

HOUSE OF ASSEMBLY

Tuesday 6 September 1994

The **SPEAKER (Hon. G.M. Gunn)** took the Chair at 2 p.m. and read prayers.

SODOMY

Petitions signed by 351 residents of South Australia requesting that the House urge the Government to criminalise sodomy were presented by the Hon. J.K.G. Oswald, Ms Penfold and Mr Scalzi.

Petitions received.

AUDITOR-GENERAL'S REPORT

The **SPEAKER** laid on the table a report of the Auditor-General for the year ended 30 June 1994.

Ordered that report be printed.

QUESTIONS

The **SPEAKER**: I direct that written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 3, 5 to 9, 11, 13 to 16, 22, 28, 30 to 34, 36, 38, 41 and 42.

PAPERS TABLED

The following papers were laid on the table:

By the Deputy Premier (Hon. S.J. Baker)—

South Australian Government Financing Authority—
Report, 1993-94.

Regulations under the following Acts—
Administration and Probate—Public Trustee's
Commission and Fees.

Cremation—General.

Landlord and Tenant—Commercial Tenancies.

Legal Practitioners—General.

Liquor Licensing—Esplanade, Christies Beach.

Subordinate Legislation—Postponement of Expiry.

Summary Offences—Traffic Infringement Notice.

Rules of Court—

District Court—District Court Act—Appeals—
Environment, Resources and Development Court.

Supreme Court—Supreme Court Act—Admission.

Summary Offences Act 1953—

Dangerous Area Declarations, 1.4.94-30.6.94.

Road Block Establishment Authorisations, 1.4.94-
30.6.94.

By the Minister for Industry, Manufacturing, Small Business and Regional Development (Hon. J.W. Olsen)—

State Opera of South Australia Act—Regulations—
Election of Candidates.

State Theatre Company of South Australia Act—
Regulations—General.

By the Minister for Housing, Urban Development and Local Government Relations (Hon. J.K.G. Oswald)—

Development Assessment Commission—Crown
Development Report on Land Division by the Minister
for Infrastructure at Bain Street, Pasadena.

Public Parks Act 1943—Report on disposal of Max Young
Memorial Park.

Corporation By-laws—

Marion—

No. 1—Permits and Penalties.

No. 2—Moveable Signs.
Salisbury—No. 10—Fire Prevention.

By the Minister for Primary Industries (Hon. D.S. Baker)—

Fisheries Act—Regulations—
Aquatic Reserves—Fishing Activities.

General—

Giant Crab.

Various.

Lakes and Coorong Fishery—Blue-throated wrasse.

Marine Scalefish Fisheries—Transfer of Licence.

Rock Lobster Fisheries—Blue-throated wrasse.

STEAMRANGER

The **Hon. J.W. OLSEN (Minister for Industry, Manufacturing, Small Business and Regional Development)** laid on the table a ministerial statement of the Minister for Transport in relation to the SteamRanger tourist train services.

ARTS AND CULTURAL DEVELOPMENT
TASK FORCE

The **Hon. J.W. OLSEN (Minister for Industry, Manufacturing, Small Business and Regional Development)** laid on the table a ministerial statement of the Minister for the Arts relating to the Arts and Cultural Development Task Force.

ECONOMIC AND FINANCE COMMITTEE

Mr BECKER (Peake): I bring up the tenth report of the committee, being the Annual Report April 1993 to June 1994, and move:

That the report be received.

Motion carried.

The Hon. S.J. BAKER (Deputy Premier): I move:

That the report be printed.

Motion carried.

QUESTION TIME

INFORMATION TECHNOLOGY

The Hon. LYNN ARNOLD (Leader of the Opposition): Will the Premier confirm that his Cabinet colleagues overruled his preference for IBM and selected EDS for the contract for outsourcing the Government's information technology? In December, the Premier, then Leader of the Opposition, signed a memorandum of understanding with IBM and said that he would sign an agreement with IBM within three months of becoming Premier. On 10 March this year the Premier told the House: 'We have not yet signed the contract with IBM, but we are well into the process.' Today's *Australian* reports that the Premier has informed both IBM and EDS that the Government has, and I quote, 'entered preferred negotiations with EDS'. The Opposition has been informed that the Premier's choice of IBM for the tender was overruled by his Cabinet colleagues, including his industry Minister.

The Hon. DEAN BROWN: Mr Speaker, welcome back to the invisible man, the man who has now come out of hibernation after a week of being absent from any comment on the budget whatsoever. Here we are, in the first Question Time after the budget, the chance for the Leader of the

Opposition to stand up and ask just one simple question about the budget—having heard nothing from him for the past week—and what does he do? He goes off with some furphy about IT. I will tackle that in a moment. But welcome back to the Leader of the Opposition from his self-confessed long service leave and from hibernation.

Let me assure the Leader of the Opposition that the Cabinet has had no proposal put to it whatsoever in terms of who should win the outsourcing contract to the Government—none whatsoever. In fact, the Cabinet subcommittee has had no specific proposal put to it whatsoever. The Cabinet subcommittee has been meeting on a regular basis, about once every three or four weeks, looking over the process, and I would suggest to the Leader of the Opposition that he should have a look at what the Auditor-General has had to say about the process, because the Auditor-General has had an overview of what the Government has been doing and has indicated his satisfaction with the procedure laid down by our Government.

Let us look at the Leader of the Opposition's record on this very issue when he was in Government. His Government had a whole series of different models in terms of trying to do something with IT (information technology) and data processing. The previous Labor Government set up what it called Information Utility Mark I. When that failed, it set up Information Utility Mark II. When that failed, it set up Southern Systems. In all, it wasted \$3 million of taxpayers' money and achieved absolutely nothing in terms of improving efficiency in the data processing area.

The member for Hart, who has been most vocal on this issue—and I am interested that the Leader of the Opposition has grabbed his coat-tails and come into the argument as well—is trying to vandalise and destroy the whole process of negotiation. That is what members opposite are all about. When it comes to anything to do with technology, the Labor Party in this State is a pack of troglodytes. About 14 years ago, when I introduced the concept of Technology Park as the then Minister and we talked about the enormous opportunity that Technology Park could bring to South Australia, what did the Labor Party do in this State? It opposed it. Even at that stage—

An honourable member interjecting:

The Hon. DEAN BROWN: It was in fact the former Liberal Government. The Labor Party came out and knocked it and opposed it. It was the Liberal Party that introduced Technology Park—the very first such park in Australia. Today the Labor Party, once again, is behaving just like a pack of troglodytes. On this issue the Labor Party fails to understand and appreciate the enormous benefit that will flow to South Australia if this Government outsources its information technology. We will receive benefit in two major areas. The first very important area is to make sure that the Government information processing technology is much cheaper and more efficient than has been the case up until now.

If you look at what the Government has at present, it is a myriad of different software packages, even in respect of its financial planning. It is a myriad of different types of computer equipment. It is an absolute hotchpotch. What this Government is doing is bringing in uniformity across government, and bringing in commonality in terms of what types of software should be used for financial analysis, word processing and so on. In so doing, it is achieving very significant cost savings. I am sorry that the Leader of the Opposition, once again, has his facts so plainly wrong. I found it amusing to see the member for Hart trying to suggest

in the *Sunday Mail* that there should be some form of compensation for the company that loses the bid. In fact, it just shows how these people opposite live off on some cloud or in some fairyland. Members opposite have no understanding of how to do things on a businesslike basis, which is exactly what this Government has done. We have made it clear from the outset that any company that participated in this did so at its own risk and its own cost. There will be no compensation for the losers, but there will be an enormous benefit for the whole of South Australia. I will be interested to see the embarrassment on the face of the Leader of the Opposition, the member for Hart and others when they see the enormous benefit that flows to South Australia from the new economic activity when the winner of this bid is finally announced.

KANGAROO ISLAND FERRY

Mrs PENFOLD (Flinders): Will the Premier give the House details of the new Kangaroo Island ferry service announced this morning? This project has been welcomed on Kangaroo Island as most exciting news for the local tourism industry.

The Hon. DEAN BROWN: I am delighted that the member for Flinders joined me this morning for the announcement of this very exciting venture. From 1 November this year a new ferry service will operate from Glenelg across to Kingscote on Kangaroo Island, and what an exciting venture it is. Members should look at the picture of the ferry, and I will make copies available to them at a later date. The picture shows the type of ferry that will operate this service, which will carry about 550 passengers across to Kangaroo Island. It will depart for the island at 8 o'clock in the morning and return at about 4 o'clock in the afternoon.

At the press conference this morning the owner of the ferry, which will travel at 27 or 28 knots per hour, described it as having the most advanced stabilisation equipment and technology in the world. It will make the trip from Glenelg to Kingscote in 2 hours and 20 minutes. After years of promises by the former Labor Government of South Australia, within the first 12 months of office the Liberal Government has been able to deliver this new service—once again we are able to deliver the substance.

No wonder the Opposition sits there embarrassed. We heard many promises from former Labor Governments and Ministers about what they would do for tourism between Adelaide (Glenelg) and Kangaroo Island. Here we have one of the world's most modern ferries, which will carry a substantial number of people across to Kangaroo Island each day. It is now up to all South Australians to get behind this venture and make sure that we attract new tourists to South Australia to take part in it. Not only will it carry day trippers to Kangaroo Island but, importantly, we will now be able to start promoting Kangaroo Island overseas as a major tourist destination, using Adelaide as a base from which to travel.

I can assure the House that this is an exciting venture, and I invite all members to join me (at their expense) on the first trip to Kangaroo Island on 1 November. The ferry will be in place for the Grand Prix this year, and so Grand Prix visitors will be able to shoot across to Kangaroo Island for the day and see the seals, sea lions and Flinders Chase and experience some of the most unique wilderness in the world and come back and watch the Grand Prix the next day.

IBM

Mr FOLEY (Hart): Has the Premier sought or received legal advice on the status of the agreement reached between the Liberal Party and IBM prior to the last State election on whether there are grounds on which the company may sue the Liberal Party or the Government for damages in the event that the Government does not award its contract for outsourcing its computer requirements to IBM?

The Hon. DEAN BROWN: Yes, I did speak to the Crown Solicitor on this matter and I am delighted that the honourable member should raise it. The Crown Solicitor indicates that there is absolutely no financial commitment whatsoever, which is what I have been saying for some time. It highlights the extent to which the member for Hart just goes out and deliberately fabricates issues in his mind. He must have the most warped mind that one could envisage. Let me look at the history of the member for Hart, because I was amazed to hear him on the *ABC News* last Thursday when he had the following to say:

What Lynn Arnold did in his former budget is of no concern to me.

Members interjecting:

The Hon. DEAN BROWN: I ask members to listen. He also said:

I wasn't in the former Government.

What a loss of memory the member for Hart has had. He stated:

I wasn't in the former Government.

That is what he said on the *ABC News*, yet here is the man who, for seven or eight years, was the senior adviser to the now Leader of the Opposition, the man who had his grubby little fingerprints over every single disaster the Labor Government entered into.

Members interjecting:

The Hon. DEAN BROWN: And the yellow stickers. The member for Hart burnt his political CV on the night of the election. He cannot even remember that it was less than 12 months ago that he was the senior political adviser to the now Leader of the Opposition, the then Premier. What an incredible thing for the member for Hart to say. I have been particularly interested over the past week to see who has been making all the public statements on the budget. It was not the Leader of the Opposition or the shadow Treasurer—it was the member for Hart, the shadow Minister for jetties. I just wonder what agenda he is running and why he has such a poor political memory when it comes to the fact that for eight years he happened to be the senior adviser to the former Premier, the former Minister for Industrial Development and the former Minister for Primary Industries, the man who, more than any other adviser, influenced, controlled and manipulated everything that the Labor Party did.

GOVERNMENT VEHICLES

Mr ASHENDEN (Wright): Will the Treasurer inform the House of the action the Government is taking to reduce its fleet of cars? Earlier this year the Government announced it was considering new measures to ensure a substantial reduction in the size of the vehicle fleet to provide savings to the Government and, in turn, the taxpayers of South Australia.

The Hon. S.J. BAKER: This issue has received a great deal of publicity, not necessarily all of my making. It has

been of significant public interest, because a very large sum of money is involved, namely about \$160 million worth of asset, and there is a solid recurrent cost of about \$70 million a year. How to control an asset and make it work has been one of the issues I have addressed over the few months I have been in office, but in particular a public sector fleet management task force will be put in place to ensure not only that we reduce the vehicle fleet but also that we manage it in the most professional, efficient and cost saving fashion.

A number of issues arise as a result of our looking at the fleet in a much more professional fashion than has occurred in the past. In particular, we had a recent national conference in Adelaide which addressed many of the issues that we have spoken about both here in the Parliament and outside. Not only do we need this Government-wide motor vehicle policy, which we put in place using the Commissioner of Public Employment's Circular No. 30, but also there are a number of very important subsets of the policy which I think the House will appreciate.

There is the issue of the downsizing of the fleet and the strategies that will be put in place. As those strategies are put in place, it will ensure there are no vehicle purchases for sometime so that we can work the fleet out. Importantly, and central to the whole policy and strategy, is the withdrawal of the fleet from the agencies so that we can control the process and send them back to the agencies on a leasing arrangement.

The second issue is bench marking. Some cars occupy such little time on the road that they are not economic to run in the current form. We need to have bench marking on what is an appropriate use of cars, how much time should be spent and the sorts of turnover times that should relate to those cars. On financial outsourcing, we note that New South Wales and the Northern Territory are the only agencies that have outsourced the financing arrangement. We will be looking at that issue seriously. The House can be assured that, whatever decision we make, it will be to the benefit of the taxpayers of this State.

In terms of the leasing arrangements, we intend to go into a trial period with at least two different agencies to test whether outsourcing of fleet management is an appropriate mechanism for controlling and saving costs. There are a number of issues in relation to this matter, but I will not read them out to the House. There is a suggestion that we should enter into a national buying program with respect to vehicles in order to get economies of scale and the best price for our vehicles. It has also been suggested that our fuel contracts have to be looked at, as the contracts to date could be more expensive than an open market tender system.

We will be ensuring that the fleet mix is appropriately monitored right through the process on a monthly or quarterly basis so that we achieve the best combination in terms of appropriate usage and resale value. There is a need to upgrade the computer systems and use EDI, and that matter will also be addressed.

There is a need to look at outsourcing of accident management services and insurance, and those matters will be embraced by the task force. There is also a need to train people within the public sector to manage those vehicles effectively, and that matter will be looked at. In terms of maximising our returns, the fleets will continue to be disposed of outside Government, but again we will be looking at the best means of getting the best price. We intend to have a total package in place. The task force will take up the issues I have outlined in the paper, and a number of other issues lie under those headings. They are absolutely vital to ensure that

we have the minimum number of cars providing the maximum number of service kilometres on the road, that we get benefit for our dollar, that the fleet management is appropriate and professional and that service delivery is not impeded in any way.

IBM

Mr FOLEY (Hart): Will the Premier now table copies of correspondence constituting the agreement reached between IBM and the Liberal Party prior to the last State election for the outsourcing of the Government's information technology requirements? The Opposition has repeatedly asked for the IBM agreement to be tabled by the Premier, and the Premier has repeatedly said that this information was distributed in a detailed submission released at a press conference on 9 December 1993. A check shows that material issued to the media that day did not include a detailed submission, copies of the agreement or letters exchanged with IBM.

The Hon. DEAN BROWN: I have already made this quite clear to the honourable member, who does not wish to listen. Every time he opens his mouth on this issue of information technology outsourcing, he seems to get the facts wrong once again. I urge him to put aside his other ambitions in life just at present and to look at the facts. Quite clearly the facts are that the Liberal Party had been talking to a range of parties prior to the State election about the very significant opportunities that existed here in South Australia for new information technology industries. If members want proof of that, I held a press conference in September or October last year, I think, and talked about the opportunities available whereby we could create literally hundreds of new jobs in the information technology area; I thought there was a chance of doing this during the first year we were in government.

The Government has already signed two such major agreements. The first is with Motorola and, as a result of that, Motorola is about to invest \$100 million in South Australia and create about 400 software jobs. The second is with Australis Media, and we talked to other companies as well. One of those companies was IBM, and all—

The Hon. M.D. Rann: You signed the agreement; you said you did.

The Hon. DEAN BROWN: There was no agreement with IBM; I have never said there was an agreement with IBM. All we did with IBM was to discuss the enormous opportunities for South Australia if Government information was outsourced. IBM said to us, 'If as a Government you are willing to sit down and negotiate with private IT companies about outsourcing, we will be part of that and, if we are successful in winning the contract, we are prepared to invest here in South Australia.' I gave details of the amount of the investment and the types and number of jobs that would be created. There has been a clear understanding throughout between the Liberal Party and IBM that all IBM wanted was the chance for the Government to start outsourcing its information technology and for IBM to be one of the companies involved in that outsourcing. I have already tabled the press release, which clearly covered the understanding between IBM and the Liberal Party.

Members interjecting:

The SPEAKER: Order!

The Hon. DEAN BROWN: IBM was urging the Liberal Party in Government (because clearly everyone expected us to win the election at that stage), saying, 'For goodness sake,

outsource your information technology, because there are enormous economic opportunities for South Australia if you do.' I urge members opposite to sit back and wait a couple more weeks, because they are about to see the huge benefits for South Australia from outsourcing.

BUSINESS ASIA CONVENTION

Mr BASS (Florey): Will the Premier advise the House of the final cost of the Business Asia Convention?

The Hon. DEAN BROWN: I thank the member for Florey for his question. I was looking through Part A—Audit Overview—of the Auditor-General's Report and I noticed a specific investigation by the Auditor-General's Office of the Business Asia Convention, which was organised by the former Labor Government. Perhaps I can set the scene for this. Late last year the Labor Government was heading towards the election, which it thought it would inevitably lose, and it wondered how it could create a bit of cheap publicity and the impression that it was doing a little bit about economic development in South Australia. The now Deputy Leader of the Opposition, then Minister for Tourism, said, 'I have a grand idea. We will have an Asia Business Convention. We'll invite people from Asia to come to the Grand Prix and then attend an Asia Business Convention for two days afterwards. We'll create a great sensation in the middle of our election campaign. We'll offer free tickets to anyone who would like to come along and, furthermore, we'll use taxpayers' money as part of the slush fund to win the election.'

Let us look at the facts. We found that the then Labor Government had budgeted \$350 000 for the Business Asia Convention. How much did it spend? It spent more than twice that amount—\$765 000, which was \$415 000 more than had actually been budgeted for. The Auditor-General makes some very severe comments about what occurred, but before getting to the detail of what the Auditor-General said let us look at what the now Deputy Leader of the Opposition did. As the first thing to promote this, he hired a 747 and put all his friends and others—

An honourable member: Free of charge!

The Hon. DEAN BROWN: He put all his friends in this plane and flew them around Adelaide, offering them the best champagne, wine and food as part of the promotion for his Business Asia Convention. Then we find that the then Government completely ignored the advice of people like Dr Bernice Pfitzner of another place who warned, 'The Government obviously does not understand that the Asian business community shuns this kind of crass, flashy freebie.' That is quite true, because a number of people who attended this convention were very derogatory in their remarks about it and, in particular, about the way that the Labor Party, in the middle of the election campaign, flashed all this money and hospitality around but did such a poor job of actually promoting this State as part of it.

The Auditor-General in his report, released today, has been extremely critical of the now Deputy Leader of the Opposition, the man who would love to get his hands on the State's finances again. Would we want to put those same hands back in charge of a till when we find what the Auditor-General said about the way he managed a small, paltry conference? The Auditor-General states that there was inadequate expenditure item identification, with several expenditure items amounting to approximately \$118 000 not even being identified at the time that the budget was formu-

lated, and that there was inadequate monitoring of the actual committed expenditure against budget. The final conclusion of the Auditor-General was as follows:

It is apparent from the review of available documentation that the time period between planning and holding the event was short (June—November 1993) . . .

That was because the then Government was getting desperate, midway through 1993, as to how it could win a few more votes during the election campaign. It had set the election campaign for the end of the year and it needed some frothy publicity at the end of the year as part of its campaign, so it had this great idea of using taxpayers' money on this Business Asia Convention. The Auditor-General further states:

. . . the event involved input from a number of parties. Notwithstanding these factors, it is Audit's view that insufficient regard was given to prudent principles of budgetary control and project accounting and reporting arrangements.

What an indictment upon the Labor Opposition of this State—the people who would be, given a chance, the alternative Government of South Australia! After the losses of the State Bank and SGIC, even with a small conference like this involving a planned expenditure of \$350 000, they blew the budget by more than 100 per cent. What a hopeless pack of organisers and financial managers they are!

SCHOOL CLOSURES

The Hon. M.D. RANN (Deputy Leader of the Opposition): My question is directed to the Minister for Employment, Training and Further Education, representing the Minister for Education and Children's Services. Will the Government release the names of all schools being considered for closure in 1995, 1996 and 1997, and can he advise the House how school communities will be consulted to enable parents to plan for their children's future?

Members interjecting:

The Hon. M.D. RANN: I understand this matter is of interest to some backbenchers. The Government's budget media statements acknowledge that about 40 schools will be closed over the next three years. Last Sunday on radio the Minister for Education and Children's Services acknowledged that schools wanted to be consulted about closure and said he would ensure there was adequate consultation. How will that be done?

The Hon. R.B. SUCH: This is an interesting question from someone who was a member of a Government that closed 70 schools—

Members interjecting:

The SPEAKER: Order!

The Hon. R.B. SUCH:—affecting hundreds of teachers, I might point out. In respect of our policy—

Members interjecting:

The SPEAKER: Order!

