doing that you would not force tens of thousands of people into carriages like sardines. You would actually do what you need to do to make sure that people are going to use public transport in a safe way. What this government has done is run our public transport system into the

ground. In doing so, it also runs our economy into the ground because public transport is critical for a lot of our workers in this state and in fact our nation. When it comes to public transport, this government is probably performing the worst in the nation at the moment. That is very important.

When I was walking this morning to come to Parliament House, I bumped into a young man. We started chatting. I asked what job he was in. He said he was a waiter and a bartender. He is not working at the moment clearly because of the economy. It made me think about what this bill is really about. What this bill is really about is making sure that those small businesses that are part of the have-nots at the moment, that have closed or restricted their business by government direction to meet the common good in terms of our health interests—and rightly so; I understand that—get the support they require and that we actually think about them.

At the moment, all the criticism about this bill is coming from people who have 100 per cent of their income at the moment in some way. That is telling. The people who are criticising this bill at the moment all have a secure income; they go home to their families at night and put food on the table, and the government does not seem to care about those who do not. That is the reality. This bill is designed for those small businesses who have closed their doors or had their businesses restricted and who cannot make a profit or an income through earning to support themselves. The federal government has helped, and I acknowledge that. The state

government has helped a bit in a lesser way, and I acknowledge that.

The one sector that has done very little at this stage is the local government sector. When I tried to introduce this bill last time, my quarterly rate notice from the council was sent to me on the same day. I was told by the local government sector that they are still in conversations. They are having conversations about this and what they can do to support small business, and I acknowledge that some local councils have. I think that Wakefield Regional Council was one of the first councils to act, and I commend them for doing that. They understand their community and the importance of small business in their community, and they acted.

I understand that the City of Prospect has done something, and I understand that since we have mooted our bill a couple of other councils have either gone that way or chosen to look at it as well. This is very important. That is what this bill has done if nothing else. Despite the mocking by the Minister for Local Government, it has started a conversation about how small businesses are hurting in our communities and the role of local government to provide a support in those local communities, which, as I said, has been done by the federal government and the state government to some extent.

What we need to understand is that JobKeeper goes so far and a whole range of other measures put in place by federal and state governments go so far, and that is important. They are keeping people in work and keeping some

business doors open, but not all, and that is why local government has an important role to play. Some councils are saying that rate deferral is their role. Well, that is a bit like the banks at the moment. They are saying that you do not have to pay your mortgage; you can put it off. The banking association, when asked what that means, said that the debt will still accumulate interest during this period. So you pay twice as much after, and the banks never lose.

That is how our banks are responding to this crisis. They are hurting the most those people who are the most vulnerable. To some extent, so is local government. They are saying that they will just defer the debt. The reality is that some small businesses will not be able to restart their business if they have accumulated debts that are really high. This is what this bill is designed to do: to reduce the debt levels for small businesses so that they can concentrate on starting their businesses again. By starting their businesses again, they create employment.

This is true throughout the whole state but particularly in regional South Australia, where there are fewer opportunities. It is particularly true in those areas. In my own town of Gawler, it is sad to see so many shopfronts closed. The morale of our community has declined, and I cannot wait for the day when they open their doors for business again. The closed doors represent people, human beings, both the business owners and those people who have previously worked for them. That is important to remember.

I will not be lectured by people who at the moment sit on a full income.

Some have zero income at the moment and have accumulated debts. This bill goes a small way, and I acknowledge it is a small way, to reduce that accumulated debt so they can restart their businesses as soon as practical and to also then increase employment.

The local government sector has an important role to play in the revival of small business in our state and it has to play its role. I do not expect its role to be as big as the state and federal governments' role because of its capacity, but it has capacity. The federal government, for example, has increased its expenditure and not stood down one public servant. The state government, from my understanding, has done reasonably and equally the same. It is local government's time to put its hand up and say what it will do to support small business.