The Hon. R.B. SUCH:—as the Minister in another place has pointed out, this will be through a process of consultation. There is no secret hit list. Contrary to Labor's silly proposal to have an 18 month discussion period (creating uncertainty and worry in the community) we have a sensible, rational approach. I am sure the Minister would be happy to give you a detailed briefing.

Members interjecting:

The SPEAKER: Order!

CREDIT CARDS

Mr LEWIS (Ridley): I direct my question to the Treasurer. What action is the Government taking to ensure that credit cards issued to public servants are used appropriately? In the Auditor-General's Report tabled today a number of references are made to inappropriate or incorrect use of Government credit cards. I will not name the pages involved, but the report comments on some deficiencies in the accounting mechanisms necessary to ensure that taxpayers' funds are being spent properly.

The Hon. S.J. BAKER: The use of credit cards within Government is an important issue. I am pleased to say that, whilst only a small number of cases could be classed as fraudulent, when we came into Government there was a complete inadequacy of documentation on the purchase of goods and services by holders of those cards. It was not the fact that credit cards were being abused, but that many departments and authorities did not take care of their use. This Government believes that it is absolutely vital that this area not be allowed to deteriorate further, and clear and explicit instructions have been issued to CEOs of all departments and authorities to ensure that there can be no misunderstanding.

The Treasurer's instructions have been issued previously but, of course, they have been adhered to in the breach. We have had many examples where departments and managers have simply not taken enough care in managing these credit cards. There has been insufficient provision of documentation, including receipts and invoices that are normally collected at the time when goods and services are obtained. Also, officers of departments have not asked for the Government sales tax exemption when purchasing goods and, as a result, the Government was losing money. A number of other issues have been associated with the use of the standard State Government card, with some areas of the State Public Service still using American Express and other cards. Despite previous instructions by the former Government there was not a lot of compliance among the agencies. Another set of instructions has been issued to all chief executive officers to ensure that for all transactions there is complete documentation. There must also be evidence of authorisation, something which, again, was missing from a number of previous transactions. All unauthorised credit cards have to be removed from the system, and this applies particularly to cards other than the State Government standard card.

We have also enhanced the instruction to ensure that every CEO and every manager is aware of his or her responsibilities, so that the responsibility rests on that manager's head. If someone purchases goods or obtains a service with no supporting evidence, it is on the manager's head as well as the employee's. There has been no substantial evidence of fraud, but simply a lack of attention to detail. That matter has been largely corrected, although the Auditor-General quite rightly says that he has still found practices inconsistent with the Treasurer's instructions. We will take advice and get further information on those examples. Managers will be reminded of their responsibilities and, if they do not take that as a warning, they will be treated accordingly.

PUBLIC SECTOR SUPERANNUATION

Mr QUIRKE (Playford): Will the Treasurer now categorically rule out any changes to the benefits or contribution rates currently applying to existing members of the old

State and police lump sum and pension superannuation schemes? On 11 August, the Treasurer told the House that these matters were being examined in line with recommendations of the Audit Commission. The Treasurer repeated this on Radio 5AA on 25 August. However, on 26 August, the Premier assured 5AA listeners that the Government had a different position when he said:

For those already in a superannuation scheme the Government is not changing the benefits.

We would like to know who is telling the truth?

The Hon. S.J. BAKER: I answered this question previously.

ELECTRICITY TRUST TARIFFS

Mr CONDOUS (Colton): Can the Minister for Industry, Manufacturing, Small Business and Regional Development explain what steps are being taken by the Government to help small business gain benefits from the recent ETSA tariff reductions, and to ensure that these and other benefits are passed on by landlords of shopping centres? I intend to tender to the Minister in the next day or so documentation on behalf of a small shopping centre of some six tenants where the landlord purchased the total monthly electricity at \$3 232.23 and sold it back to the tenants at \$3 971.84—an 18.62 per cent profit on that electricity.

The Hon. J.W. OLSEN: It is outrageous that a shopping centre owner should on-sell electricity tariffs to tenants of a shopping centre complex and then add on a premium. When the Government reviews this matter, as foreshadowed in the Governor's speech, and looks at legislation affecting the Electricity Trust in its future operations, it will examine provisions precluding mark-ups of electricity tariffs to small business operators in South Australia.

The Government, in introducing the reduced tariffs from 1 July this year, also put in place a hot line at the Business Centre on South Terrace. That hot line allows small business operators to advise us of difficulties that they are experiencing and, in particular, if they are not getting the benefit of the reduced electricity tariffs established by the Government, to let us know about it so that the Government can take some action on their behalf or at least assist them. Also, the Legislative Review Committee has been looking at aspects of the commercial tenancy legislation, and in February this year the Attorney-General called for submissions in relation to that matter. The inquiry relates to rents and other matters, and it is due to report to the Attorney-General soon. This matter has been considered in the context of that review.

The member for Colton highlights a very real issue. If the Government is looking to reduce the cost of operating business in South Australia, it must be intent on passing those reduced costs onto the people who operate those businesses. In this instance, I refer to small businesses in South Australia. Unfortunately, last week we experienced the selective memory of members opposite when we were trying to highlight the funds going to Treasury to offset the deficit and unfunded superannuation liabilities, which were ignored by the previous Government. Members opposite had the temerity to say that, instead of channelling those funds into Treasury to look after unfunded superannuation liabilities, the Government should reduce electricity tariffs.

If it escaped the attention of the member for Hart, I remind him that the Government reduced electricity tariffs on 1 July by 22 per cent for small and medium businesses in South Australia. Not only did the Government do that but it also

reduced by 15 per cent the off-peak cost of electricity to residential consumers, particularly those who rely on electricity for hot water services. So, the Government has looked after small and medium businesses and residential consumers of electricity in South Australia.

I point out that the Victorian Government, in restructuring its power utility, has said that it will deliver a 20-odd per cent saving in six years, and a nine per cent saving to small and medium businesses by 1 July next year. That is in stark comparison to South Australia. We are well in front of Victoria in reducing power costs to small and medium businesses. The legitimate concern of the member for Colton is being addressed not only by the Attorney-General but also it is to be taken up in terms of the preparation of legislation, looking at the structure of ETSA and how it will operate in the foreseeable future and looking at the provision of precluding somebody else making a profit by on-selling electricity tariffs in South Australia.

ENTERTAINMENT CENTRE

The Hon. M.D. RANN (Deputy Leader of the Opposition): My question is directed to the Minister for Tourism. What is the Government's current position regarding the future of the Adelaide Entertainment Centre? Is the Government still planning to sell the centre and, if so, what is the Government's new timetable? Will the Government be handing over management of the centre to the Basketball Association of South Australia?

The Hon. G.A. INGERSON: I thank the Deputy Leader for his question. The Government has no intention of selling the Entertainment Centre. It has had dealings with BASA and other organisations that are interested in the management of the centre, and it is currently discussing the possible management of the centre by the Australian Grand Prix Board. I have not announced the centre as being up for sale at any particular time. When they look through the annual report, members will see that the profit from the centre is \$1.42 million and, when the allocation is made for the liabilities and the general maintenance fund, there will be a return to Government of about \$600 000.

It is interesting that the Deputy Leader should bring up the issue of the Adelaide Entertainment Centre. It is only since this Government has taken over that there has been a significant increase in bookings, and we now see for the first time an opportunity for this Government to ensure that the Entertainment Centre, like the Convention Centre, can start to show a reasonable return for the Government. These returns will never be real returns. As the Deputy Leader of the Opposition knows, it is a social investment by the Government in both the Entertainment Centre and the Convention Centre, and neither of those investments will ever return a reasonable figure to the Government.

ALCOHOL CONSUMPTION

Mr LEGGETT (Hanson): Will the Minister for Health inform the House of the Government's position regarding the level of alcohol consumption in the community?

The Hon. M.H. ARMITAGE: I am pleased to do so because it is an important question for health reasons for not only South Australians but also for South Australian industry. Indeed, the Government and all South Australians could be said to be in a delicate position because, amongst other reports, the much vaunted Arthur D. Little report indicated

the importance of the wine industry to South Australia and, as everyone interested in South Australian economic matters would realise, it is one of our great success stories in the export area. However, we are also aware of the devastating effects of an excessive intake of alcohol. Problems arise when there is excessive alcohol consumption, because each year as a direct result of alcohol 6 800 Australians die. Further, one third of all people killed in Australian road accidents have been drinking; 40 per cent of domestic violence episodes are directly related to alcohol consumption; and 70 per cent of persons convicted of violent assault were drunk at the time of that offence.

From the point of view of the bottom line, which is very important in the South Australian budget, health costs in relation to excessive alcohol consumption amount to \$600 million every year. So, the South Australian Government is working with industry and other Governments around Australia to promote the concept of standard drink labelling. Under this approach, alcoholic beverage containers will have the number of standard drinks printed on them, and I am pleased to say that a number of forward thinking South Australian companies—and in particular I give credit to Mr Brian Croser, from Petaluma wines, who was the first to grasp this nettle—have already introduced standard drink labelling in South Australia. I hope that, at the next ministerial health conference, this might become part of a standard approach around Australia.

Earlier this week I was pleased to open Alcohol Awareness Week, which is an initiative of the Salvation Army. As anybody in South Australia who has had anything to do with the Salvation Army would know, it is an excellent organisation which is well-versed in picking up the pieces in respect of people who unfortunately have let their lives deteriorate because of excessive consumption of alcohol. At the opening of Alcohol Awareness Week telling examples were given by two people in particular whose lives have been placed back on track as a result of the success of the Salvation Army and its programs.

Alcohol Awareness Week simply urges all South Australians to have at least one alcohol-free day per week, and that obviously is good for your health and it also helps to ensure that the enjoyment of alcohol does not become a problem. The standard drinks campaign, which is four drinks for men and two for women and one alcohol free day per week, will certainly help Australians to enjoy alcohol safely and healthily. I suggest to the member for Ross Smith, with whom I was recently on a parliamentary trip and with whom I was able to share a couple of the local wines, that we might make our day of abstinence Sundays, because if you drink wine and go shopping on Sundays you might spend too much money.

EVENT TICKETING

The Hon. M.D. RANN (Deputy Leader of the Opposition): Will the Treasurer, who is responsible for asset sales, advise the House whether the Government has any plans to alter its involvement in event ticketing in South Australia? Will the Treasurer advise whether the Government has any plans to sell all or part of its BASS ticket agency? Recent reports indicate that the Kennett Government in Victoria will be putting BASS Victoria on the market within a year. It is understood to be seeking a large cash injection to enable it to remain successful. Overseas investors are understood to be among the potential buyers. The recent collapse of Austickets

and the predicament in which that leaves many organisations, including the Basketball Association of South Australia, has heightened speculation that the Government in this State is reviewing its involvement in this area.

The Hon. S.J. BAKER: I point out to the Deputy Leader that I have been waiting for a question on the budget. I have been waiting and waiting, and I am still waiting. Considering the amount of material that was provided to all members of the House, I would have thought that we would have budget questions today. This is the moment when members opposite have an opportunity to display what very good little beavers they have been and all the errors that they found. However, we are still waiting for a question on the budget.

The Hon. Dean Brown: I think they have displayed their financial knowledge.

The Hon. S.J. BAKER: Yes, I think they have displayed their financial knowledge to the world at large. In fact, if we look at the commentary that has trickled forth from the Opposition over the past week, whatever it has done has been awfully wrong. I will not go through all the issues that have been brought up by the member for Hart, rather than the Leader of the Opposition. I have not given any consideration to the BASS outlet, and nor was it appropriate for me to do so. I will ask my colleague in another place, who is responsible for the Adelaide Festival Centre, to respond to the honourable member's inquiry.

It is not that long ago that the Government put more money into that operation to make it more efficient and more effective. As a result of the changes that occurred earlier this year it may well be that it was just too much for the other competitor in the marketplace. I can only speculate why competition has been reduced by the loss of the Austickets operation. As far as I am aware, there have been no plans in this area, and I have given the matter no consideration. I have not heard the Minister mention anything of that nature, but I will ask the Minister to respond.

TRI-PED FOOTINGS

Mr ROSSI (Lee): Can the Minister for Housing, Urban Development and Local Government Relations advise the current stage of development of Tri-Ped footings and its significance for South Australia?

The Hon. J.K.G. OSWALD: This is another good news story for South Australia. Tri-Ped footing in South Australia is an innovative system in building, which has been developed by the South Australian Housing Trust and the University of South Australia to take into account reactive clay soils. It consists of a graft footing with three support points where the concrete is poured onto a base of cardboard and, indeed, it does away with the necessity for white ant treatment and the use of chemicals in the soils. The significant part about this development is that it was first introduced at the World Housing Congress in South Africa in May 1993.

Since then we have had a prototype house built out at Gilles Plains. At the moment we have constructed 11 houses, which I will be opening on 28 September this year. It is a very significant development. Techsearch, the development arm of the University of South Australia, has distributed a document entitled 'Tri-Ped Footing Development Opportunity', and it is seeking a partner to assist in the cost of finalising world patents. The significance of this development is that it is a world first and has huge potential for the economy of the State with regard to the development of export knowledge in the building industry. We are all aware

that certain parts of Adelaide have problems with reactive clay soils. Obviously countries overseas have the same problems. This type of footing will be patented, it will be a world first, and it will bring quite a deal of income to the State.

URBAN LAND TRUST

Ms HURLEY (Napier): My question is directed to the Minister for Housing, Urban Development and Local Government Relations. What is the timetable for the sale of land held by the South Australian Urban Land Trust in the northern suburbs, will there be a process of public consultation concerning the development of this land and will the Government guarantee that infrastructure, including drainage, education, and health and community centres will be coordinated with the developments?

The Hon. J.K.G. OSWALD: The wind-down of the Urban Land Trust is a matter that the Government is taking seriously. It will be wound down across the whole metropolitan area through a staged program. The main aim of the exercise is to ensure that the market is not flooded with land so that building prices are depressed. Regarding the northern side of Adelaide, particularly the large tracts of land to the north of Elizabeth and Munno Para West (and I use that area as an example), the Government has formed a steering committee consisting of local government, developers, officers of my own department and all interested parties who could be involved in the future subdivision of that land and the future community infrastructure—the development of roads right through to walking trails—so that there will be planned development of that area. If we take that land and the DSTO land into account, we are looking at an area where 22 000 people plus will have the opportunity of living over the next 10 years.

We acknowledge that there has to be careful planning of infrastructure. That is now taking place through the steering committee for the western Munno Para area. In fact, the sale of land is to be subject to the advice of that committee and of URDAC, another organisation that advises me directly. We will have a timed scale down of sale and, coupled with that, consultation with all agencies involved in the urban redevelopment of the area. At the end of the day we will have an orderly development of which we can be just as proud as we are of Golden Grove, a development that draws people even from overseas as an example of how Adelaide can do things well in terms of urban development.

FORESTRY

The Hon. H. ALLISON (Gordon): Now that the South Australian State Government review into forestry operations has been completed, can the Minister for Primary Industries advise the House whether the Government has any plans to dispose of its forestry resources?

The Hon. D.S. BAKER: I thank the member for Gordon for his question, because I can understand his concerns. I guess that he has seen, as I have seen, a media release that was put out a couple of days ago by the Construction, Forestry, Mining and Energy Union (CFMEU), which states:

It is somewhat ironic that the Minister would support initiatives which come out of the recent resource inquiry to reduce the log growth rotation cycle, which has to be viewed with caution in any case, and then having made more timber available, endeavour to sell off the processing operations [Forwood Products]. The question has to be asked how soon before the forest reserves are also flogged off.

That is a delicate turn of phrase. The press release is headed 'Timber union incensed by announcement of proposed sell-off of Forwood Products by the State Liberal Government' and it states:

Branch divisional Secretary... Quentin Cook warned today, 'Any proposal or attempt to sell off the State's assets will be opposed on principle. The Minister obviously does not realise the ramifications of pursuing such a course of action in the case of Forwood Products,' said Mr Cook.

An honourable member: Harsh!

The Hon. D.S. BAKER: Very harsh. The release continues:

'If one was to take a cynical view of these events it could be interpreted as the Minister looking after his mates in the industry who are involved in private enterprises,' said Mr Cook.

There is more: it further states:

'The unions will be calling upon the Minister and the manager of Forwood Products to enter into full and meaningful consultation with us prior to embarking on a course of action which will lead to industrial disharmony as workers see their hard fought for conditions placed in jeopardy or their job security threatened', asserted Mr Cook. 'If this situation erupts, as it surely will, the State Government will soon realise how difficult it is to sell a pig in a poke.'

What a wonderful press release. Through our forest review we have been able to ensure that there will be more employment not only in the South-East but throughout South Australia. An estimated one million cubic metres of timber will be processed in the value adding process in the South-East and the Adelaide Hills and it will bring an extra \$200 million of income into South Australia. We will not be selling or flogging off the forests, as Mr Cook so delicately puts it: in fact, we will be planting more forests, because that is in the interests of South Australia.

There is more. Just before the last election—and I brought this to the attention of the House previously—a cynical document was signed by the same Mr Cook and some of his union representatives—and I will cite it in a moment—not only regarding the loss of jobs in the South-East of South Australia but the closure of one of our major assets, the Mount Burr mill. That was two days before the last election. I will go through the document and let members know who signed it.

Members interjecting:

The Hon. D.S. BAKER: There is more. Mr Cook, the State Secretary, signed the document to close down an industry and put out of work about 100 people in the South-East. He would toss them onto the scrap heap, and he signed it. Ms Jan McMahon from the Public Service Association had a lot to say, and she signed that document. Mr Tumbers from the Automotive Metal and Engineering Workers Union would toss these people onto the scrap heap. There is more. There was a Mr Geraghty, State Secretary of the Electrical, Electronics, Plumbing and Allied Workers Union, Electrical Division. If my information is correct—and putting it as delicately as Mr Cook did in referring to 'flogging off the forests'—I think this Mr Geraghty is the person who is shackled up with the member for Torrens—putting it as delicately as that. The only advice I have for the member for Torrens, when she slips into the sheets with him tonight—

Members interjecting:

The SPEAKER: Order! I take it that the member for Torrens has a point of order.

Mrs GERAGHTY: Yes, Mr Speaker, I do. I take in just some of the comments, but this is going a bit too far in making aspersions—

The SPEAKER: Order! The member for Torrens must be precise with her point of order.

Mrs GERAGHTY: Mr Speaker, I object strongly to the comments about slipping in between the sheets and what have you. The person he is referring to is my husband.

The SPEAKER: Order! The member for Torrens has not raised a point of order. Does the member for Torrens wish to proceed with the point of order?

Mrs GERAGHTY: Mr Speaker, I wish him to withdraw the remarks that make some kind of comment on my relationship with the person.

The SPEAKER: Order! I suggest to the Minister for Primary Industries that his comments are out of character and, therefore, are offensive and should be withdrawn.

The Hon. D.S. BAKER: Mr Speaker, I apologise to the House and to the honourable member. My comment was in jest and I will rephrase it.

The SPEAKER: Order! I suggest to the Minister that it is not necessary to make remarks relating to members' personal affairs.

The Hon. D.S. BAKER: Thank you, Mr Speaker, and I take the advice. There is no more. However, when the member for Torrens gets home this evening and tells the State Secretary what a bad day the Opposition has had in Parliament, I would like the honourable member to say to Mr Geraghty that he should think carefully about what action they might take in the South-East. If they are going to one minute criticise the Government for getting more employment in the South-East—

The Hon. H. Allison interjecting:

The Hon. D.S. BAKER:—and more membership, that is right—all those things—if we are to see the biggest expansion in the timber industry we have ever seen, as she pecks him on the cheek, just say that this document, if known by the members—

The Hon. FRANK BLEVINS: I rise on a point of order, Mr Speaker.

Members interjecting:

The SPEAKER: Order! The honourable member for Giles has a point of order.

The Hon. FRANK BLEVINS: As I understand your ruling earlier, Sir, you told the Minister that his remarks were out of order, apart from being in appalling taste and not even funny. I would expect you, Sir, to reinforce your previous comments to the Minister.

The SPEAKER: Order! I would suggest to the Minister for Primary Industries that his last comments were unnecessary and that in future he not engage in that sort of comment, because it is not helpful to the conduct of the House.

HOUSING TRUST RENTS

Ms STEVENS (Elizabeth): Will the Minister for Housing, Urban Development and Local Government Relations end the uncertainty facing Housing Trust tenants and provide details of how market related rents will be determined for trust properties, and will he say whether large rent increases accompanying a market based system will apply? A proposal to introduce market related rents to South Australian Housing Trust properties was first raised in the ministerial review of the housing portfolio and was repeated in the Audit Commission report and the Government's May financial statement. The budget papers confirm that this proposal is under investigation by the Government.

The Hon. J.K.G. OSWALD: I can confirm that the matter is under investigation. I can also advise the honourable member that it is national housing policy and, indeed, the policy of the Deputy Prime Minister—and the policy, I understand, of the Labor Government in Queensland—so there is no political mileage in the honourable member's feeling quite smug coming into this House and asking the Government in South Australia what it will do about market related rents. However, in line with national housing policy, the Government has the issue under consideration. The matter has yet to be discussed in the Liberal Party room. When it is, a decision will be taken and then I will be briefed either to go ahead and implement it or not.

I would remind members that it does not apply to tenants on rent rebates: it applies only to tenants on full rents. In line with that, the Deputy Prime Minister and all the Housing Ministers agreed to go back to their respective Governments and look at the matter seriously, bearing in mind that it does not apply to tenants on rebates: it applies only to those on full rents. Nationally, all State Governments are being encouraged to consider the issue.

Mrs GERAGHTY (Torrens): My question is directed to the Minister for Housing, Urban Development and Local Government Relations. I am somewhat confused by the last answer. When does the Government intend to increase rents for rebated Housing Trust tenants from a maximum of 25 per cent of income to 30 per cent of income, and what consideration has been given to the financial hardship that this will create for low income tenants?