The argument I have heard from people who are on full incomes at the moment is that, 'Well, local government can't afford it.' Like everything else, it is a question of priority. If councils can find hundreds of thousands of dollars that they have not budgeted for this year to do some pet project, they can find the money and the capacity to support small businesses. If it was true, you would not find a small council in terms of rate base, like Wakefield Regional Council or the City of Prospect, doing it.

It is interesting to note that those two councils—one is a small metro council and one is a large council geographically but with quite a small rate base—have found the resources to provide rate relief for their small businesses and not-for-

profits. In fact, Wakefield Regional Council has gone further and given rate relief to residents as well, if I understand correctly. If these councils can do it with quite modest rate bases, other councils can do it as well. I have been told by a number of people that councils have that capacity now. That is certainly true: councils have the capacity now to do it, but of the 68 councils, maybe only four—

**The Hon. S.K. Knoll:** You mean 64.

**The Hon. A. PICCOLO:** Are you sure it's 64?

**The Hon. S.K. Knoll:** Sixty-four councils are providing some level of relief.

**The Hon. A. PICCOLO:** The minister says 'some level of relief'. These are the weasel words that local government are using. I got a little note from the Town of Gawler about their relief package for local business: 'If you are in hardship, write to us. We'll consider it and then we may defer your rates.' That is their package of support. As I said, for those small businesses that have closed their doors and are earning no income at the moment, that is no support whatsoever. Because of that, some of those businesses will not open their doors again.

It is no relief whatsoever. If they really want to provide relief and support small businesses and get them going again, they will provide real relief, which means they will provide a rate rebate for the period of time that they are closed or restricting development. Then, we will see the recovery of these small businesses in our community.

This proposal supports NGOs as well because the NGO sector is so critical to our community. I think every member, even those on the government side, would acknowledge the important roles that NGOs play in our communities. Whether they are charities or whether they are sporting organisations, they play a critical role in our communities and they are also doing it tough at the moment.

My colleague the shadow minister for sport and recreation has brought this to my attention and has advocated on their behalf to make sure they are provided with support and rate relief and to make sure that they can reopen their doors for all those sporting and recreational activities in our community that are so vital for not only this generation but future generations to make sure we have healthy communities. We have healthy communities when we have healthy small businesses and we have healthy small businesses when they can actually afford to operate. It is as simple as that.

It is sad that we have so many businesses closing their doors at the moment because of government direction. I am not complaining about that government direction; I understand it. Our first priority is the health crisis and that is understandable. We need to keep people safe and we need to keep people alive. We have reached a point now, though, where economic crisis manifests itself not only in terms of loss of employment and businesses closing but also in terms of the health of people. We have a tsunami of mental health issues approaching us, and that is compounded by people who cannot

see any light at the end of the tunnel or who are provided no hope. This bill is designed to provide both some light and some hope for those small businesses and individuals who rely on small businesses for their livelihood, whether as a business owner or as a worker.

I accept that this measure in itself is not the end of it. This measure should be the start of a broader conversation with all the stakeholders in the local government sector to see what else can be done and what role the state and federal governments have to play to support local government so that they can support their communities. I acknowledge that. However, it is interesting to note that we have started to have a real conversation about this issue since we have indicated our intentions. I think it is great that we have proposed something that a lot of people do not particularly like but which has actually started a real conversation in that sector because they now understand the gravity of this issue.

I am more than happy to work with all the stakeholders in the local government sector to work out what broader package could be brought in to support local government, our local communities, our small businesses in those communities and also the non-government sector in our communities. Only yesterday I was speaking with some people in the sporting sector in my community who are really concerned about their capacity to restart their various activities. For a lot of sports this is the time that they actually earn income to keep their activity alive for 12 months. They usually operate from one financial

year to the next. There are not huge reserves of funds in those small sporting organisations.

It is for those reasons that I think this bill warrants support. It warrants to be debated today to make sure that we play our part for small business to recover from this economic crisis that is fast approaching.

Debate adjourned on motion of Dr Harvey.