The Government's May financial statement announced that the Government was considering recommendations to vary rents from tenants currently receiving rebates so that the rent paid will range from 18 per cent to 30 per cent of income. Currently Housing Trust tenants pay less than 25 per cent of income. There is concern in my electorate that increases will further erode already stretched budgets.

The Hon. J.K.G. OSWALD: There are no further rent increases on the agenda that have not already been advised to all tenants. There is not much more I can add to the answer. The trust has written to tenants and explained the current arrangements. Members have all received letters explaining the arrangements. The only other decision that has to be taken by this Government is whether we go to market rents, and I addressed that issue in the previous answer. I refer members to all the communications that have come out of the trust and to the explanations contained in the letters that went to them personally.

GREEN JOBS

Mr CUMMINS (Norwood): Will the Minister for the Environment and Natural Resources advise the House what opportunities there are to create green jobs in the environmental industry in South Australia and whether he is doing anything to promote their creation?

The Hon. D.C. WOTTON: As the honourable member would appreciate, green jobs are jobs or activities which contribute to ecologically sustainable development or which reduce the negative impact of development on the environment. They can occur in virtually every sector of the economy. Green jobs are certainly a growth industry in Australia. In fact, a 1993 national survey of green industries found that one-third of those which responded had not existed in 1988 and that about one-quarter expect to double in size by 1995.

As part of the A.D. Little study in 1992, PPK Consultants reviewed South Australia's environmental industries and identified some 120 businesses with particular strengths in waste and pollution management, environmental auditing and monitoring, environmental impact assessment, and environmental consulting and training. The environmental industry globally is regarded as one of the fastest growing in the world. In fact, the OECD considered that in 1990 it was worth about \$US280 billion and by the year 2000 is likely to have grown to \$US500 billion.

In March this year, the Environmental Management Industry Association of Australia, the peak industry group involved with environmental industries in Australia, established a South Australian network. I am pleased to advise the House that, with my encouragement and support, the Executive Director of the Environment Protection Authority, Rob Thomas, has been made State Convenor for the association.

In order to help kickstart a number of project initiatives, the office of the EPA has developed a range of projects including the recycling demonstration fund, the NATO pilot study on contaminated sites, and the clean industries demonstration scheme. That scheme involves a fund of \$600 000 per annum for the next three years contributed to equally by the EPA, the Economic Development Authority and the Commonwealth, which will be used to subsidise grants to establish demonstration projects in cleaner industries in South Australia.

Finally, the technology that we develop through this scheme will not only help clean up our environment in South Australia but could also result in our developing technology that we can export, in particular to the Asia-Pacific region, where there is a growing demand for environmental management expertise, which will create more green jobs for South Australia. I am pleased to advise the House and particularly the member for Norwood—and I thank him for his interest in this subject—that we are keen to promote green jobs in South Australia, because we recognise the importance of green jobs to the environment of South Australia.

GRIEVANCE DEBATE

The SPEAKER: Order! The question before the Chair is that the House note grievances.

Mr ATKINSON (Spence): I rise this afternoon to mourn the passing of John Newman, who was the member for the seat of Cabramatta in the New South Wales Parliament. He and I corresponded with one another because our electorates had a number of matters in common. John Newman was about 48 years at the time of his death. He was shot and killed at his home last night. It is the first political assassination in Australia since the murder of Percy Brookfield, the member for Sturt in the New South Wales Parliament, at the Riverton railway station in 1921. Mr Brookfield was a member of the Industrial Socialist Party and was on his way from Broken Hill to Adelaide when he was shot.

John Newman arrived in Australia as a refugee in 1953 with his father, who was Yugoslav, and his Austrian mother. He lived in Canley Vale, was educated at Cabramatta Primary

School and Liverpool High School and then went to Sydney University to study law until he had to leave in order to support his family. He took a job as an organiser with the Federated Clerks Union in 1969 and stayed with that union as an official until his election to the seat of Cabramatta in a by-election in 1986. He was married in 1973.

One of John Newman's pleasures was karate. He was the most highly qualified member of Parliament in the world in the art of karate: he was a fifth dan. He served on Fairfield council for many years and rose to the position of Deputy Mayor. Tragedy struck his family in 1979 when his wife and son were killed in a motor vehicle accident. It was only John's very strong Catholic faith that kept him going in working life.

He was preselected by the Australian Labor Party to contest the seat of Cabramatta. He won it in a by-election at a difficult political time for the Australian Labor Party, and his victory in that by-election came as something of a relief to the Party.

I first got in touch with John when I was running for Parliament in 1989. I wrote to him to say that 3 per cent of the electors on the roll for the State district of Spence were Vietnamese and, given the high Vietnamese, Chinese and Cambodian enrolment in Cabramatta, to ask whether he could give me some advice. He wrote back to tell me that the enrolment in his electorate was more like 30 per cent, so the Asian component of my electorate was very small by comparison. We corresponded from then on about a number of matters, one of which was his visit to the refugee camps in Thailand which he undertook at considerable personal risk. In a profile of John in the *Western Sydney Business Review* in 1989 he said:

We have the largest multi-racial society in Australia, and are proud of it.

The reporter went on to write:

For John Newman personally the knockers are few and far between. It is impossible to hold a public interview with him without dozens of interruptions, as people thank him for this or that or just stop to say, 'Hello, John.'

He was always a keen defender of the image of the Vietnamese-Australian community, so, when he called for violent criminals among the Vietnamese-Australian community to be deported to the Socialist Republic of Vietnam, he did so with the support of that community. Indeed, in a newspaper article he stated:

Decent Asian people agree with me. They are extremely worried about this trend in their community.

By that he was referring to 'Rambo-style gunmen who terrorise innocent people in their home'. On the other hand, he brought to public notice a study of court records in New South Wales which showed that Vietnamese Australian people between the ages of 18 and 24 registered less than half the number of convictions of non-Vietnamese people. John Newman was well liked in his electorate. It is my worry—

The SPEAKER: Order! The honourable member's time has expired. The member for Peake.

Mr BECKER (Peake): I would confirm that in the last week of sitting before the adjournment the annual report for the Australian Formula One Grand Prix was tabled in Parliament, and in it the Chairman made several comments in relation to the Economic and Finance Committee, of which I am the Presiding Member. The comments I now make are mine: they are not the comments of the committee and have

no standing and/or basis as far as the committee is concerned. I have been a member of the Public Accounts Committee and/or the Economic and Finance Committee since 1977. The Chairman of the board stated:

The board operated throughout 1993 in exceedingly difficult circumstances. The comments of Terry Groom, the Presiding Member of the Economic and Finance Committee which inquired into the public accountability of the board, in the foreword for the third report of the committee, stated that in embarking on the inquiry, the committee was 'mindful that some controversy would result'. The board recognises and agrees with the need for all statutory authorities to be publicly accountable. However, the method of inquiry into the Grand Prix Board and various other statutory authorities attracted enormous media speculation—some of which was misleading, and much of which confused Grand Prix business and operating practices with those of other authorities—and certainly fulfilled Mr Groom's predictions of controversy.

The Chairman further states:

As Chairman, I take this opportunity also to comment on the difficulties inherent in operating a commercial enterprise within the constraints and obligations, including public accountability, of a statutory authority.

The Chairman, commenting on the run-up to the last State election period, stated:

In addition, it must be said that it was not just the committee's work which created problems. With a forthcoming election there was a definite politicisation of the Grand Prix. . . This point-scoring created a climate of uncertainty which affected FOCA President Bernie Ecclestone's view of Adelaide as a suitable on-going host city for a round of the Formula 1 World Championship.

As a member of Parliament who has advocated for many years and campaigned strongly for accountability of all Government agencies, departments and authorities, I find the comments made by the Chairman of the board very serious indeed. The parliamentary committee and the Parliament itself have the right to expect the utmost accountability of any authority in which it invests funds. At the same time, the boards and those in the chair have the right to criticise those reports if they want to, but there is a very fine line between the contempt of a committee of the Parliament and the denigration of the duty of members of Parliament in serving on these committees. I would like Mr Cox and members of the board, or members of any statutory authority, to recognise that we do our duty as we are required; we are the guardians of public finances, and therefore we are often required to investigate issues about which we personally may have some doubts.

It was never the intention of the committee, and certainly it was never my intention, to bring into dispute or reflect on the Australian Formula One Grand Prix. It is recorded in this House on several occasions that I am probably one of the biggest petrol heads there are. I am President of the Adelaide Motor Cycle Division of St John Ambulance; I am the President of the St John Motor Cycle Club and the Motocross Riders Association, and at one stage I was patron of the Autocycle Union of South Australia. So, I appreciate and love motor sport in South Australia and will do anything I can to assist it, but as a member of Parliament I maintain that there is that fine line between accountability and the use of taxpayers' moneys. Any businessman or other person who accepts a position on any Government authority must recognise and accept that Parliament is the ultimate body as far as accountability is concerned. We have a responsibility to investigate and examine all moneys that are expended, and particularly we must operate in the public interest.

I believe that our inquiry had nothing to do with the loss of the Grand Prix. I think that was just the result of very bad

management by the board itself. To suggest in any way at all that the Economic and Finance Committee triggered off a controversy is quite inappropriate indeed, and I am very disappointed that the board should feel that way. If we could do anything to ensure the continuation of the Grand Prix we would do it.

The Hon. FRANK BLEVINS (Giles): I want to spend the next five minutes talking about the South Australian Housing Trust, which, in my view, is one of the greatest institutions ever to be created in South Australia.

The Hon. R.B. Such: By a Liberal Government.

The Hon. FRANK BLEVINS: Yes, of course, by a Liberal Government, as the Minister suggests. I would also suggest that those early members of the Liberal Party who created the Housing Trust would now be turning in their graves because of the way that the Housing Trust is being dismantled by the present apology for a Liberal Government.

There is no doubt that in a whole range of areas the Housing Trust has made a magnificent contribution to South Australia, not just in housing people, although that is not unimportant. The Housing Trust has been a great public institution. There are entire subdivisions, or in some cases, such as Whyalla, almost entire cities have been created by the Housing Trust, and the benefits that have flowed to South Australia have been enormous.

The Housing Trust has never been a welfare housing institution: it has always been a public housing institution with all members of the public being eligible to be housed by the trust. Unfortunately, this Government seems hell bent on dismantling this very sound philosophy. The Housing Trust's program of building factories has gone on for decades, with more activity at some stages than at others because the necessity for those factories has varied. Nevertheless, the trust has had a very strong industrial as well as social development role.

I have lived in a Housing Trust house since I arrived in Australia almost 30 years ago. My experience as a tenant and as a purchaser of a trust house and also as a member of Parliament dealing with the Housing Trust over the past 20 years or so has only made me want to congratulate the trust more and more.

My fears of what is happening to the Housing Trust under this Government are being realised. Before the election it was made clear by the then Government that the Housing Trust would in effect be dismantled. The question of going to market rent will give many of my constituents a great deal of pain. It has never been the policy of the South Australian branch of the Labor Party that this should occur.

I should like to demonstrate how low this Government has taken the Housing Trust. In a place like Whyalla the rainfall is very low and the necessity for rainwater tanks, I would argue, is very high. I do not think that 1 per cent of homes built in Whyalla would be without a rainwater tank, but now we are advised that under this Government the Housing Trust will no longer repair its rainwater tanks in Whyalla and will not replace them when they fall into such a state of disrepair that they have to be removed. When we are going through a severe drought, as we are at the moment, certainly on the upper Eyre Peninsula, when we are constantly berated by Ministers and others about the necessity of saving water, and when we are told *ad nauseam* that we live in the driest State in the driest continent on earth, for this Government to prevent the Housing Trust from maintaining, and replacing if necessary, those rainwater tanks in Whyalla again demon-

strates how it is determined to drag down any decent public sector institution at all.

Mr CUMMINS (Norwood): Last week I had the privilege of going to the Aboriginal lands north of South Australia and, in particular, to the area known as Oak Valley, where I was last Thursday, an area occupied by the Pitjantjatjara community, with the population ranging between 200 and 2 500 from the elderly to the young, and temperatures ranging up to 54 degrees. There is a schoolhouse in the area with an attendance of between 15 and 37 children, depending on where the Aboriginal people are at any given time. The temperature inside that schoolhouse, without air-conditioning, is 48 degrees. Unfortunately, as that schoolhouse has not had air-conditioning during the past year, it is impossible for the teachers to educate the children in that building. The Minister for Aboriginal Affairs, Michael Armitage, with whom two Opposition members and I visited the area, has raised concerns about the matter, and I assume that something will be done about it. There was an air-conditioning unit attached to the schoolhouse, but unfortunately there was not a generator to operate it. I find that an amazing situation considering that the children taught in that class range up to grade four level.

There is another major problem in that community in that it does not have any water on site. The water is located 50 kilometres away in a bore. The community has one truck that it can use to get water, but, because of the number of people there, it is not sufficient to get water for the entire community. As a result, the community is constantly running out of water. The simple solution to that problem is to put a bore in the Oak Valley area. Even if it is salt water that will not matter, because a desalination plant can be used to solve that problem. Another solution, if a generator cannot be used to operate the pump, is the use of solar and wind energy to generate the necessary power to operate it. It is a common practice in the north to do that, so I do not think that the problem facing this Aboriginal community in Oak Valley is insurmountable.

I should also like to address another issue that we discovered at the time. There are no toilets either for the teachers or for the community. There was a toilet for the two teachers who teach the Aboriginal children, but it does not work and it has not been fixed. This has been a problem for 12 months. I criticise the former Labor Government for this, because these facts should have been well known for the past three years, yet nothing was done about it. The Minister for Aboriginal Affairs has seen the problem that exists, and we hope to address the issue fairly soon.

Another problem with the lack of water is hygiene. I wonder whether some of the children have been taught about hygiene. One child under two years of age had lost his eardrums and will be deaf for the rest of his life. Some adults are suffering from glaucoma and are going blind, and nothing seems to have been done about that. I really wonder what the previous Labor Government was doing in relation to Aboriginal affairs in the past three years, particularly as it said it was concerned about Aborigines. We know what is going on federally with ATSIC: it is prepared to buy land but not to look after or fund the welfare of Aborigines. One might ask whether that should be addressed in this area.

Anyone who knows about the history of this area will know that the Aborigines were dispossessed of an ancient land called Ooldea, to which Aborigines from all the northern regions of Australia had gone from time immemorial. In 1916

the Commonwealth Government started building the east-west railway. Ooldea was actually a water soak where water was easily obtainable, but the Commonwealth Railways, as it was then known, in using this soak for steam energy and supplying its railway sidings, took all the water and it ended up being a saltpan. One would have thought on that basis that there was some responsibility on the Commonwealth Government to do something about Aborigines in that northern area as well as putting the burden on the State.

In addition, we know that the Aborigines were dispossessed by the Commonwealth Government from Maralinga, and that puts another moral responsibility on the Commonwealth Government to do something about those Aborigines. It is all very well to say that we will give them land rights, and I am totally in favour of that, but we should be doing more.

Mr FOLEY (Hart): I rise to again make comment about the Government's handling of its outsourcing contract with respect to information technology, and the Premier's appalling handling of this major area of Government activity which will take place over the next 10 years.

Mr Evans interjecting:

Mr FOLEY: No, I said the life of the contract would be 10 years, not the life of the Government. Two days before the last State election, Dean Brown held a press conference and released a statement in which he said:

The Liberal Party has reached an 'in principle' agreement with IBM for a wide-ranging partnership project involving planned investment of \$150 million in South Australia over the next seven years.

That evening many press reports appeared in the electronic media. I have a picture from the *Financial Review* showing the former Managing Director, Mark Bradley, and the now Premier. The picture shows them as being quite comfortable in portraying to South Australians that IBM and the Liberal Party had reached this agreement. Numerous questions have been raised by this side of the House about that IBM agreement. In his responses, the Premier has said, 'Why are you undermining IBM? Why don't you have confidence in IBM? Why didn't the former Government write the contracts with IBM?' Both publicly and privately the Premier, together with Dr Mudge, the head of his task force, had been championing IBM.

Suddenly, we hear that the Government is poised to give the contract to EDS. I have consistently said in this House that the IBM deal struck by the Premier and Mark Bradley would not stack up under any appropriate scrutiny by Government officers. It would appear that my consistent line on that over the past eight months will be vindicated when the Premier announces that EDS has become the contractor for the Government's outsourcing requirements. I have been consistent in exposing the charade and the sham of a deal that the now Premier when Leader of the Opposition signed with IBM.

I have been consistent and solid in my criticism. It is not good enough now for the Premier to attempt to change tack and to criticise members on this side of the House and call us troglodytes, or whatever expression he chooses to use. We have been consistent from day one. I will repeat for the public record and for the Premier's information: I do not have a problem with the direction in which the Government is looking to go with respect to outsourcing. My consistent complaint has been in respect of the size of that outsourcing in that the Premier wishes to outsource the entire Public

Service. That does not sit comfortably with me, because I believe a project of that scale is far too ambitious and far too risky.

I am also concerned about the process. I am concerned that a grubby deal was struck with IBM prior to the last State election. The Managing Director of IBM in South Australia left that company in very questionable circumstances a matter of weeks after the State election. Clearly, the Australian management of IBM was not at all satisfied with the manner in which IBM chose to exploit itself with a political Party two days before a State election. I have been consistent, and I have been correct. I still offer support to the Premier in his endeavours to create an information technology industry in this State.

They are admirable objectives and they are welcomed by both me and the Opposition, but we do not welcome this Premier putting our State at risk with the quantum and size of this enormous outsourcing contract. I repeat: the Premier should display caution, and he should not put at risk some \$1.2 billion of taxpayers' money over the course of the next 10 years. In conclusion, it is interesting to note that the telephone line between the Premier's office and the *Advertiser* was running hot last Thursday night. The *Advertiser* was due to run a headline the next morning that EDS had won the contract. The Premier pleaded with the *Advertiser* not to run the story. If this Premier is so confident about his decision and so confident about the process, why did he call for that story to be pulled?

Mr LEWIS (Ridley): I have three matters to which I will draw the attention of the House, and the first is the nature of the Federation in which we live as it has developed historically. That is to be contrasted with the kind of diatribe we have heard from Keating and others in the Labor Party at the Federal level, and the silence we are hearing from the Labor Party members here in Opposition who do not regard it as being anything of consequence to them. One presumes from that that they are quite happy to see the end of the Federation by the turn of the century, as is Keating's plan.

The second matter is to explain what I know of Augusta Zadow. I presume members opposite would know who Augusta Zadow is. I am astonished that, during the course of parliamentary debates so far this year, no mention has been made of the work she did last century. The third matter to which I draw attention is offenders' rights versus citizens' rights, in the way in which sentences are determined and the way in which finally they are commuted in the course of parole, and the consequences of the provisions of that parole.

In the first instance, I refer to the Federation. I am astonished that the State Labor Party seems to have absolutely no thought whatever about the desirability of a Federal form of Government for any society on earth and for this nation of ours in particular. Quite clearly, those societies that have been most successful—without exploiting colonies—and those societies that have made the best go of creating prosperity for their citizens are those that have Federal forms of Government; where power is devolved to many people elected to different levels of responsibility within the constitutions that frame the fashion in which those Legislatures can operate. Without that approach too much power resides with too few people who are accountable for its exercise.

Those people get snowed by the other people called 'bureaucrats', the Sir Humphrys and Jim Hackers of this world, who determine what will really happen. They organise

things to suit the convenience of their administrative responsibilities and not the needs of good Government for society at large. I am strongly committed, and consciously aware of the reasons why I am strongly committed (and they are not emotive), to the retention of a Federation. Of course, there needs to be more States in this great nation of ours to ensure that the principles about which I just spoke are more precisely provided for. I will develop that argument further on another occasion.

In terms of Augusta Zadow, this is the centenary year of the passing of the Factory Act in South Australia. In case members do not know, South Australia was again first among all democracies on earth—indeed, any Government on earth—to pass legislation that sought to take care of the interests of people who worked in industrial situations where there were large numbers of employees in the one location. Occupational health and safety had its origins here in South Australia, yet we have done nothing to celebrate that point. Government members made no comment about whether they believed there ought to be some celebration of the occasion. It is about time we did.

A good many things happened in this State 100 years ago and that, I would suggest, is amongst the most important. The third matter I draw attention to is that of the necessity to balance the consequences for the victims and their families of crimes perpetrated by criminals found to be guilty of them after apprehension by the police. It seems to me that we have gone too far in the wrong direction—

The SPEAKER: Order! The honourable member's time has expired.

APPROPRIATION BILL

Adjourned debate on second reading.
(Continued from 25 August. Page 338)

The Hon. LYNN ARNOLD (Leader of the Opposition): In December last year the Brown Government came to power. It did so after a five week election campaign, during which it made a raft of promises to the people of South Australia. It promised all things to everyone: more money for hospitals, more money for schools, and more money for police. In some areas, however, it promised there would be no more: it promised there would be no more new taxes, no more jobs lost in the public sector, and no more fee increases. Well, the adage came true again: that people tell untruths to those they do not care about. Two weeks ago in this House we saw the first budget of this new Government, and after it had been delivered there were simply no more promises. Each and every major pre-election promise had been systematically shattered. It was all for our own good, the Government said. 'There cannot be any gain without pain', the Treasurer said. Unfortunately, what we have seen in the budget that has been brought down is all pain and no gain.

It hurts the largest number of vulnerable people in our community and it fails to deliver the economic growth we need. It certainly fails to meet the Government's pre-election debt reduction targets—it broke that promise as well. In Opposition, the Premier was noted for making long and tedious replies to the Government's budgets. I recall the

current Premier making budget reply speeches which were well over two hours long. It is curious that the Liberals now have less to say about their own budget when they are in Government than when they were in Opposition. The budget speech delivered by the Treasurer must have been the shortest in living memory. It was certainly short on detail, because the Government excised the truth from the document. It glossed over the following details: the tax increases, the cuts to education and health, and the broken promises.

The typically 'good news Premier' left his hapless Deputy to deliver the bad news, and the bad news was once again hidden in the fine print by the Treasurer who, understandably, must have felt very uncomfortable about being made to be the fall guy. In responding to this budget, I intend to deliver the budget speech which the Treasurer should have had the courage to deliver, because I will reveal the real truth behind the strategy of the Government. In other words, I will deliver the budget speech that will tell everyone what is actually in the budget. It is a budget of broken promises. This budget is first and foremost just that. Everyone acknowledges that even the Treasurer, in the media reports and debates since the budget, has admitted that. Even the Treasurer had the candour and decency to admit, 'Yes, we have broken promises.' Of course, the Premier has still not done that, and even today the media are still asking when he will come clean and have the courage to admit that he has broken promises.

Since he refuses to come clean, I want to remind the House in some detail of the key promises made by this Government prior to winning office and of its actions since winning office. Let us not forget some of these key promises made by the Premier when he was Leader of the Opposition. He said that the Liberals would rebuild vital community services and that the targeted cuts to the public sector would be exactly the same as those put down by the previous Government, namely the Labor Government. He said that education spending would increase in 1994-95: not stay the same—and certainly not be cut—but he said it would be increased. He said that class sizes would be maintained, and he promised an extra \$6 million to reduce hospital waiting lists, with a further \$40 million redirected back into health from the savings made in the system.

Then, in a final act of cynicism and dishonesty, he said to the people of South Australia before they voted, 'We will not betray your trust.' That went beyond a 'read my lips' commitment: it was a 'read my policies and watch what we do' promise from the then Leader of the Opposition. What did we see? What have we seen since 11 December? We have seen recurrent funding for education cut by \$22 million, with a promise to rip out another \$18 million per year over the next three years; recurrent spending on health has been cut by \$35 million; the number of people paying land tax will effectively double—and this from the man who said that he was not going to introduce new taxes or increase taxes; and cuts to public sector employment will skyrocket from 3 000 to 11 500. This budget, delivered by the fall guy, has been a slap in the face for education, for children and for their parents, and it has savagely cut resources to our hospitals.

Let us turn to education for a moment. The cuts to education are clearly a major breach of promise by this Government, and even the Treasurer had to admit that it was a broken promise. He said that there would be no cut to this year's budget and promised increased funding. What has the Government delivered to South Australians? About 40 schools will close; 422 teacher jobs will go, along with 37 school services officers; junior primary and primary school

average class sizes will go up, and secondary school class sizes will also go up; and pre-school funding will be cut by \$400 000. Mr Deputy Speaker, I know that you will well remember the impact of a similar cut in the pre-school area between 1979 and 1982 and just how much that hurt pre-schools at the time. School card has been cut by \$3.3 million, and the free TransAdelaide travel for school card holders is to be abolished. While the Treasurer says that this is to stop the kids of Burnside travelling free to the private schools of this State, he has ignored the fact that there are children of poor families in South Australia who need transport to get to their high schools, for example, and who now will have an impost delivered to their parents of \$200 per child per year. School card eligibility will be tougher. School card benefits will be cut for all 93 000 card holders. It is not a surprise that none of this is to be found in the pre-election policy of the Liberal Party.

We have heard of many people who will be hit hard by these changes. Members opposite should remember that thousands of South Australian families rely on the school card travel concession. We have heard from an Elizabeth Field couple, both of whom are unemployed and who have four children. They will now be up for \$200 per child per year. We have heard also from a Gilles Plains couple, who have two children who take the bus to school. The father is unable to work due to a work injury and the mother works as a kitchen assistant. They are honest battlers, and what have they received for their honest battling? They have received from the Premier a bill of an extra \$100 per term for the bus fares they will now have to pay. I do not recall the Premier saying that before the last election as he courted the vote of these honest battlers.

The Minister for Education and Children's Services announced a few welcome initiatives in the education budget, but I remind members that the funding for those education initiatives has been quarried out of the remaining education budget. The resources have been quarried to fund those few good initiatives. Basically, the education budget for families with school aged children proves the point of 'all pain and no gain'. Then we have the major promise—the mother of all promises—of no new taxes. I remind members again, who must now be blanching at having had it fed back to them so many times, of what the now Premier said on 5 December 1993. He said:

I will go on record here and now with the promise to resign as Premier if I am forced to introduce new taxes or increase the rate of existing ones.

The inherent dishonesty of this man has shown through in how he has handled this matter, for this budget includes new tax measures that will net an extra \$25 million in a full year. Yet, we have no increase in taxes. The Government has broken this promise on at least three counts, the first being land tax, with the dropping of the threshold from \$80 000 to \$50 000. If you have a property worth between \$50 000 and \$80 000 and you now get a land tax bill where you never got one before, it is a new tax for you. It is a tax you did not have before and now you do. The speciousness of this man as he attempts to say, 'That does not mean an increased tax; that does not mean a new tax.' How do we take any of his words if that is the way he plays with the truth? Thirty thousand people will have to pay land tax for the first time as a result of this manoeuvre.

Of course, we will not find that figure mentioned in the thin document of the Treasurer's budget speech. The speech does not tell you that the Government has effectively doubled

the number of people paying land tax, nor does it tell you that it has delivered a slap in the face to the small trader—those people whom this Government pretends so much to represent. Each of them will open up their mail at some stage and see that an extra \$100 is required from them by this State Government. 'No increase in taxes', he says, but there will be that bill in the mail. And reeling as they are from the deception of this Government on commitments regarding Sunday trading, they now realise they have been deceived yet again.

Then we have payroll tax—again the inherent dishonesty. They tried to tout their payroll tax moves as a reduction in the rate of payroll tax. You would have thought that they would at least have the integrity to say nothing about reducing the rate when they are increasing the take. The payroll tax payers of this State will pay \$16 million more this year than previously. They are expected to fall for the statement that the rate of payroll tax has been decreased—and they pay \$16 million more. You can get away with those sorts of tricks for only so long. What they have done to change the way in which you measure payroll tax—by bringing in the compulsory superannuation payments and then taxing that—has been a con and proof to small business and big business alike that the budget is all pain and no gain.

There have been a few winners over the past eight months in terms of business incentives, but the important industry wide support schemes under the economic development program started by my Government have not been maintained but cut back. The manufacturing modernisation program is cut. They touted it as an increase, but it is cut from \$8 million to \$6.6 million. The automotive industry package is cut, and many other areas likewise are cut—not increased, but cut. No commitment has been given to any of those programs beyond this financial year, unlike the commitments we made before the last election that these were not for one financial year but that they went beyond that period. If you are in business in South Australia and you are not a Motorola, you are not an Australis, or you are not a Clipsal, this budget turns out for you, again, to be all pain and no gain.

Then we have the fees and charges. They said that they would not increase by more than inflation, yet on 1 July 800 fees and charges were increased and more than half of them were above inflation. Sewerage rates were up 10 per cent, raising an extra \$15 million. That \$15 million does not come from some money tree: it comes from the pockets of South Australians. Drivers' licence fees are up 5.6 per cent and Housing Trust rents are up 2.6 per cent. I have had some say to me, 'That is not a big deal. That will be only a dollar here or there for some Housing Trust tenants.' I suggest that they go and talk to some Housing Trust tenants and find out just how much a dollar extra counts in their household budgets each week. Fisheries licences are up by 10.5 per cent. Then we have the announcement in the budget that public transport fares will increase by more than inflation to be—and I quote what are supposed to be the reasonably sounding words—'better matched to the actual costs of providing the services'. But this falls into the Al Jolson category of the budget: you ain't seen nothing yet!

We know of the Liberal plans; indeed, we revealed in this House, to the chagrin of members opposite, the Liberal plan to slug outer urban commuters. For example, the people in my electorate do not go hopping on a bus to sightsee; they do not enjoy the extra distance they have to travel. They do not say, 'I want to get on the bus and I will have the privilege of having an extra 10 minutes on the bus because I live that

much further from town so that I should pay for this privilege of sightseeing.' They get on a bus to go to work: the purpose of the trip is to get somewhere, not to enjoy sightseeing on the way there. I remind members that we have seen what the Minister wants to do.

Health has been a big loser in this budget, having lost more than any other area, with a whopping \$35 million in this budget alone—and with more cuts to come. Teaching hospitals have been hit hard, and we have seen a leaked memo from the Women's and Children's Hospital stating that the hospital has gone as far as it can go. The more than \$4 million it is expecting in cuts will see services to patients hit. What does that mean? It means that mums and kids will suffer. Wards will be closed; nursing and midwifery staff will be reduced; and, incredibly, the Cranio-Facial Unit surgery will be rationed and the hospital will not be able to conduct Down's syndrome screening. If ever there was a situation of all pain and no gain, this is it.

I say that there is no gain because, as I have said previously, this budget proposes to stall the economy. It proposes a misguided understanding of economics. The Government has followed a formula which says, 'If you cut Government to the bone and keep costs down, the private sector will step in and drive the economy.' This policy prescription has been found sadly wanting in many circumstances in so many places. By the Government's own acknowledgment, this policy will see South Australia's economy contract over the next two years. Unlike the rest of Australia, which is experiencing buoyant conditions and increasing rates of economic growth, South Australia has to put up with second best, as our growth rate will shrink back to 3 per cent or less.

As to debt, the budget again fails to meet its own targets. In the few months that the Government has been in office it has had to reduce its expectations. The Government promised that its policies would eliminate the recurrent account deficit by 1995-96. It said it would achieve its debt reduction targets and more so. I remind the House of what those targets were: to reduce outlays in real terms by 1 per cent, to reduce debt in real terms and to reduce debt as a proportion of gross State product. The Government tried hard to discredit the Meeting the Challenge document that my deputy and I launched last year but, the fact remains, the Government has failed to meet any of its three debt reduction targets in that strategy as a result of its own actions and commitments.

Total outlays will fall by only .3 per cent and not 1 per cent because of increased borrowing and interest costs—it is not extra money for schools, hospitals, housing or transport. In real terms, debt will increase and not decrease over the next three years from \$8.4 billion to \$8.8 billion and debt as a proportion of gross State product will remain constant at 27.1 per cent over the next two years, rather than decrease. So, the Government has failed to meet its own targets. It has failed to meet the projection of eliminating the recurrent account deficit by 1995-96, already only nine months into office. The Government is behind schedule by two years.

The Government has also failed to meet the target set out in its May financial statement. Just months after delivering that financial statement we find that key targets are being thrown out the window. In May, the Government forecast a \$410 million budget deficit and it has already exceeded that by \$30 million. The budget deficit will increase from \$300 million to \$448 million. In the May financial statement the Government estimated that public sector net debt in real terms would be \$8.716 billion. The budget shows that that estimate has already blown out by \$109 million, largely

because the Government has delayed the sale of the State Bank. By its own yardstick, this budget has failed to deliver the big macroeconomic gain that the Government promised was to cut debt by more and more quickly.

As to asset sales, the Government said the debt reduction strategy depended almost solely on \$2 billion in asset sales, as announced in its recovery program last December. Given the significance of asset sales in the Government's overall budget strategy, I would have expected it to feature significantly in this, the Government's first budget. But where do we see it? We do not see it, because there is no gain to be found—because the Government has been found wanting in the very areas it announced before the last election. There will be many other areas with which we will be dealing over the next couple of weeks of Estimates. I can assure the Treasurer, who was mocking today, that he is in for rigorous questioning from this side of the House on the many areas of broken promises and failed commitments.

The DEPUTY SPEAKER: Order! The honourable member's time has expired.

Mr BUCKBY (Light): How interesting it is to hear the Leader of the Opposition criticise this budget when, in fact, the very reason for the budget cuts is the actions of his own Government. That is the reason for the budget cuts we have to endure, and the reason why the people elected the Liberal Government was to straighten out the mistakes made by the previous Labor Government. It is the mistakes and mismanagement of the previous Labor Government that have forced the Liberal Government to undertake this line of action. The budget shows a change in direction of budgets in South Australia: it shows a change from dependence on the Government to returning decisions to individuals. This budget highlights the significant difference between Labor Party policy and Liberal Party policy.

Let us look at what has happened in South Australia over the past 20 years. In the early 1970s South Australia had a significant industrial sector that was built up by Sir Thomas Playford during his years as Premier. What happened over the past 20 years? We have seen a constant concentration on building up the Government sector—on increasing the number of employees within the Government sector so that South Australian citizens became reliant on the Government. That system works for a while but not for too long because, as with most Labor Governments, financial mismanagement sets in, budgets get out of control, and the State and the country get further and further into debt. As a result, people realise that the cow we are milking does not have an udder of immeasurable size: they realise that there is only so much that they can draw on, and eventually a Liberal Government is returned to bring some sense back into the budget and our economy.

Some of the policies of the previous Labor Government caused businesses to go out of the State. For example, FID was increased by the previous Labor Government. When I operated in the farming industry, I was interested to note that my cheques for lamb or cattle sold through Dalgety Bennetts Farmers were drawn in Brisbane rather than in Adelaide. The head office was not in Brisbane but, because FID charges were lower in Queensland than in South Australia, we were supporting employment and the Queensland Government rather than the Government in South Australia.

The largest private wool buyer and processor in Australia, G.H. Michell, a large South Australian company, also banks in Queensland because of lower charges involving FID and

State debits tax. Again, we are supporting employment in Queensland through the previous Government's policies of high taxes on business and industry. A friend of mine who operates a food packaging company and employs about 40 staff saves \$20 000 a year by banking in Queensland, again highlighting the previous Labor Government's mismanagement, high taxes and continued racking up of taxes during the 1980s.

So, this budget returns incentives, changes direction and puts responsibility back onto private citizens and private enterprise, rather than milking the Government cow at every opportunity. This budget returns incentives to companies looking to invest in South Australia. South Australia's employment lags behind the national figures. Basically, Labor's message in the 1980s was, 'Come to South Australia and pay higher taxes'. Who would come to South Australia to invest?

This budget identifies \$150 million expenditure on an economic development program. It is targeted to attract investment and jobs. It is targeting where we have a comparative advantage. That comparative advantage lies within the motor trade industry, the technology industry and the agricultural industry: those are the areas we should be examining. Those are the areas that we will examine.

Let us look at technology for a start. Of the \$150 million, \$31 million will go towards developments associated with the MFP, and \$10.4 million towards a pipeline which will shift effluent water from Bolivar to the Virginia region for irrigation. An irrigation consultant to whom I was speaking the other day told me that currently we import 50 000 tonnes of vegetables from Asia—from Asia, do you mind! This particular project offers to Virginia market gardeners the opportunity to undertake the growing of Asian vegetables as an import replacement scheme. There are people who have brought seeds into South Australia ready for that plan to go ahead and ready for us to replace those imports: 50 000 tons of Asian vegetables. In addition, it opens up the market for an export opportunity by means of which, when those Asian vegetables are grown, we can export to Asia, not only replace those which are currently imported. That is a particularly important development within MFP spending.

Another is that of the Barker Inlet, and \$5 million has been allocated for the creation of environmental wetlands to treat the stormwater that flows into that area. We all know the importance of that inlet as a breeding ground of fish in South Australia, and it is important that that area is cleaned up. I recognise that it was targeted by the previous Government, and we have a commitment to continue that work. I hope that more work is done in this area of stormwater retention because, while at present we use 1 600 megalitres of water in South Australia from the Murray system, the same amount of water goes down our drains and out into the sea.

A number of projects are developing. For instance, Andrews Farm is pumping stormwater back into the lower aquifer and using some of that for irrigation as well. I would hope that many other projects can be initiated by this Government to do exactly the same thing and make greater use of the water that comes from the sky rather than simply allowing it to end up in the gulf.

There is also assistance for the expansion of existing industries, with \$8 million allocated for tourism infrastructure and marketing. At a recent dinner, I happened to be sitting next to the Manager of the Hilton Hotel, Mr George Van Holst, who had just returned from Perth after managing the Hilton Hotel there. He said it was very interesting to look,

from a distance, at the marketing of South Australia as a tourist centre. He said that he was very pleased to see that this Government had identified \$8 million towards marketing, adding that marketing is the most important factor. We do have the areas of interest and the attractions for tourists in this State, but it is in the marketing by the State's previous tourism authority where the problem lay and on which we have to improve.

A further \$3.9 million goes for the continuance of exploration initiative and, again, I recognise that this was started under a Labor Government. It is being continued under this Government, and significant findings have come out of the aerial mapping of South Australia. For instance, in the Far North of South Australia kaolinite has been identified, involving the very same diamond bearing rocks that were found in the Kimberleys. That initiative has resulted in 45 applications for exploration in the Far North and a considerable amount of money to be spent on looking for finer minerals in that area.

Included in that \$150 million is \$12 million for the manufacturing modernisation program. This is a message to industry over the past 20 years—that a modernisation proposal must be implemented. If this State is to be competitive and attract industry and people to it, manufacturing industry must modernise. This Government has recognised that and allocated \$12 million accordingly. Also, we have continued the funding towards the Adelaide Airport. We have heard from the Minister for Primary Industries how important this is, and I can only say that when that occurs—and hopefully we will have the support of the Opposition even though at its conference the other week the privatisation of that airport was not agreed to—

Mr Evans: The Leader of the Opposition got rolled!

Mr BUCKBY: As the member for Davenport says, the Leader of the Opposition got rolled. We look forward to the airport proposal and to the incentives that that will offer to South Australian industry. This budget creates a new direction. It creates a direction that will involve private enterprise, rather than excluding private enterprise as happened under the previous Government. There will be contracting out of Government services where private enterprise, rather than Government, should be involved. In economic terms, Government should become involved only where there is a market failure. I refer here to the situation where private enterprise cannot take up, or makes a loss in, the particular involvement but where, as the Government identifies the undertaking in question as one required by the community, it then picks that up. Where private enterprise can make a profit, private enterprise should do the job.

This new direction continues through into education, bringing South Australia more into line with the national figures. After \$22 million worth of cuts, we still have the second best figures regarding classroom sizes in Australia, yet listening to the Leader of the Opposition one would think ours is the worst. The Audit Commission highlighted that we had 1 039 permanent staff, for whom there were no permanent places, and 130 surplus teachers, despite the fact that 500 teaching staff have accepted separation packages and 1 060 full-time equivalent teachers are on leave without pay. If we listened to the Institute of Teachers campaign, however, we would hear it touting that the Government would cut between 2 000 and 3 000 teachers from the system.

We have cut 422 teachers from the system. We have maintained our pre-election commitment that we would identify 40 schools, even though the previous Government,

now the Opposition, forgets that it closed 70 schools during its period in office and that 1 200 teachers were lost at the same time. The Institute of Teachers apparently overlooks that as well; it is now threatening to impose bans on teaching within the schools. Is that responsible, when we have a State debt that is higher than ever before? When we require every sector in the community to pull its weight, we have one sector spitting the dummy and complaining.

In the area of health, savings of \$35 million have been identified in the budget. In Victoria, and as has been identified by the Federal Health Minister, casemix funding will be the way to go for future health delivery. It offers a situation where the most resourceful and efficient hospitals will attract patients for operations and will be able to deliver those services at the lowest cost. Capital works still continue in the health area, and in my own electorate I am pleased to see that the building of the new Gawler Hospital, which commenced under the previous Government, will be completed in October. I also must commend the fund raising carried out by the friends of the Gawler Hospital who so far have raised about \$40 000 towards equipment for that hospital.

Another item included in the budget is the Let's Get South Australia Really Working program, under which \$12.5 million will be allocated in the form of initiatives. Of that, \$2 million will be allocated for a WorkCover levy subsidy scheme for employers, \$1.5 million for a traineeship scheme, \$4 million for three payroll tax rebate schemes, \$3 million this year for the young farmers incentives scheme and \$2 million for an export employment scheme. All those schemes will encourage industry into this State and the expansion of existing industry.

We continue that level of new direction in transport. Private enterprise will become involved in certain areas, and some bus routes will be tendered out for private enterprise operation; we are aiming at 50 per cent of all routes in future. Further areas that can be considered for tendering out include vehicle inspections, passenger survey research, cleaning, security, fuel deliveries and information systems. As I said earlier, where possible, this Government is about private enterprise, rather than Government, delivering the goods. Capital outlays have increased by 14 per cent in this budget over the 1993-94 outcome, and \$1 174 million is to be spent in capital outlays in comparison with \$1 billion in 1993-94. Included in the capital works program is \$90 million to be spent on education.

I turn now to employment training. Employment is one of the most critical areas for this Government and an area which I know both sides of this House wish to address. The employment training scheme supplies support for traineeship programs to meet industry-specific shortages, and this provides funding that enables private employment agencies to employ young people and to do so at hourly rates. The establishment of greening companies to give the long term unemployed the chance to learn new skills is also an important aspect of this budget. Also included are 700 trainee positions in the Public Service over the next two years, at a total cost of \$8.5 million.

Other savings identified in this budget include the redirection of SACON, which is given a new focus; rather than SACON providing the delivery of all the services in question, again, we are transferring part of that to the private sector. SACON will still have management and overseeing roles, which it should have, but many of the services which were previously delivered by SACON and which could easily be undertaken by private enterprise will be put out to tender

for private enterprise to supply. The estimated saving for 1994-95 is \$2 million. The sum of \$83 million will be spent on the EWS, and this will include major works rehabilitation at the Bolivar, Christies Beach and Port Adelaide waste water treatment plants. Provision is also included for preliminary activities associated with the development of water filtration at Nairne and Hahndorf, involving the private sector under a build, own and operate contract system.

A new economic direction was required for this State. That is why the people of South Australia voted with their feet as definitely as they did on 11 December 1993. I should remind the Opposition of that every now and again, because people could see that the State was moving in the wrong direction, and this Government will place us in the right direction. We depend on a very narrow manufacturing base in this State, and this Government has the responsibility to broaden that base. We must attract industry and people to this State, and this budget goes part of the way towards doing that.

Mr QUIRKE (Playford): Before I get into the comments from the member for Light, I welcome the comments from the junior Minister opposite.

Mr CLARKE: Mr Deputy Speaker, I draw your attention to the state of the House.

The DEPUTY SPEAKER: Members may be unaware, but I point out that the bells are not working, despite the situation having been remedied very recently. Therefore, given that attention has been drawn to the state of the House and a quorum called, we have no alternative but to wait for a little while.

A quorum having been formed:

Mr QUIRKE: I must say, Mr Deputy Speaker, that the member for Ross Smith must have read my mind, and I thank him for drawing your attention to the state of the House. I point out that Government members cannot scamper out quickly enough because they know that a number of things in the budget will be particularly unpalatable to them. Before getting to that, I also point out that the arrogance of this Government is clearly shown by the empty spaces on the front and back benches during this debate this afternoon.

I want to take up a few of the chestnuts that the member for Light dropped in the House. I made a few notes. Normally I do not, but I thought, in deference to a new member, arguably one of the smartest if not the smartest to have been brought in in the class of '93, I ought to take down a few of his remarks to see what he could teach us. After all, it is clear to see that he is head and shoulders above some of his colleagues. I am waiting for one or two of them to open their mouths, and I will name them. Among the comments that he made in his address this afternoon he told us why the Liberal Government was elected. He told us that it was elected to clean up the mess. I can tell you a few things about that, Mr Deputy Speaker. This Government was elected on a raft of promises, and I am going to talk about those later.

The good member for Light was one of those who were sent to this place on the basis of contracts that he, his Leader and the entire shadow Cabinet at that time made with the community of South Australia, and they have turned their backs and broken every last one of them from the day that they were elected. The member for Light was elected to this place effectively on false pretences. The then Liberal Opposition told the world that certain things were going to happen: it made promises, 'Read my lips.' Indeed, this

Government, led by the Deputy Premier, dragged by the nose by Treasury, has broken every promise that it has ever made.

The member for Light said that this budget empowers individuals and that no longer will people have to take hand-outs from the Government. He and his friends have made sure of that. For the cardholders it is certainly an individual choice. If the member for Hanson wants to interrupt, that is fine. The member for Hanson is clearly not in the same class as the member for Light. I think it would be very interesting to hear what he has to say. He may not know it, but there is a lot of poverty in his electorate. I would bet that a number of people there are now very sorry that they voted for him, but they will have their opportunity soon enough.

We are told that individuals will make up their own mind instead of being reliant on Government hand-outs. I do not know what shower the member for Light came down in, but no-one wants to be reliant on Government hand-outs. That is an absolute affront to the ordinary hard-working battler in the community who does not have the same advantages as some members here and, indeed, the member for Light. What he said was an absolute disgrace. No-one wants a hand-out from the Government. People are struggling, and when this lot is through with them they will be struggling even more.

We were then told that we had been milking the cow too much. I wonder about those remarks. I was waiting for the honourable member to tell us about outsourcing and what cows are being milked around the place. The Opposition these days is getting a flood of stuff from all sorts of areas relating to the very matters about which the good Minister at the bench has been talking and about the kinds of contracts that are going out. We have had the disaster exposed in the House on many occasions, but particularly this afternoon by the member for Hart, who has been vilified by Liberal members. We found out today that the Premier's signature is worth nothing in the eyes of the Crown Solicitor. I could have told them that, and it would not have cost a legal opinion for it. IBM has been saying that all along. The Liberals did a deal with IBM, they could not turn their back on it quickly enough, and then they had to fly in legal brains from Washington to confirm that their first outsource agreement was in tatters.

Then we find we have the second best education system in the country. That is what we will have when this lot gets through with it. We provided the best education system in this country. The Leader of the Opposition, I think quite unabashedly, can take some credit during his years in office for picking up from the Tonkin years. Indeed, we have the best education system in the country, but we are now told that, when the Liberal Government gets through with it, it will not be so bad; it will only be second best. There are many issues involved in that, and I will go into them when we get to education later. A State like South Australia cannot afford second best. We are already at the outer limits of industrial development in Australia. We have all sorts of hassles and problems, about which the Minister knows, and I give him full credit for attempting to redress them in a whole range of areas. We cannot afford a second or third best education system; we need the best. It is one of the few advantages that this State has.

The member for Light also told us that there would be a new focus for SACON. I am very interested to know what it is; there is not anyone in there. Indeed, the ordinary odd-job person who goes round to the schools and fixes the canteens when they get broken into and when all sorts of other things

happen is now a disappearing species. So much for a new focus for SACON; the new focus is that it is invisible.

This budget has a whole range of things in it. The first thing that I want to draw to the attention of the House is that it was the shortest budget speech in my experience here and, having checked with other members, I understand it is the shortest budget speech that we can find on record. It is the shortest not only in time but in content. We had to search through the budget papers for hours and then for days to find out what was going on. From some of the television clips that I saw on the news last week, I must say that the good Minister at the bench did not understand what was in it either when the Premier threw him in at the deep end in front of one of the news conferences on the prices of utilities.

Electors generally hold politicians in low regard. It has to be said that in many instances in our community politicians are held in low regard. The first thing that people say is, 'We are sick and tired of the litany of broken promises.' I had someone write to me the other week saying that that person would not vote for me again because of the broken promises of the Minister for Industrial Affairs. It was with a great deal of pleasure that I wrote back saying, 'There are many things in this world for which I am responsible, but broken promises from a Brown Minister is not one of them.' Indeed, I spoke to that person at great length. He was talking not only about the taxation that will affect him but about trading hours.

Since day one this Government has been about breaking all the commitments it made before the election. Its first budget has broken every promise it made in respect of taxes, cuts and a whole range of essential services. The State budget brought down in this place on 25 August continued in the same vein as all other statements since the election of this Government in December last year. Put concisely, it was a vehicle designed to inflict increased charges on those least able to afford them, and it continues the assault on the State Public Service.

Before the State election some of the key promises made by the Liberal Party included no more cuts to the Public Service; a further injection of \$40 million into education; more resources for health and a drastic reduction in hospital waiting lists; and no cuts to superannuation and the maintenance of the existing scheme. Since the election we have seen the Audit Commission make the following recommendation: drastic cuts to public employment and outsourcing in all areas to private contractors. We now see cuts to education and health—not the extra budgetary funds we were told about before 11 December last year. We are not seeing an injection of funds into education to keep abreast of inflation—we are seeing drastic cuts.

The Audit Commission wants to bring education in dollar terms and in the student to teacher ratio down to the Australian average. This Government is well on track to do that. The Labor Opposition is proud of the fact that the Audit Commission said that South Australia spends more on education and essential services than any other Government in Australia. We are proud of that fact. We take great pleasure in wearing that around our neck. Our view is that there is no better comment on all those years of Labor Government than to say, 'Despite everything else, despite the size of this State and its inherent economic problems—which have been here since well before Playford—throughout all that adversity we managed to have an education system second to none, and a health system second to none that could afford more patients in public beds than anywhere else in Australia.'

We can feel proud of that record. It is obviously something that upsets the Audit Commission, probably the bulk of which are privately insured. As late as 21 August, the Treasurer said, 'There will be no changes to superannuation. We are not looking at it. We will not do that. It is not something we are into'. On the very day that he sent a letter to one of the trade union secretaries assuring her and all her members that no changes would take place, he put a committee in place to do the very opposite.

A few weeks later the Treasurer came into the House and closed off the scheme, pulling the rug out from under public servants and police officers in particular. When he did that he said, 'Well, maybe we will look at the existing schemes in terms of reducing the benefits and increasing the contribution rates for those schemes.' It appears that he did not tell the Premier that, because the Premier went on the radio after the Treasurer had made all these statements and said, 'No, there will not be any changes.' We find that in this State budget we have confirmation of the road that this Government intends to take.

The Government will wind back services wherever it can, and it will outsource Government work wherever it can. We saw private prisons legislation introduced in the House the other week to allow private entrepreneurs to manage the gaols. That legislation is but a symbol of where this Government is heading. The State budget papers confirm a continued reduction in Government employment. The budget is predicated on a huge saving in respect of the public payroll. I fully anticipate that the figure of 11 500 redundancies will be achieved, and probably much earlier than 1996. The reductions to date show little if any strategic planning.

Whole sections have disappeared and, in many instances, prior to any satisfactory outsourcing agreement being made with the private sector. The cuts are budget driven. They are cuts driven without the proper questions being answered and before the public can be assured of service continuance. The specifics of this budget are difficult to ascertain. Unlike all previous budgets, the specifics are totally buried in the budget papers. The budget speech was the shortest on record and contained no detail. Apart from a blind application of the 'private sector outsourcing at any price' philosophy, the burden of much of this budget will fall on those least able to afford such changes.

The restriction of the school dental scheme, the reduction in the value of the school card and the abolition of free student travel for school card holders are all designed to hurt poorer families in South Australia. The closure of 40 schools and the reduction in the health budget of \$35 million and \$20.8 million from the three main teaching hospitals will see wide-spread problems across the community. The reduction in teacher numbers of over 400 must be seen within the context of other voluntary redundancies in that area already. The resources available to educate our children are being seriously eroded.

Indeed, when Playford left office in 1965 South Australia had the most under-resourced education system in the whole country. That is something that the Liberal Party can be proud of. Incidentally, that education system in 1965 had almost exactly the same number of students as is the case today, but today there is something like 2¼ times the number of full-time equivalents. That is the record this Government has in education.

Mr Brindal interjecting:

Mr QUIRKE: The member for Unley ought to know by now that he should be interjecting from his seat and not from where he would like to be—on the front bench.

The DEPUTY SPEAKER: Order! The member for Unley will not interject from any part of the Chamber.

Mr QUIRKE: The Brown Government has specifically targeted the most needy families in our community. The budget speech makes it evident that families with school age children on the school card will be slugged. The reduction of \$10 on the value of the school card for both primary and secondary students will mean a cost to many of these families. The abolition of free travel for children who are school card holders means an initial burden of \$200 per year per child. The question that must be asked at this stage is: what will Liberal politicians tell parents about these new transportation costs when they propose to close the local school? The Labor Party, in Government and in Opposition, has always stood firmly behind the principle that needy people require a little bit of extra help. I use the words 'a little bit of extra help' because the entire cost of the school card is but a pittance.

In a budget of over \$5 000 million, all the cuts in education total in the hundreds of thousands of dollars and not in the millions. But those families who are on welfare or who have very low levels of income support from whatever source are the ones who have had the rug pulled from under them, and I would have thought that this Government would have had the decency to say before the last election that it was not going to be a Government for all but that it was going to be a Government for a select few—for those who are able to pay their own way. We have heard the member for Light say that these families now have the choice. However, they will no longer get the support that they need to send their kids to school, and I would expect that a lot of these families will have to review the decision as to whether their children can afford to go on to year 12. It is my view that these few miserable dollars will see a large number of kids who would have gone on to complete secondary education in this State no longer being able to do so, and it will be a terrible pity if that is the case.

We had the Premier going on today about the fact that we were not questioning the budget too much. We were surprised he even knew that it had come down, because we did not see him. We did not see him at all; we were looking for him. We wanted to see the organ grinder, but we did not get to see him. In fact, the *Advertiser*, that great bastion of liberalism in this State, picked up that very point in its budget summary. An article entitled 'The Grim Reaper in charge of bad news', by Greg Kelton, stated:

The Treasurer, Mr Stephen Baker, yesterday became the Grim Reaper to Premier Dean Brown's 'good news' budget.

I will have more to say about the good news later. It continues:

For the past two weeks, the Premier and his Ministers have been doing everything in their power to sweeten the budget pot with what started as a trickle, and soon became a flood, of positive items in the budget. There were boosts in education spending, more money for capital works, incentives for industry and new hospitals and, of course, the old catch-cry of 'jobs, jobs, jobs'. It was all part of the Government's plans to ensure that what it saw as the positive elements of the first Brown budget were not swamped by the bad news, such as cuts in education and health spending. And despite every attempt by Mr Baker to boost his first budget, there is plenty in there to upset sections of the South Australian community.

And despite every attempt by Mr Baker, the people who will be facing these cuts in the coming months will know where

they have come from. They know what they voted for in December last year and they know now what they have got. The article goes on to say:

The Public Service will be angry with further cuts in numbers through targeted separation packages and no wage rises for two years. Teachers will be upset that a further 422 of them are earmarked for 'retirement'. Small business especially will be hit by the decision to widen the State's tax base through land tax and payroll tax. More than a few landholders, especially those people who have a second house or an extra block of land on their books, will be hit by the land tax move which drops the threshold. . . from \$80 000 to \$50 000. Also hit will be the schoolchildren, with the cutting back of the school dental service and cuts to the school card concession scheme and free bus services. Pensioners will be hit by changes to the ambulance service. Those living in the country areas will now have to pay the same as pensioners in the city.

So much for the rural members. The article goes on:

And, of course, all this was done without breaking that most sacrosanct of political pledges—no new taxes and no increases in the rate of existing taxes. As Mr Baker said at his press conference there was always going to be some pain in what he described as a landmark for South Australia.

The Hon. Mr Baker is then quoted as saying:

I don't make any apology for that. . . If we get it over with now we can look forward to a much brighter future.

The article continues:

Soon after speaking to the media at the budget lock-up in the Terrace Inter-continental Hotel, Mr Baker went to Parliament House to brief his backbenchers.

That is where the hard sell really started. It goes on:

Some of these cuts will not go down well, particularly in marginal electorates, of which the Government has plenty. Already one senior backbencher, Unley MP Mr Mark Brindal, has publicly warned the Government that it must be careful about adopting a hardline economic rationalist approach. He and many other backbenchers probably would have choked if they had been at Mr Baker's press conference. Asked about next year's budget, the Treasurer replied that it was likely to be just as tough. That was the last thing anybody, backbenchers included, wanted to hear.

In the same review of the budget in the *Advertiser* of Friday 26 August, again under the hand of Greg Kelton, we find an article entitled, 'Hospitals feel scalpel'. It states:

Pensioner concessions and school dental services will be reduced as part of major cutbacks to the State's health budget. Spending on health will fall from \$1 325.9 million [in real terms this year] to \$1 315.6 million, which represents a cut of 3.2 per cent when inflation is taken into account. The bulk of savings will come in the hospital sector, with hospitals being asked to make huge efficiency savings in the sector's \$790 million budget. School dental service changes will save the Government only \$500 000 a year.

That \$500 000 is but a pittance out of a budget of more than \$5 billion. But members should go and ask some of those families who have to front up to a private dentist and who have to pay a whack of money that they did not have to pay before what it means. It means that, for many of them, the dental care that they have become accustomed to in this State—again, through the best school dental service in Australia and one of the best in the world—has been eroded and, indeed, it is only the start of that erosion. That article goes on to talk about all sorts of other cost-cutting measures—cuts to services and a whole range of other things—which will make a great deal of difference to the community in South Australia.

I turn now to housing. We find in this budget some figures that are rather interesting, although not much was mentioned about them in the budget speech. We find that next year, for the first time in living memory, there will be a reduction in the number of families living in public housing. And that is in line with the Audit Commission recommendation earlier

this year. The Audit Commission said that in South Australia 11.8 per cent of families live in public housing. The national average, as I understand it, is 6.7 per cent. So, in terms of the provision of public housing South Australia has a record that is at least 5 percentage points better than the national average: South Australia leads the nation. The Audit Commission thought that that was not all that good. In fact, it suggested the huge sell-off of public housing and a reduction to the national average.

Let me make very clear here in the House this afternoon that the Labor Opposition is proud of its record and, indeed, is proud of the achievements in public housing over a 50 year period of the Playford Government, the Walsh Government, the Hall Government and the Tonkin Government. It would be remiss of me not to mention that Tom Playford saw public housing—as indeed many members on this side of the House and I see it—as one of the key issues. As Labor members, we are proud that our Government managed to extend and maintain the level of public housing ownership which is currently the case.

Mr Caudell: You reduced public housing by 30 per cent in the last year.

Mr QUIRKE: What we now find in this budget is that the number of housing units available next year will be reduced by about 300. We find that the trickle of sales of public housing has started. It may well be, in answer to the interjection by the member for Mitchell, that this measure is designed to save him. I am sure that the possibility of saving a number of backbenchers has got the Government working out the various details, and it may well be that, if it sells another 3 000 or 4 000 houses in a couple of key areas—and maybe the District of Mitchell is one of those areas—we might have the pleasure of seeing some members here for a second term.

Mr Clarke: I doubt it.

Mr QUIRKE: I just wonder about that. I checked with the Housing Trust yesterday and I was told—

Mr Clarke: The member for Lee has a better chance.

Mr QUIRKE: Well, I do not know about that. The Housing Trust tells me that in the past 12 months the waiting list in some areas has blown out to as much as 10 and 11 years. If next year fewer houses are available for public tenancy than are available this year, the list will be longer. There is no doubt that the Audit Commission would find that to be a very satisfactory situation. It would probably help the private rental market: families would be thrust onto the private rental market and would be spending more of their meagre resources on private rental.

The Labor Opposition does not support the sell-down of public housing stock in this State and believes that public housing is one of the credits that successive Governments over the past 50 years can rightly feel proud of. However, we note in this budget that that will no longer be the case: the Brown Liberal Government does not have the commitment to public housing of the great Liberal Premiers of this State—and the Labor Premiers. Indeed, I think Tom Playford would turn over in his grave if he knew what this crowd is doing to public housing.

That brings me to another figure in the budget. We find that, despite the reduction in the number of Housing Trust units available for public tenancy, rents will be increased. We on this side are waiting with bated breath, as is the community, to find out exactly which of the Audit Commission findings in respect to public housing this Government will commit itself to. For some months in this House we have been asking the Minister for Housing questions, and we are

not very happy with some of the answers—in fact, we are not getting any answers at all. We are told that by October we will be advised, as will the South Australian community, just how much welfare recipients, pensioners in particular, will be slugged.

We are told that market rents are coming in and we heard the Minister say today that he had the support of the Deputy Prime Minister. I could not care less whose support he has. The Labor Opposition does not support market rents and will not see people who have waited for Housing Trust houses, in most instances for the better part of a decade, being slugged with rent increases as a result of their wait for housing in particular areas, where they wish to reside because they need the support of their family.

Many occupants of public housing are single parents who need the support of their family and friends and the network that surrounds them in particular areas. We now find that the Government is about to increase housing costs, and people are waiting for the announcement. Also, the Audit Commission indicated that the maximum rental contribution should be increased from 25 to 30 per cent of income for public housing tenants. For single pensioners this will mean an increase of more than \$8 a week; for a married pensioner couple, an increase of \$15.60 a week. To members opposite that may not sound like a lot of money but, for people who live as close to the borderline as many pensioners do, it will severely impact on them.

These are the very battlers the Government would like to sting. Often it involves parents who have done the best by their children but who could never afford the deposit on a house, yet the Government intends to sting them that little bit more. It especially concerns elderly people to whom those extra few dollars mean the difference between having a dignified retirement and a difficult one. The Government is ripping those few extra dollars off these retired people.

I refer not just to welfare recipients, pensioners and others who will be affected by this increase, because it will also impact on low income earners. The Opposition has seen the figures set out in the budget papers relating to rent increases, and I warn the Minister that we will be questioning those figures closely in the Estimates Committee. The Opposition will want to know details about any increases and also what the Minister believes will be the impact in terms of a reduction in the number of public tenancies in the next 12 months. The Labor Opposition believes that this action will blow out the waiting lists considerably, and many people who have been expecting soon to be offered a public tenancy will have to wait 12 months or more—or forever—if the Government has its way on this question.

The overall parameters of the economy in South Australia are not such that a deflationary budget such as this one can be implemented without causing problems. One of the biggest broken promises—apart from taxes, which I will deal with next—has occurred under this Government in its first year whereby there was to be a massive increase in employment. The Government promised that there would be more jobs. However, we find within the framework of this budget that that is unlikely to be achieved. We are dealing here with an increase of 3 per cent in State productivity, when we need an increase of about 2.6 per cent just to keep employment at the same level as it was last year.

In the national accounts recently released we are looking at an increase in gross domestic product in Australia of about 4.5 per cent, but South Australia is faring significantly worse than any other Australian mainland State.

Mr Caudell: Can you guess why?

Mr QUIRKE: One of the main reasons is the age-old problem familiar to members on both sides of the House: we have a narrow industrial base and are dependent upon many primary industries. Indeed, new industries, including tourism, whilst they have come onstream, have not managed to generate as much employment as has occurred in places such as Queensland. Members on both sides of the House know the reasons for that. Indeed, the record over past years in South Australia shows that we have not been able to match in percentage terms the national gross domestic product, except in a few exceptional years.

Governments have tried to do something about that, in particular, to stimulate growth and, with the level of unemployment in the community, it is the Government's duty to ensure that we have a more vibrant and buoyant economy than that which the private sector can provide South Australia and Australia as a whole. There has been a considerable injection of Commonwealth funds into South Australia, although there is some truth in the statement that the Commonwealth has greatly cut back on the number of grants to the States. South Australia has received more than \$600 million in a special fund involving the sale of the State Bank to compensate for losses of future revenue resulting from the sale of that asset.

This budget can be seen only in the macro sense as a budget that will do little to stimulate the South Australian economy. We believe it will do little to stimulate what can only be described as the weakest economy in mainland Australia. In fact, it can honestly be said that South Australia has probably the poorest growth forecast of any Australian State for 1994-95. That is unfortunate, and this budget reflects that. I do not believe that the budget shows much innovation or that in a macro sense it gets to grips with most of the problems facing us.

I return to the Treasurer's speech, because he virtually said nothing about some of the major issues that will face the South Australian economy over the next few years. Little was said about certain key issues. We find that the asset sale program that we have been inquiring about in the House is now largely off the rails. Questions were asked today about the Entertainment Centre. I do not want to have to refer to all the press releases, but I was under no illusion that, if I voted for the Brown team at the last election, the Entertainment Centre was one of the assets that would be dragged to the auction block. We were told that the State Bank, SGIC and a whole range of other assets would be sold and we would see a massive reduction in State debt.

Now the Government is going quiet on that. The Opposition will continue to ask questions about the sale of assets because the public was told that many assets were to be sold. We now find many members opposite talk about the sale of Adelaide Airport. Government members and Ministers have the view that they can sell something, particularly if they do not own it, and we will suddenly find everything will start to happen. The member for Light told us he thought the sale of the airport would bring much investment to South Australia. We had the Premier at the airport telling us what a great idea it was. The member for Hanson was getting a consortium ready to buy the airport. There is only one problem—Adelaide Airport is not theirs to sell.

Comments were made on the Leader's stance on this matter. The Party's stance on the airport is quite simple. We want an upgrade down there. If we do not get it, we are quite happy to look at various measures as to how that upgrade can

take place. As one of the participants going to Hobart, I make it quite clear that what we want in South Australia is a modern, upgraded airport. If that means that we have to look at the ownership, at who will be involved in that, so be it, but I must say that the Premier gives the impression that there are 747s up there circling, looking for somewhere to land. That is not the case.

Every South Australian should be aware that Adelaide Airport is one of the worst airports in mainland Australia. Indeed, it sadly needs a major capital injection, and I think members on both sides agree with that. As for flogging it off to the West Torrens council or whoever else is involved in that—

Mr Leggett interjecting:

Mr QUIRKE: I find it interesting that the member for Hanson and certain elements of the left wing of my own Party have something in common on that issue, and I would be quite happy to give him some introductions so that he and the others concerned could refine some of their plans for that airport's ownership. For my measure, I simply believe that Adelaide Airport is one of those things—

Mr Leggett interjecting:

Mr QUIRKE: In fact, I must tell the member for Hanson, my resolution got well and truly carried, because I wrote it and I put it up. The member for Hanson ought to be very careful about saying who got rolled at what. I certainly did not get rolled, and the Leader certainly did not get rolled. When we go down to Hobart, the member for Hanson may end up with some of the things he wants, but I do not know that the cast he has in mind for owning the airport will be looked upon favourably.

This budget does have some rather interesting fudging of figures with respect to taxation. We are told that payroll tax has been reduced, that it is less than it was last year, but there will be an increase of \$16 million. What we find is that the rate has gone down from 6.1 per cent of payroll to 6 per cent, but that superannuation payments have been thrown into the whole equation. We find that the Treasurer, in the very first Liberal budget after more than a decade in Opposition for the Liberal Party, has increased payroll tax. Indeed, they supported their Federal cousins in all sorts of promises to get rid of payroll tax. That is what that Fightback! stuff was all about, which Government members prefer to forget about now. We find the very first thing they do in office is increase the rate of payroll tax, amounting effectively to \$16 million in a full year, to businesses in South Australia.

Payroll tax is a tax on employment; we do not walk away from that. It is something which penalises employers in medium and large (even some small) businesses for employing people. The trouble is that we need taxation at a State level to deliver the sorts of services that particularly in the past 10 years we have managed to maintain in this State. We are not happy about payroll tax; we have taken every opportunity to reduce payroll tax wherever we could, managing to wind it down to 6.1 per cent of payroll. In one go, effectively, that process of winding it down has been eroded overnight. The very first thing the Liberal budget does is increase payroll tax.

It is rather interesting to hear that land tax is not a new tax. Well, Mr Deputy Speaker, go and tell that to those who have to pay a land tax bill this year when they did not have to last year. Tell them that it is not a new tax. To the person upon whom it has been levied, it just cannot be seen as anything other than a new tax.

This budget, in the Opposition's view, introduces a series of taxation increases that will affect business considerably in this State. Although the national figures are showing a greater degree of buoyancy, I believe that this Government should be very concerned about the level and growth of State product in South Australia. It is quite clear that we are not only merely lagging behind the national economy: we are lagging a long way behind it. Taxation increases, particularly on employment in Australia—and these two taxes in particular will be a tax on employment in a whole different range of ways—are sending out a very wrong message to the business community in South Australia.

The Opposition notes that this Government is not much on scrutiny. It pains me to relay this to the House, but there have been a number of discussions between myself and other members of the Opposition with various Government Ministers, and I would have thought that, after all the carping and whingeing about the State Bank and other financial institutions in South Australia over the years, the Government's first action would be to facilitate an effective Opposition's scrutiny of the accounts contained in this budget. Well, I am afraid that that did not happen. Whilst that will be a matter for debate at a later stage, it should be noted that the Opposition is having its hands tied behind its back with respect to many of these matters. We are finding a policy of ensuring that shadow Ministers are to be in two places at the same time. We find that certain Ministers have some domestic arrangements. One in particular, I understand—

Mr Clarke interjecting:

Mr QUIRKE: The member for Ross Smith talks about a dinner party. I understand that one Minister has a dinner party to attend and has refused to change the timing of these very important Estimates to allow the Opposition to have a proper scrutiny of these accounts in the interests of not only our constituents but the taxpayers of South Australia. What we find here is arrogance and conceit on the Government's part. When we get to the actual motion debating the setting up of the Estimates Committees later in the week, I hope I am able to report to the House that the Government in its very first budget is not attempting to tuck away every secret it possibly can from public scrutiny. The role of an Opposition and that of the Liberal backbench, and in particular the conscience of the backbench that we read about in the paper—

Mr Clarke: The member for Unley!

Mr QUIRKE: As the member for Ross Smith indicates, the member for Unley and some of his mates in the Chamber are not being given the best opportunity for scrutinising the budget. The budget, in our view, is a poorly crafted piece of work containing a litany of broken promises, promises that were never intended to be kept. The Brown Government is still on track for achieving complete vandalism of the public sector in South Australia and in the next 12 months will dampen the economy in South Australia much further. Unfortunately in our view, South Australia will continue to lag behind the rest of Australia. We are disappointed with this budget and the cuts in it, and above all else we are disappointed that the Brown Government did not have the honesty and the decency to tell the public of South Australia what it was really about before it was elected last year.

Mr BECKER (Peake): I hope I never live long enough for the honourable member who has just resumed his seat to become the Treasurer of South Australia, because I could never afford it. Obviously there is a vast difference between

the new and the old members of the current Opposition, but there is one thing they have not yet learnt, and that is that there is a vast difference between socialism and the private enterprise system. Thank God for South Australia and thank God for the future generations of South Australia that we now have a Government which believes in the private enterprise system and which will return to the people the opportunity to grow, develop and expand, the way it was done in the Playford years and also in modern times. We have a Treasurer today who is prepared to bite the bullet and go in there and right the wrongs of the past 11 years of socialism in this State.

An honourable member interjecting:

Mr BECKER: When we are talking about socialism we are not just talking about the amateur efforts of the previous 11 years in this State but also about the damage that was done by the unions of the honourable member who interjects now which almost brought this country to its knees, which almost destroyed this State and which have now given us the opportunity to fight back, and fight back we will, on behalf of the people.

The budget that was brought in by the Arnold Labor Government prior to the last State election predicted that there would be a surplus of about \$120 million, with a little bit of smart footwork here, there and everywhere and playing around with the figures. We had to write off \$100 million, \$300 million was brought in from the State Bank and \$263 million went out in targeted separation packages. We had to sort this all out. We came up with a surplus of \$94 million. In actual fact, it meant that we picked up about \$77 million in the last six months of the financial year—the six months in which there was a Liberal Government in South Australia—because we had to sort out all the little fancy financial matters that were going on.

It was a pretty good effort in the past six months of this Government to finalise and bring back to some sanity a proper budget system, so it is no mean effort that the current ministry in South Australia—the Brown Government—achieved massive savings in that period. This new budget will now start to reverse the situation and peg back the overall operating deficit that we had and will start to peg back the huge debt we inherited from the previous Government. So, let us not have the nonsense of the previous speaker, who presumes to be the next Treasurer, and I hope I do not live long enough to see him take that position. In our family we generally live to about 90, so at least the future of South Australia would be well secure.

Let us look at some of the stupidity and nonsense which went on under the previous Government and which we had to rectify. This Government is already being accused of robbing the poor to pay for the rich. Let us get our facts right. Let us get rid of the poverty line in South Australia by creating jobs, because this budget is about jobs. The Minister at the bench is there creating employment opportunities, giving the opportunity for industry and commerce to expand in this State and attract other businesses into South Australia that will create employment opportunities. We will create the opportunities for people to own their own home, and we are doing that through our home ownership programs.

Let us not carry on with the nonsense that the Opposition financial spokesman went on about in relation to Housing Trust pensioner tenants' rents going up. The Minister for Housing, Urban Development and Local Government Relations has made very clear that pensioner rents are not going up. He has made clear in press releases that he has no

intention of doing that and that 25 per cent is the limit. In some cases the limit is much lower than that. We will not put them up. I am not aware of any policy or proposal to increase the pensioner Housing Trust rents.

Do not let us allow members of the Opposition to start putting out the scare tactics that they have already tried. They have already tried to write to Housing Trust tenants in my and no doubt other members' electorates, putting fear in the minds of people that we will do all sorts of things, turf them out of their houses and so forth. It will not happen. It did not work; the people did not accept it. I was quite surprised at the number of people in my electorate who came to me and said, 'This is not true. We do not believe this; it is par for the course with this type of Opposition.' They have no credibility when the Leader of the Opposition puts out that type of drivel to the electorate.

The last Government's budget was so poorly framed that we had to rectify problems. I am quite surprised that the shadow Treasurer should harp on that it was the shortest budget speech on record. I do not sit down and time the speeches of Treasurers. I have heard a lot of nonsense over the past 25 years. We heard the performances that Don Dunstan used to put on; it was a theatrical performance when Dunstan brought in the budget. It was pretty boring when Corcoran tried; he did not have his heart and mind in it, because everybody was trying to put a knife in his back in the very short period that he was the Premier of South Australia. We had nothing but knock, knock, knock when poor David Tonkin was the Premier of South Australia, and then of course we had those wonderful, glorious Bannon years, when he really did not know what the hell was going on. That is being kind to the man. He had no concept of finance whatsoever and was led by the nose by the few hard-liners within the Treasury Department whom he brought in from Canberra and a few within his own Party but, really, there was no great strategy. It was 'Give the people what they want; to hell with the expense.' It was almost as though money grows on trees.

The trouble was that the previous Labor Government could not say 'No'. Every time somebody came forward and put out their hand for some money they were virtually given it. There was no real assessment or opportunity to assess what was going on; it was 'Give the people what they want and we will sort it out later.' It was as though there would never be a settlement day. Well, there was a settlement day. It was 11 December 1993, when the people of South Australia said, 'We have had enough of this. We are sick and tired of our money being thrown away on all sorts of airy-fairy projects and frittered away on useless and worthless projects.' Unemployment was going up and housing was being reduced. If anyone started the downturn in Government housing through the Housing Trust it was the former Labor Government. It was the former member, Mr Hemmings, who negotiated some of the worst housing deals that we ever had in South Australia. It was Hemmings who was selling off Government housing; he could not sell housing off quickly enough to try to get a few dollars.

The Hon. J.W. Olsen interjecting:

Mr BECKER: A great negotiator? We covered up long enough for his behaviour in this House. He used to stand there and abuse us left, right and centre and break every principle of parliamentary decency that we ever had in this House. It really used to annoy me that we would befriend him and help him and he would accuse us of doing all sorts of unsavoury things. That was never on; that was never the attitude. This Party has always had a great history and great

principles and has been proud of giving the people affordable accommodation.

Any State Government should carry out two major principles, which are to obtain as quickly as possible full employment and affordable housing. Once you have achieved that you will soon sort out the law and order problems and a lot of the problems that we are experiencing in the community today. It was because the Labor Party could not say 'No', because it overstaffed the Public Service and its own departments and because it overstaffed here, there and everywhere with people who were neither competent nor capable that we got ourselves into this terrible financial mess. It was the fault of the Labor Party.

We can look through the Bannon years and assess some of those departments. There was the report on networking that was commissioned by the Arnold Government before the last State election. Several hundred thousand dollars of assessment was made by a firm of accountants, and the report was thrown in the corner. Nobody understood it and nobody understands it today, but we will have to go through and check that out.

There were several Government departments, about which the Auditor-General makes comment in his report today, where there were people who were not competent, capable or qualified to handle the huge finances of this State or even to understand them. Therefore, it is very difficult when we talk about accountability, let alone how to manage, balance and run an administration the size that we have inherited in this State. The administration must be reduced.

I love the Clare McCartys and the Jan McMahons who jump up and down and say, 'You won't do this and you won't do that.' I remind Jan McMahon that she does not employ anybody that she does not have to employ. There are no surplus staff in her organisation. She does not run a mass of charitable organisations by taking up the unemployment slack in this State. She knows what it is like to run a business; she knows how hard and difficult it is. I can remind her of a few lessons. I can also remind her of the person who gave her a reference many years ago to get a job within the Public Service. She probably would not be aware of what her dear father and I did to assist her.

If Clare McCarty continues as she is at present, she will do education more harm than good. Nobody has worked harder in my electorate than I have, and all my colleagues, to assist and ensure that we have the best State Government schools in the country. You, Mr Deputy Speaker, were one of the best Ministers of Education that we had in this State, but you were never given the credit for what you did. All you did was knocked by an Opposition in those days which sabotaged the education system and now wants to do it again. Let it be warned: we will stand up and fight for our schools and, by jingo, we will not tolerate sabotage of what we are doing for young people and future generations in this State.

There are plenty of us who have had quite enough of union interference and demands and tactics over the past 25 years. There is nothing that the unions have done that has been of great benefit to the students or the education system of this State. It is about time they realised that the people of South Australia, on 11 December 1993, opted for a private enterprise system. Let us now make that system work. We will not tolerate the actions of any traitors or anyone who wants to sabotage that system. It is about time that we flexed our muscles in that regard.

The shadow Treasurer criticises my Party and Treasurer for some of the things that have had to be done to balance the

financial affairs of this State. Let us look at the budget under the last Labor Government. The contribution from gaming machines on licensed premises was a budget estimate of \$8.7 million. It was not until 25 July, well into the beginning of this financial year, that we could get those poker machines into licensed premises and running and earning commission for the State. I do not believe that we should balance the financial affairs of this State on gambling. I do not like it.

I supported the concept of poker machines for licensed clubs, but when the move was made, at the insistence of the unions which had control over the Labor Party, that they should go into licensed premises, they lost me. It was simply not on. I abhor the continued and blatant advertising to entice people to participate in playing the poker machines. Whilst we will probably pick up about \$41 million, it is a crying shame that we have had to do this to help to balance the finances of the State. It was a charade and a sham. It is an illustration that the previous Government had its affairs so poorly organised that it put down a figure of \$8.7 million and it never got off the ground.

As a quick brief of some of the principles and attitudes that we experienced under the previous Labor Government, so good was its budgeting that it predicted that election expenses for last year would be \$3.8 million, but in fact they were \$4 452 000. Now we are looking at elections in South Australia costing about \$4.4 million or \$4.5 million. That is another area about which we ought to be very concerned. The figure has jumped dramatically. I can remember a few years ago when we budgeted for \$700 000 or \$1 million. It is now going to cost \$4.5 million to conduct a State election. The price of democracy has gone up considerably from that point of view. I use that as a highlight to demonstrate the poor administration of the previous Labor Government.

Another area that worries me is the high price of water and the future of good quality water in South Australia. The fact is that we do not have the necessary financial resources, and nothing was done under the previous Administration to repair or replace the ageing assets of the EWS. The department now depends considerably on excess water. In 1993-94 the EWS earned \$102.7 million in excess water, and this year it is hoping to get about \$109 million. However, what concerns me is the high cost of the chemicals that go into our water supply. Something like \$5.6 million will be expended this financial year on chemicals for our water supply. Even in the sewerage system about \$1.3 million will be expended on chemicals. Therefore, each and every one of us should be concerned at the high levels of chemicals that are needed to purify our water so that we can put it on our gardens.

Interest on borrowings, estimated in 1993-94, was \$873 million. In fact, we paid out \$852 million. This financial year about \$926 million will go on interest on borrowings. Some \$2 500 000 per day will be expended on interest payments. That is a recipe for disaster. The figure of \$2 500 000 per day could employ a lot of people, build many schools, provide hospital beds and do much good for South Australians. If we did not have to make that sort of payment, we would not have such a huge debt.

I admire the Auditor-General. Over the years I have built up one of the best collections of Auditors-Generals' reports by any politician in Australia. In South Australia we have been well served by Auditors-General. I think that our present Auditor-General, Ken MacPherson, is outstanding. I do not want to embarrass him but, when one looks at what he has done for South Australia, I think he deserves greater recogni-

tion and recompense than he is getting at the moment. We should not discuss that publicly, but I commend and thank him for the report that he has presented to Parliament this afternoon. It is the first time that it has been brought forward in three volumes. There is so much information here that one could talk for hours about the highlights and the benefits.

He has set out the report with such clarity that one can pick it up and glance through it and easily pick out some of the highlights. For example, on page 194 there is a comment about the proposed merger of the EWS Department and the Electricity Trust of South Australia. The previous Labor Government wanted to merge those two organisations and on that proposal it spent \$2 500 000 which went out of the window. All the preliminary work—the paperwork and the background work—that went into the merger of those two organisations was abandoned and \$2.5 million has gone down the drain.

We find that the previous Labor Government did not think about money. A question was asked in the House this afternoon about a conference that started at a cost of \$300 000 and ended up costing \$760 000. The accounting, the preparation and the provision for that conference was inept, and no wonder: the Minister responsible is the Deputy Leader of the Opposition today. As I keep saying, he is the highest paid Deputy Leader in Australia with the smallest number of members of Parliament. No wonder, when he spends money like that.

The DEPUTY SPEAKER: Order! The honourable member's time has expired.

Mr CLARKE (Ross Smith): I was observing the member for Peake and I noticed that the little badge that the Premier has been giving out to members of Parliament is upside down: I think it is an international sign of distress. It is appropriate, given the budget that the Treasurer handed down only a little over a week ago. What truly amazes me is that the Treasurer's speech contained so little information. One can appreciate that, given that the entire election manifesto of the Government, the then Opposition, was torn up in that budget speech.

Every one of the sacred promises made to the people of South Australia with respect to increases in funding in health and education, to public sector employment, and to maintaining and protecting existing rights to superannuation for public servants and other Government employees have been progressively torn away and finally unveiled in full in the Treasurer's speech.

What also amazes me is that the then Leader of the Opposition, the now Premier, had no need to make those extravagant promises at the end of last year to win the last State election, as has been conceded by all members in this Parliament. There was no need to promise that there would be no new taxes and that there would be increases in expenditure on health and education, because the Liberal Party had the election won with the State Bank problems confronting the then Labor Government.

However, it is entirely inappropriate, in fact it is absolutely misleading of the Premier, to argue that no new taxes have been introduced in this Government's budget. I refer to what has already been said by my own Leader and by the member for Playford, the shadow Treasurer, with respect to increases in land tax and payroll tax. Let us look at other tax increases. An unemployed family man or woman with three school age children who need public transport to travel to school will now be required to pay \$200 per student per year—or \$600

for the three children, coming out of the pocket of an unemployed family man or woman—whereas previously they had free public transport. That is an extra \$12 a week out of his or her pocket. They will no longer be able to afford food and other necessities of life, because they have suffered a tax impost through the withdrawal of the free public transport system for persons on school card.

If a person has only two children, the withdrawal of that public transport subsidy means an \$8 a week back door impost by this Government. The tightened eligibility rules for the school card mean that families that did not previously have to pay will now be required to pay school fees; that is a tax impost. I can cite examples of schools in my electorate that will be impacted upon severely. For instance, 95 to 97 per cent of the children attending the Blair Athol Secondary Language Centre are on school card, and many of those children have to travel by public transport because they come from all parts of Adelaide. Children attend that school for 12 months to bring their English language skills up to speed so that they can enter mainstream secondary schools. They will be severely disadvantaged. They have been subjected to a huge impost through a back door form of taxation.

At the Kilburn Primary School, 91 per cent of the children are on school card. Northfield High School has lost three teachers and one coordinator. The school card population of that school is 34 per cent, and most of those children use public transport.

For those in our community who are waiting for Housing Trust homes or who are living in Housing Trust homes, there will be increases in rents. Market rents will become the name of the game. That is another tax impost on those members of the community. Those people who are waiting for a Housing Trust home and who are employed but on a low income will no longer have access to Housing Trust homes, because the budget speech makes quite clear that the Government will be directing Housing Trust homes only to those who are welfare beneficiaries. That is another huge tax impost, a back door tax impost, on low wage earners—those who are employed but who cannot afford private rentals or a home of their own because of their low income.

The closure of schools and the increases in class sizes represent further tax imposts but on our children's education. In this State, with few natural advantages, educated and skilled people are our hope to bring us into the twenty-first century on the basis of attracting industry in high growth and high value-added technology. Without a first-class education system in this State, we will not be able to utilise the skills of our people. Unless we have a skilled work force and an educated community, we will not be able to utilise and take advantage of those new industries that require high technology and, above all, a well skilled and flexible work force. That is another tax impost on our children and on our children's future.

The degradation of our State services in terms of public infrastructure and the reduction in services to the community as a result of redundancies in the Public Service is another tax impost. A five year wage freeze for public servants is a savage tax impost. The last general wage increase for public servants occurred in August 1991, when there was a general wage increase for both public servants and for other wage earners in the community. There has been no wage increase for those people since then, and the State Government has announced that there will be a wage freeze for a further two years. Obviously, with increases in the cost of living and

other price imposts, those people are bearing an unfair burden. It is another tax.

[Sitting suspended from 6 to 7.30 p.m.]

The SPEAKER: My attention has been drawn to media comments made by the member for Torrens concerning the actions of the Chair in Question Time this afternoon. The member is the newest member in the House and I attempted to assist her to make a point of order. I respectfully suggest that the member read the Standing Orders more carefully. The Chair pointed out to the member that the member's remarks were inappropriate although, in the view of the Chair, not unparliamentary in terms of the Standing Orders. As a consequence, I point out to the member that the Chair must uphold the Standing Orders.

I further add that the Chair takes the strongest exception to the comments made. The Chair has endeavoured to be absolutely impartial in the handling of affairs and has bent over backwards to assist new members. The Chair is far from impressed with the honourable member's comments, which could be interpreted as a reflection on the Chair.

Mr CLARKE: Prior to the dinner adjournment I was listing a number of tax imposts which have not been described as such by the Government but which, nonetheless, for the average member of the community would be regarded as tax imposts. Without labouring the point, I refer to the abolition of public transport subsidies with respect to persons holding school cards; depending on the number of children travelling to school by bus, that could mean an extra \$12 a week for a family with three children or an extra \$8 a week for a family with two children, and that is a form of back door taxation. I said that, in effect, a five-year wage freeze for public servants is a savage tax impost.

All these tax imposts fall on those members of the community who are least able to bear them and who are unable to protect themselves. They are largely meaningless to residents living in the eastern suburbs of Adelaide, such as the electorates of Waite or Bragg, because people do not receive subsidised public transport as their household income can bear those costs.

The Government's argument with respect to the budget is that it had no alternative but to do what it did in terms of reining in the State's deficit. No-one from this side argues that the State's debt level did not need to be addressed. However, contrary to the views of the Government, members of the Opposition believe that the State debt must be addressed equitably and in the context of social justice, for all the reasons that I outlined prior to the dinner adjournment. Members opposite forget that, at the end of the Tonkin Government in 1982, the level of debt in South Australia, as a percentage of gross State product, was about 23 per cent. Until 1991, the percentage of State debt of gross State product was reduced steadily under successive State Labor Governments to approximately 16 per cent. Unfortunately, with the State Bank bail-out occurring in February 1991, that percentage increased significantly beyond 20 per cent. That shows that a State Government can rein in debt; it can bring the State's finances into order—

Members interjecting:

Mr CLARKE: If you will pardon me, Sir, I am mesmerised by the member for Playford. I am taken aback by his sartorial elegance. Obviously, he has ministerial potential, Sir, as has the member for Coles, who is sitting on the front

bench very close to the leadership position which she so much desires.

The SPEAKER: Order! I suggest that the honourable member now refer back to the debate.

Mr CLARKE: I notice that the member for Playford almost cut his throat, as he has a bandage over it. I am sure the damage was not done by one of his colleagues. As I was trying to say before I was blinded by the brilliance of the member for Playford, members opposite have forgotten that a State Government can rein in our debt, can achieve all the objectives it sets out to achieve over time and with compassion, while still maintaining the best education system, health system, industrial relations record and workers' compensation scheme in Australia. They are features of which we should not be ashamed, but, indeed, of which we should be proud.

This is analogous to the situation that obtained 100 years ago when South Australia led the world in giving women the right to vote and stand for Parliament. Just as we were trailblazers then, so South Australians can be equally proud of saying that we have amongst the finest services, in particular our education resources, that we can offer our citizens. We should not for any reason seek to reduce those standards, because we showed between 1982 and 1991 that we were able to reduce significantly this level of State debt by careful management, by revenue raising in specific areas and, in particular, by restructuring the Public Service to make it more responsive, but at the same time treating the personnel with fairness in terms of wage equity. It has been done and it would be done under a Labor Government.

Mr Brokenshire interjecting:

Mr CLARKE: The member for Mawson interjects about the years 1991 to 1993. Obviously, overwhelmingly due to the State Bank, our financial difficulties were exacerbated. The honourable member obviously was not listening to my earlier contribution. We basically went back to 1991 with the State Bank debt. It was the same percentage of gross State product with which the former Tonkin Liberal Government left the incoming Labor Government in 1982. We were able to address that. You do not have to slash, burn and cut services as is proposed and has been done by this Government, thus dramatically affecting equal opportunity rights, particularly for people on a low income or virtually where they are dependent on welfare benefits from the State through no fault of their own. That has come about because of the economic restructuring of this State, which has seen a dramatic increase in the level of unemployment and has also affected a whole range of other areas.

In conclusion, rather than the Premier's constantly chanting as a mantra that the Government has not increased taxes—the 'Read my lips' George Bush type refrain of the 1988 presidential elections—the fact of the matter is that there have been dramatic increases in taxes which have already been outlined by the member for Playford as our shadow Treasurer. However, this Government has imposed through the back door significant tax imposts which attack the very structure and fabric of our society. In my view there is nothing more important in South Australia than health, education and public housing.

Public housing should be available to those people not only on welfare benefits but also on low incomes, so that they can be well housed. One of the most fundamental points about a healthy society is the need to have good, affordable housing which is well maintained. The fact that South Australia has nearly 12 per cent of its population in public housing compared to the national average of 6 per cent stands

to the credit of previous State Governments, both Liberal and Labor, which have strongly supported public housing.

That is the difference between other western societies and our society in South Australia, where we are relatively violent crime free. We do not have a national policy, as does the United States or the United Kingdom. Those countries basically encourage homelessness among the poor and the dispossessed, whereas the Housing Trust, as a matter of public policy, has been able to ensure that people can obtain housing in this State. That is very important to our social fabric. Although there is a cost to the community in providing people with health care, education and housing, the cost of not providing those services is infinitely worse in terms of drugs, violent crime and the other social ills which bedevil much of the industrialised western world.

With the dissolution of the former Soviet Union and other parts of Eastern Europe, those countries have been forced to accommodate themselves to the ravages of naked capitalism without any social safety net, and we have seen the enormous social dislocation that has occurred there, where the State has not been able to put out its hand to help those people in greatest need. We will rue the day when we forget those principles as our basic tenets.

Mr BROKENSHIRE (Mawson): I think all South Australians realise that the budget brought down two weeks ago by the Brown Liberal Government is a tough budget. It has had to be a tough budget, but it is also a very firm and fair budget, particularly given the massive debt that South Australians have had to address through the absolutely abysmal directives of the previous Labor Government from 1991 until, thank goodness, we finally got rid of it. We only have to look at the bar graphs and the underlying recurrent budget deficit we have talked about so much in this Parliament—

An honourable member interjecting:

Mr BROKENSHIRE: We will talk about the south later on, when I will demonstrate that people in the south are no longer forgotten. I will not spend time on that matter now; I will have a lot of time later on in the debate on this Bill to devote to the south, and I ask the rabble opposite to listen then to what I have to say regarding my electorate and the benefits that this Government has clearly given the south. Even with the tight reining in of finances by the Brown Government, it has been shown that the recurrent budget deficit will peak out at close to \$450 million for 1994-95. But the good news for South Australia is that by 1997-98 not only will we have a balanced budget but, as long as we do not have too many droughts and other hiccups, we will have started getting into a positive budget situation, really getting this State back on the true road to recovery and prosperity for our children and our future.

When I sit in this House, read the newspapers or move about in my electorate, I wonder whether the Opposition should be known any more as the Labor Party: I would rather call it the 'Negative Party', first, because of the way—as we all know—that when members opposite were in Government they drove our State, our economy and our future down to an all-time low, even worse than in the depression of the 1930s; and, secondly, because with every positive initiative and every ounce of ability shown by this Government in an attempt to achieve economic reform, restructuring, initiatives and sustainability in this State, it is claimed by the Opposition as being a negative. Then, of course, when we talk about being negative, the biggest negative of all so far, according

to the Opposition, is the budget—a budget that will restore confidence to South Australia, that will guarantee our future sustainability and at last give this State real direction.

In talking about members of the negative Party, the member about whom I have read most this past week is the member for Hart. Let me look at the honourable member's record and see how negative his attitude is. I remind the House that the member for Hart was a senior adviser during the demise, debacle and destruction of the previous Government, and members should never forget that. The member for Hart has been the major spokesperson for the Opposition of late, yet claiming that he does not want to be in the limelight, that he is simply there doing a job and one day he would like to be a Minister.

However, as long as I have air in my lungs I will make sure that he is not a Minister because he will be sitting in Opposition in the negative Party and not sitting with the positive Party which is getting South Australia going and making sure that it continues to develop. What about the Leader of the Opposition? Where has he been in the past week? Perhaps he has been on long service leave again. If anyone was going to speak about the budget from the negative Party opposite, I should have thought it would be either the well dressed Opposition Treasury spokesman or the Leader. But, no, who was it? It was the member for Hart, the adviser during the demise of the previous Government and who is now clearly undermining the Leader of the Opposition. Obviously, his aim is to become the youngest Leader of the Opposition. Not only may he be the youngest Leader of the Opposition but also he may have the shortest tenure as Leader of the Opposition, because the member for Hart is attempting to hoodwink the public of South Australia for his gain and not South Australian's gain—it is for his gain alone.

We need more than that. We need a positive Party opposite that will work with us to restore the confidence that is so badly needed, as I have stated repeatedly to the House. Sometimes I find the member for Hart's comments so negative that, when he got home tonight, if his spouse gave him a ticket to a lonely island for a week, he would have to say 'No', because that is his negative style. I feel sorry that the member for Hart cannot start to see some positive direction for South Australia.

Already tonight we have heard about the supposed economic managers opposite. We all know why the collapse of this State occurred. The former Government's last budget was the biggest furphy of them all. For the record, I remind members that even two weeks out of the last election the former Government was arguing whether its budget had an underlying recurrent deficit of \$100 million or \$80 million and questioning whether it was worth letting the Premier know, because there was just another \$100 million involved. What is another \$100 million when you are already in debt to the tune of \$8.5 billion, notwithstanding the unfunded aspect that needed to be addressed as well?

Mr Becker: They think money grows on trees.

Mr BROKENSHIRE: Of course, they think it grows on trees because they have had it handed to them the easy way for too long and we have been left to take the hard decisions. The former Government, when it assesses budgets, always talks about how its members represent workers and questions how members on this side would know of the difficulties experienced by workers. Tonight I would like to talk about my own family, a true Australian family in the best middle class tradition—with my father, a 100 per cent war pensioner, still working as a bread carter and eventually becoming TPI,

living in a war service home. He had to ride his bike to work at 4.30 in the morning and he only ever purchased early model secondhand cars.

Members opposite talk about the Liberal Government's cutting back on free travel for students. I had to ride a bike from Plympton Park to Urrbrae every day, but it did not hurt me. It was good exercise and I was proud to ride that bike, because I knew that Mum and Dad could not afford to pay bus fares for me. What is wrong in riding a bike now and again? There is nothing wrong whatsoever. My point is that my parents knew how to balance the books: they knew that it was not worth borrowing above their means and that it was better to pay cash than to put purchases onto a plastic Bankcard, so they lived within their means.

That is something that this Government is now bringing back into reality through the budget that was released last week. The Opposition members, with their snouts clearly still entrenched in the trough, did not heed this direction. Now all in our State have to wear the consequences, and remember, it is because they had their snouts in the trough and took their eye off the ball that all South Australians now have to pay. They were the spend now and borrow now Government, and who gives a damn about the long-term future of South Australia! It was certainly not the negative Party, the members of the Opposition when they were in Government.

It is interesting to hear Clare McCarty and SAIT claiming great success in having supposedly 1 000 people at the Festival Theatre, or wherever it was, on Saturday. Of course, we all know that, if you claim 1 000 people, you probably ended up with 500 or 600. Some of the teachers who fold letters for me of an evening and on weekends and who go out letterboxing for me told me that they attended a meeting of SAIT on the Friday before the Saturday, and that time after time the red raggars—as these teachers call the Clare McCartys of this world—were saying, 'We must get the numbers there on Saturday; we have to get the numbers; we have to make it big; we have got to get some impact into this and let the people think that this Government has failed them in education.' Well, Mr Speaker, the only people who failed were the Clare McCartys, and they will continue to fail because, as we have seen recently, they are more hellbent on building up their own empire than in truly representing the people whom they should be representing.

We are about addressing the budget deficit and making sure that we get the household accounts of South Australia in order. We are very lucky in this State because, in the past eight months, this Government—and not by waving big flags or going out dramatising etc—has brought on so much restructuring and so much reform that we have actually been able to place a lot more positive initiatives into this budget than would otherwise have been the case.

I would like now, for the benefit of this House and the *Hansard* record, and in particular for my own electorate, where I obviously have my most concerns, to talk about the increases in the budget, rather than the so-called negative factors from the negative Party on the other side. I refer to the economic development increases, where \$150 million has been put to create real increases in jobs, in addition to the 17 500 real jobs that we have already created in the nine months that we have been in Government. We pledged 12 000 jobs in the first 12 months. We have already exceeded that to the tune of 5 500 jobs, and we are on the road to recovery. With respect to tourism, the largest growth industry in Australia, we have only to look at the figures today in the paper to see what the previous Government did to our

international tourism, because once again it is enforced. We have taken the bull by the horns and put an additional \$8 million into the tourism budget for infrastructure to make sure we capitalise on this growth.

Capital spending is up by 14 per cent, greater than \$1 100 million. That is the only real way a Government can create jobs, and that way you do generate real jobs. We have put an additional \$90 million into schools, pre-schools and child care centres. We have seen \$82 million being spent on new health care facilities throughout South Australia. With respect to education, whilst we have had to make a cut to the number of teachers, it is nowhere near the massive percentage that the Clare McCartys dramatised time and again before the last election, and beyond. We are not closing anywhere near the number of schools the previous Government closed in the same period, and we are putting more money into the early years of strategy in education. Behaviour management is badly needed, because the poor teachers, whom I feel so sorry for, have had to put up with a soft Government for 11 years that undermined the basic fabric of society, namely, respect and responsibility. That is where the teachers have had the most difficulty, and we will put money into behaviour management.

Mr Clarke interjecting:

Mr BROKENSHIRE: From time to time a bit of behaviour management for the negative Party opposite would not go astray.

Mr Clarke interjecting:

The SPEAKER: Order! The honourable member has had a particularly good run from the chair.

Mr BASS: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr BROKENSHIRE: We can also talk about the money being spent in education on curriculum statements and profiles, on literacy and numeracy initiatives and on the badly needed maintenance and minor works that the previous Government neglected throughout the public sector to an unbelievable extent, which no ordinary person in South Australia would allow to occur with their own house. The list goes on and on. I only have a few minutes left, so I will leave those positives for another day because there are pages of them.

Now I have great pleasure in talking about the south. Members opposite hate it when I get up here and speak about what our Brown Liberal Government is doing for the south, because they know that one of the big things that tossed them out of power was the fact that they neglected the south and treated it with contempt time after time. Those of us in the south who have lived there for years, and who did not just shift in because we wanted to win a seat, believe in the south and we fight for it. Because we fight for the south, people in the south will be the biggest winners in future from the Brown Government. I will quote a few of the initiatives. In relation to roads just in my electorate in the south, we are speeding up the progress of Panalatinga Road and are spending another \$7.4 million this year. We have heard about the rhetoric of the third arterial road: well, this Government will build the third arterial road, and we will start that road at the end of 1995, and in the budget the design and survey work for the provision of that road is in place.

Much maintenance money has been spent in the electorate of Mawson: \$160 000 at Hackham East Primary School; \$100 000 at Wirreanda High School; a \$1.3 million new development for an arts/science faculty at Willunga High

School, so desperately needed; Woodcroft Heights, a 40-place pre-school worth \$550 000; and another \$4.72 million worth of capital works on education. Flinders Medical Centre will receive accident and emergency upgrades of \$2 million. The Noarlunga Hospital has never been happier than with the Brown Government and it is out there beaming because that hospital is at last going places. It is not just there for the public to look at; it is there for the public to use. The McLaren Vale Hospital, the hospital that this previous Government had determined to close down, now has reinstated viability. The southern sports complex, which Kym Mayes, when Minister, called the Taj Mahal, is now reality. We are spending another \$1.5 million there.

The south is winning out of tourism, with \$750 000 in the budget this year for the McLaren Vale visitor centre. The Family and Community Services Minister, who we all know does an excellent job in this State, has given \$396 000 over three years to the Noarlunga and Willunga districts for family and community services development through neighbourhood centres, and that is a real coup for the south. The main street enhancement program for McLaren Vale has been given \$15 000, to start up a reinstatement of economic viability in that country town—and, once again, for the south the list goes on.

If the constituents of Mawson would like to contact me later I will be glad to let them know a lot more about other initiatives for the south but, with three minutes to go, I need to get back to a few conclusions. We have heard a lot of raucous rabbling and screaming from members opposite, because they do not like hearing the truth. They do not like the fact that this Government has taken the tough decisions, is getting progress in this State, will not deflect from looking after the majority of the people and will get on with the job that on 11 December we were put in to do. In conclusion, let us finally summarise this budget. This budget is a new birth for South Australia; there is no doubt about that. Members opposite do not understand it, but we know they were never economic managers. This is the birth of South Australia. This budget will stop the bleeding. We know we have to accept a little bit of pain when we stop the bleeding, but if the wound heals then we have achieved what we set out to achieve.

I am sure that the wound will heal as a result of the birth through the initiatives in this budget. There are no magic answers to fixing up this State, and we all know that. We cannot rely on winning the lottery, as the previous Government thought we could. Of course, winning a lottery will never achieve sustainability anyway. It is back to basics. It will still be a long road to total recovery, but I am very glad to say that there is clearly light at the end of the tunnel. There will still be peaks and troughs, but at least we will be on a positive incline all the time. That is something that we have not seen in the past, but we are already on that positive incline, and that will continue. I can say now to my electorate and the people of South Australia that we can truly look forward to the future with confidence, new vitality and a positive direction for our children, their children and the total future of this State. I endorse the budget to South Australians.

The Hon. M.D. RANN (Deputy Leader of the Opposition): First, I was not in the Chamber when the Minister for Mines and Energy made what I believe to be a disgusting and cowardly attack on a new member of Parliament. I believe that if he has any basic decency he should have the guts to

come into this Chamber and apologise not only to the member concerned but also to this Parliament.

Mr CAUDELL: I rise on a point of order, Mr Speaker, on the issue of relevance: what has this to do with the budget?

The SPEAKER: Order! I have to point out to the member for Mitchell that these debates are wide ranging, and members have already ranged over a number of issues. I cannot uphold the point of order.

The Hon. M.D. RANN: If the Minister wants to conduct himself like a 14 year old schoolboy he will be treated like one. To return to the budget, it is quite clear that the impact of this Government on small business is becoming increasingly focused upon. First, we had a series of broken promises by the Minister for Industrial Affairs, made on the front steps of this Parliament to small business, about Sunday shopping. People have long memories. It is interesting that when this is raised in Question Time and in speeches before this House the Minister for Industrial Affairs smirks. He thinks it is a joke; he thinks that small business and small traders are a joke.

The Hon. G.A. INGERSON: I rise on a point of order, Mr Speaker. Whilst I am a big boy and accept that there are gibes across the floor every now and again, it is unrealistic that the Deputy Leader should be making the comments he made, and I ask him to withdraw.

The SPEAKER: Order! The comments are not unparliamentary, but they rank in the same order as other comments made today, which were unnecessary and unhelpful. In view of his earlier remarks I suggest to the Deputy Leader that he choose his words more cautiously.

The Hon. M.D. RANN: There is quite a difference between referring to someone in personal terms and referring to a speech made on the front steps of this Parliament. Certainly, it is quite clear: on the issue of land tax we saw again a deliberate con aimed at small business by the then State Liberal Opposition. Of course, at the last election, the Liberals' policy on small business promised to review land tax and its impact on small business, and to introduce—wait for it—business impact statements for all new regulatory proposals affecting business and industry.

There was no review, as was promised, of land tax; and there was no business impact statement. Indeed, the recent State budget doubled the number of small businesses paying land tax. So, the Liberals, not just the frontbench but the backbenchers, went round before the last election telling small business that the land tax burden was too great and needed to be reviewed. However, instead of reviewing the impact of land tax on small business, the Premier has decided to impose land tax on an extra 30 000 small business people and owners of rental premises. This is the result of the announcement in the budget that the \$80 000 property value threshold on land tax was to be lowered to \$50 000.

This effectively doubles the number of people paying land tax, which will be an additional \$100 slug. People fear that this will be the thin end of the wedge. Those existing 27 000 businesses already paying land tax will also be faced with an extra \$100 tax bill in addition to the 30 000 that were previously exempt. This comes on top of the Brown Government's decision to introduce Sunday trading for big business, which will send many small businesses to the wall: yet another broken election promise from the Brown Liberal team, despite what the Minister for Industrial Affairs said today. The fact is that the Premier and his team have betrayed the small business community and are now working to undermine its potential.

Small business has the best and fastest chance to generate jobs. As the Australian economy rebounds from a national recession, it makes no sense at all to hit small business hard just as enterprises are starting to come up and take on jobs. There is another area that was partly in the budget. We saw school card but, of course, there is also the fact that the State Opposition was given a copy of one of the Hon. Diana Laidlaw's Cabinet submissions. Apparently, she says she was not rolled; the Premier says she was rolled; then later on she said that perhaps she withdrew it, and various other things. But the Minister for Transport's document, which she signed in the week before the budget and which I understand is currently being reworked in her office and in her department with the assistance of Treasury officials, would mean that public transport ticket fares would skyrocket, with pensioners, families with schoolchildren and long distance commuters, particularly those in the southern and northern suburbs, bearing the brunt of fare increases which, under the initial Laidlaw plan, would see the cost of some journeys treble.

That leaked Cabinet document that we revealed last week said that fares would increase by an average 9 per cent, more than four times the rate of inflation. And it said, and it was denied at the time, that free school card tickets would be scrapped altogether if the plan went ahead. We were then told it was being withdrawn, it was not going to happen: apparently, she signs bits of paper that get knocked over. But school card was in fact withdrawn as a result of this election. What we are seeing is moves across the board that are aimed quite obviously at disadvantaging people in the outer suburbs, in the southern suburbs and in the northern suburbs, in order to prop up, through some sort of political scorched earth policy, those people in the inner city area. That price hike will rake in an extra \$2.6 million, while the cancellation of free school card tickets will save another \$3.5 million: an extra \$6.1 million in a year from those who can least afford it. That document also proposed a complex, four zone pricing system for tickets, with distance based fares, to begin in January 1995.

That is what the Minister has been asked to rethink. That is what she went back to her department and had hysterics and a few tears about. We are seeing a new submission currently being worked upon. I look forward to the releasing of that submission in this Parliament before it hits the deck. The document signed by the Minister for Transport states that free school card tickets will be scrapped, costing families \$200 extra per child per school year in fares; that cheap inter-peak tickets favoured by pensioners and seniors will be scrapped; and that people in outer suburbs should look for work locally and not be encouraged to travel to the city to find work regardless of where their jobs are. What an amazing piece of foresight from Minister Diana Laidlaw from the cocktail circuit of the inner city. She says that people in the outer suburbs should find jobs locally instead of having to travel.

These changes would see fewer people taking public transport and it states that patronage will drop by 2.4 per cent. It states that \$500 000 needs to be spent on new software and—wait for it—an advertising campaign explaining these complex changes and seeking to present this unfair initiative in a better light to the public. People are not so silly.

A great deal was said before the last election. The present Premier released the South Australian recovery program in December 1993, which forecast a range of assets to be sold. One of them was the Urban Land Trust property. The others were the assets of the Pipelines Authority and the sale of

SGIC, the Central Linen Service and the Adelaide Entertainment Centre. Today I asked a question in this House of the hapless Minister for Industrial Affairs, and he said that there were no plans to sell the Entertainment Centre even though it was in his Premier's election document. Yet another promise bites the dust!

Returning to asset sales, the Liberal Government's debt reduction strategy depends almost solely on \$2 billion in asset sales as announced in its recovery program last December. Given the significance of asset sales and the Government's overall budget strategy, one would expect it to feature prominently in this budget. Yet of the several hundred pages of budget documents, the chapter on asset sales is only a page and a half long. Despite all the hoo-ha before and after the election, there are just one and a half pages and no figures are given. Asset sales have now been totally removed from debt estimates, whereas in the May financial statement the sale of the State Bank was still factored into debt reduction estimates.

When the asset sales strategy was announced last December, the Leader of the Opposition pointed out that it was simply not achievable. Standard and Poor's, one of the State's major rating agencies, has also claimed that the asset sales program was too ambitious and that the State may suffer a decline in its credit rating if the Government did not achieve its target. This budget only reinforces those concerns and highlights the total lack of progress that the Government, through the asset sales task force, has made on the disposal of Government assets. Again, there is no gain there.

The Government has delayed the sale of the State Bank by at least two years. In consequence, \$75 million of Commonwealth compensation has been withheld. By not proceeding with the sale of the bank in 1994-95, as was planned by the previous Government, the 1994-95 budget will be \$400 million worse off in net terms and the Government will miss out altogether on interest savings of \$160 million which could have been made in 1994-95 and 1995-96.

To date the asset that the Government has managed to sell is its shareholding in Amdel. The Government's record on asset sales is appalling and its strict policy regarding the float rather than the trade sale of various assets will lose this State many millions of dollars. If Sagasco, for instance, had been floated under the former Arnold Government, as the Liberal Opposition had proposed, rather than being sold through a trade sale, the State would have lost \$70 million.

Let us talk about the asset register. There are some interesting omissions from this budget, especially considering the time that the Government had to prepare it. The Federal Government supplies over 50 per cent of our budget. We have never had such an early Federal budget, yet the State Government took until two weeks ago to deliver its own budget.

As of yesterday, we did not even have the Program Estimates. I think that is an appalling delay. Despite all this time, there seems to be no mention in the budget of the so-called \$10 billion black hole, which the Government created on the release of the Audit Commission report to try to justify breaking its election promises. We all remember the famous line—the '\$10 billion black hole'—which was created solely for the purpose of a headline in the *Advertiser* and which, of course, surprise, surprise, duly made the front page. So, where has the black hole gone? It does not seem to be mentioned at all in the budget.

The Government has said that this pain is necessary to try to reduce debt and meet its economic targets, but the simple fact is that this so-called black hole was created by comparing a balance sheet of State assets in last year's budget with a balance sheet of assets released by the Commission of Audit. South Australia's assets had apparently lost \$10 billion in value overnight. The Premier failed to mention at the time, however, that major assets such as the national parks and so on were not included in the Audit Commission's balance sheet and that different valuation methods were used. It was absolute dishonesty—he knows it and so do his Government, his Treasurer and his Treasury officials. Given all the attention which the Government placed on the value of the State's assets at the time of the Audit Commission, one would have thought that the budget papers would update and revise the balance sheet of State assets which was contained in last year's budget. Instead, the Government has abolished altogether this balance sheet and provides no information at all on the estimated value of net assets. So, I am waiting for the *Advertiser* headline: '\$10 billion black hole disappears'. I wonder how long I will have to wait for that.

An honourable member interjecting:

The Hon. M.D. RANN: I know there will be fairness, and I am sure that it will be reported as a result of the Estimates Committees. I turn now to ETSA and the EWS. This budget syphons a record \$236 million from Government trading enterprises. The Government has embarked on a feeding frenzy of its major cash cows, representing hypocrisy of the highest order. The Liberal Government often criticised the former Administration for the level of contributions made by ETSA to the budget, but never have they been of this magnitude. The current Premier when in Opposition labelled returns from ETSA as 'backdoor taxation', and his response to the 1992 budget promised that 'a Liberal Government will stop using ETSA as a branch of the State's tax office'. That is what this current Premier said before the last election.

Last week's budget took the biggest slice ever out of ETSA and the EWS. The contribution from Government trading enterprises to the budget will rise from \$115 million last year to \$236 million this year—a massive 104 per cent increase. ETSA's contribution will rise from \$100 million in 1993-94 to \$135 million in 1994-95. The EWS will make an extraordinary contribution of \$51.6 million. PASA's contribution will rise from \$11 million to \$17.3 million. So, instead of repaying debt, the EWS has been asked to make a special contribution to the budget to help balance the books. Last year, the EWS paid \$58.5 million off its own debt and made no contribution whatsoever to the budget. This year, the EWS has been asked to pay a massive \$51.6 million to the budget and, as a consequence, has not been able to pay a cent off its debt.

The Minister for Infrastructure has tried to claim that this treatment of utilities is in line with the Hilmer report. We all saw the trouble that his good friend the Premier got into at the Business Council of Australia's seminar on Hilmer. In fact, delaying debt repayments will delay the efforts of these enterprises to become fully competitive, as recommended in the Hilmer report. I suggest that the Minister for Infrastructure and the Premier actually read the Hilmer report.

The money being syphoned off could have been used to reduce further water and electricity tariffs to help South Australian industries become more competitive. Under the former Government, electricity tariffs for small to medium industries had dropped in real terms by 17 per cent since 1985 and were reduced by 33 per cent for large industry users. We

await the increases country water and power users will face if the Audit Commission recommendations are followed through.

Of course, we go on to public sector cuts. Work force reductions in budget agencies over five years to 30 June 1997 are estimated at 10 500 employees. This confirms that the Government will cut around 6 500 public servants over and above the level that it promised. The figure is closer to 7 500 when trading enterprises such as ETSA are included. That makes a total mockery of the Premier's promise to maintain services—

An honourable member interjecting:

The ACTING SPEAKER (Mr Venning): Order! The member for Peake will stop interjecting.

The Hon. M.D. RANN:—and his concern for the public sector. In response to Meeting the Challenge last year, the then Leader said:

A Liberal Government will not go beyond the 3 000 jobs proposed by the present Government. We will place a priority on maintaining services in essential areas. Where cuts are proposed in core services, they will be reviewed.

So said the current Premier of this State. Basically, he wonders now why he is known throughout the community as 'tricky Dean'.

Members interjecting:

The ACTING SPEAKER: Order! Members will resume their seats. The member for Mitchell.

Mr CAUDELL (Mitchell): On Thursday 25 August 1994 the Government handed down its first budget. One of the budget's aims is to reverse the uncontrolled growth in debt in South Australia in recent years. The previous Government's past four budgets had forced up debt in this State by \$4.2 billion whilst at the same time reducing the number of private sector jobs and community services—those very same private sector jobs that previous speakers have been bleating about. The priorities of this budget are: to restore the State's finances and reverse the uncontrolled growth in debt; to accelerate reform in the delivery of key services; to improve efficiencies in the Public Service; and to achieve a sustainable economic recovery which will provide more jobs in the private sector.

As interest rates increase, reduction in debt becomes important. Our interest costs are \$920 million net per year, with our debt running at \$9 232 *per capita*. The Government's budget strategy for the next four years was established in the Treasurer's Financial Statement, which was released on 31 May 1994. This strategy includes the elimination of the underlying deficit by 30 June 1998 and a reduction in the level of public sector net debt, aside from the proceeds of extraordinary asset sales, so that it will be lower in real terms by 30 June 1998 than at 30 June 1994.

The reduction in underlying deficit by June 1998 means that we will be not be adding to our net debt but ensuring that during that period our net debt is also reduced. In simple terms—and obviously members of the Opposition have failed to realise this—the underlying deficit is that amount of money that the Government and its agencies spend each year in excess of their income. We have heard previous Opposition speakers make a number of statements, and obviously they abide by the old adage: never let the truth get in the way of a good story. This afternoon we heard the member for Playford say that he is proud of what they have done in the past. He is obviously proud of the fact that in the previous four years the State's debt was increased by \$4.2 billion.

The honourable member is proud that he has tied an albatross around the necks of South Australians until at least 1998 and beyond. He is obviously proud of misleading this Parliament with regard to the financial situation created by the previous Government. He talked about the levels of public housing and said that from 1982 to 1993 the Labor Government maintained the level of public housing, but we are all aware that, in 1993-94, 2 346 new public housing units were established in this State and that the level of new public housing in 1992-93 was 754 units. There was a reduction in excess of 300 per cent between 1983-84 and 1992-93. Yet despite that 300 percent reduction in public housing stocks, the Opposition has the audacity to stand in this House and say that it looked after public housing in South Australia.

I sometimes wonder about the gall and the latitude of some members. I understand why the word 'lie' has been removed from the parliamentary dictionary: if it were in the parliamentary dictionary, we would be on our feet raising points of order every time a member of the Opposition spoke. The target for the underlying deficit for 1994-95, set in May 1994, was \$290 million. The budget reflects an underlying deficit of an estimated \$275 million. The forward estimates of revenue and outlays on a 'no policy change' basis, inclusive of savings measures and target results, will see a reversal of that underlying deficit to a \$36 million surplus by 1997-98. In the financial year 1995-96 the underlying deficit will be \$111 million dollars and in 1996-97 it will be \$55 million. As I said, by 30 June 1998 we will have a surplus for the first time in a long time with regard to outgoings versus incomings. This is allowing for a growth in gross State product of 3 per cent to 3½ per cent; employment growth, excluding the public sector, of 1.6 per cent; and an inflation rate varying between 2.9 per cent and 3 per cent.

The figures for the forward years indicate that the Government's strategy will achieve the targets set out in the May financial statement and in this budget. This budget not only includes unfunded superannuation liabilities in the debt figures but also takes the first step towards funding past liabilities accrued. On a number of occasions the previous Treasurer—and we are lucky enough to have him in the House tonight—and the previous Government completely ignored those contingent liabilities when framing the budget. For some unknown reason they preferred to hide them into a back corner and pretend that they did not exist.

The unfunded liabilities and the superannuation liabilities as at June 1990 stood at \$3.6 billion in real 1994 terms. In June 1994 those unfunded liabilities stood at \$4.3 billion. Not only were they not included in the debt figures but no allowance was made to fund that liability. The previous Government gave the game away. It basically declared the State bankrupt and threw its hands in the air when it came to election time. It realised that it no longer wanted to run the State and that it no longer had the competence to run the economy of South Australia.

Through the budget, the Treasurer has begun the long process of paying for those unfunded liabilities. In 1994-95 an amount of \$274 million has been provided for the new superannuation payments and \$107 million for the old debt. By 1997-98 we will be paying \$275 million towards those new super payments and \$239 million towards the old debt figures, at the same time as having the recurrent expenditure in a balanced and, in fact, surplus situation.

When we talk of this State's debt, it is important that we include the unfunded superannuation liabilities in our figures. The current debt stands at 40.6 per cent of the gross State

product. In conjunction with the reduction in underlying deficit to zero by 30 June 1998, the debt in real terms will be reduced to 34.1 per cent of the gross State product, and that is without including the one-time asset sales.

Who can ever forget February 1991, which will go down in this State's history as 'Black February', when South Australian business came to a halt? February 1991 will be listed as the time when South Australian business was hit between the eyes with a baseball bat, because prior to that month the debt as a percentage of gross State product rose from 28 per cent to 38 per cent. The debt rose by \$2.73 billion in February 1991. One year later, the debt as a percentage of gross State product went up by a further 4 per cent. It went up by \$1.1 billion to reach a total of \$3.8 billion.

Never in the history of any economy in the free world has a debt escalated by so much in such a short time, and the blame for that can be placed on just a few people. Unfortunately, those same few people are still in this Parliament and they have failed to offer a single apology to the people of South Australia.

They refer to talking to the people about school cards, the Housing Trust, the public health centres and the hospitals, and to explain how the cuts in debt are going to affect them. By all means we will go out and speak to those people, and we will tell them the truth; we will tell them why we have had to cut the State debt: because no longer can any State in this Commonwealth afford to have the effects of such a crippling debt.

When we look at the State debt, we must look at the effects that interest has on it. The net interest on South Australia's debt is \$920 million. The budget assumes a 1.5 per cent increase in rates over the next financial year. The effects of interest rates can be seen in the difference in interest costs and the underlying deficit between May and June of last financial year. In that period the amount of interest rose by \$74 million. In one month the interest costs of this State went up by \$74 million, and our debt stands at 40.6 per cent of gross State product.

If the Federal Labor Government continues with its very poor control on the growth of the country, and the percentage of gross domestic product continues to rise to the level of 5 per cent, as certain economists predict, we will also see the possibility of interest rates moving up in very real terms to 12 per cent. If interest rates move up to 12 per cent the priority to reduce the State debt becomes even greater. As I said, we are currently paying \$920 million per annum net on interest costs on that debt. If we have interest rates going up to 12 per cent, South Australia faces the very real prospect of an extra \$1 billion in interest costs each and every financial year. You do not have to be a very fancy economist to realise what effect that will have on services and businesses in this State if that were to occur. So, it is of very great importance that we get that State debt down in real terms before any interest rate increases come along and bite.

We have all the grandstanding that the Opposition can come up with, and it is very easy to stand up and ask, 'What about public housing?', 'What about health services?', 'What about school cards?' and 'What about schoolteacher numbers?' We would all like the very best services to be offered in this State, but we would also like the very best economy. We will not have a good economy unless we get that State debt down and reduce the interest costs that are affecting our economy.

I must compliment the Treasurer in relation to the documentation provided with the budget. I have read only a

few budgets—unfortunately those of the previous Government. However, this budget is much easier to read and follow. No longer do we have the situation that has occurred previously when items have been hidden. I can remember in the past looking for details on the sales of motor vehicles, plant and equipment throughout the budget, and they seemed to be hidden in different chapters all over the place. Then we would come to the end of the trail and all of a sudden we would be \$5 million short and would wonder where it was. One would be endlessly chasing rats down a hole trying to find the \$5 million.

However, for the first time we now have a budget that uses accounting terms so that people can follow it; they can follow the audit trail and it can be read very easily. I take my hat off to the Treasurer and compliment him on presenting very well prepared documentation. If I were to offer any criticism of the budget documents—and I have already mentioned this to the Treasurer—it would be that there are no notations for certain items, such as those in company balance sheets. Having notations next to some items makes that audit trail just that little bit easier to follow.

The results of the strategy will be good news for business by reducing both the underlying deficit and the net debt in real terms. This will lead to a real reduction in interest payments, thereby reducing the costs of government and the costs imposed on business. For too long business has faced continued and increasing imposts in this State. With the reduction in debt and the costs of government, business can now get on with the job of creating new opportunities for full-time employment for those currently unemployed.

Mr BRINDAL (Unley): It is always a great pleasure to follow the member for Mitchell, who increasingly impresses this House with his contributions to the economic debate—contributions which, I might add, have been sadly lacking from members opposite.

I am appalled to have heard this afternoon the cant and diatribe coming from those who purport to hold themselves up as the legitimate Opposition in this State. I would remind members opposite that the tradition of the Westminster system is that members opposite are referred to as Her Majesty's loyal Opposition and that they are supposed to play a constructive part in the debates of this Chamber. I have heard nothing at all constructive in the rubbish that has emanated from the benches opposite this afternoon. I would ask members opposite whether there is not a degree of hypocrisy in many of their speeches.

The foundation of this budget is the foundation that was well and truly laid in a decade of maladministration under a lot of people who still sit opposite—and I note none of the ones who presently sit opposite. It is interesting that the ones who sit in here and take the brunt of the challenge on the past record of the previous Government are, generally speaking, those who were fortunate enough not to have been here serving under that Government; but, if they now have the blame laid at their feet for the maladministration of those whose political traditions they follow, so be it. If they want to be enlightened I can get them Liberal Party membership forms and they can join this side of the House, and we can then get down to the real rump opposite and the rubbish that exists there.

An honourable member interjecting:

Mr BRINDAL: If the honourable member opposite is to interject, would you remind him, Mr Speaker, that the

Premier has a title and a seat and should not be referred to gratuitously.

The SPEAKER: I take it that the honourable member is reminding the Chair that members should be referred to only by their title or by their district. I point out to the member for Ross Smith that the member in question should be referred to as the honourable Premier. The honourable member for Unley.

Mr BRINDAL: It was considered immoral, if not dishonest, in previous times for a Government to pass on to an incoming Government a budget that was not balanced. That is a tradition that has long passed but it was nevertheless a tradition, and members opposite would do well to remember it. I am surprised at how quickly the mantle of responsible Minister slips from the shoulders of those opposite and we now hear the paraphrase of Fagin in *Oliver*: 'Better pick a pocket or two, boys; better pick a pocket or two,' because that is what they are proposing. They do not want services diminished. They do not want anything to happen. There is one choice, and I have not heard them say that the choice facing this Government—if it was not to take some of the measures it is currently taking—is quite clear, and that would be to increase charges and taxation. The member for Playford—

Mr Clarke: You've done it through the back door; you haven't got any honesty.

Mr BRINDAL: The member for Ross Smith talks about our going through the back door. I am reminded of a Government that had no front door; it had all the window dressing out the front, and it had so many back doors no-one knew who was coming or going. Back-door government was an art that was perfected by members opposite under previous regimes. The member for Playford said that we were elected on a raft of promises, and that is indeed true. It is also true that, because of the financial mess we have inherited from the outgoing Government, some of the planks of that raft could not be retained. The member for Playford says every promise has been broken. What absolute rubbish!

The main plank of that raft was just this: the people of South Australia asked the Brown Liberal Government to restore the economy to some vestige of health. That is the task that was given us by the people, as I believe the constituents of any members opposite will agree. This Government was given a mandate, and one mandate only, and that was to get this State up and running again—to get it close to something like the State in which I grew up, and in which the members for Ross Smith and Napier grew up—not the mess and legacy of debt that the previous Government left for our children.

If members opposite think that there is not something immoral about accumulating a debt and passing it on to their children and perhaps their children's children, then I wonder what they define as morality. So, we get back to the essential point, which is this: this budget breaks no major commitment; this budget fulfils the commitments—

Mr Clarke: What about health and education?

Mr BRINDAL: This budget fulfils the commitments of the Government. Members opposite would do well, before they come in here, to think through a few fundamental points. Who are the producers of wealth, how does an economy work and what is the legitimate purpose of Government? Even members opposite would realise that the producers of wealth in any society must be those who grow, mine, manufacture and add value. On those people rests the entire economy. It is those who do those things, who do productive labour and

who increase value on whom taxation can be levied, and the taxation levied is applied by the Government to those who then fulfil service industries or is charged on those who produce; and so we have lawyers, doctors, dentists, teachers, politicians, public servants and a raft of people, but that raft of people is there to support the producers of wealth in our economy.

Any fool, and I do not pretend to be an economics expert and I number myself there, knows that you have to get the balance right. You have to get as big a raft of producers of wealth as you can so that those producers of wealth can be taxed legitimately by the Government to produce the essential services for the well being of society. Any fool also knows that there is a long history in this country of Governments that have gone down the path of thinking that the golden pot at the end of the rainbow is never ending and, without any reference to the size of the pot, they have continued to add to the public sector, to the service sector. They have continued to add and, as they have added, they have grabbed more and more from the pot until it could not bear the service any more.

One cannot run a Rolls Royce if you have only the income to run a Volkswagen. It is as simple as that. I know mothers living in Elizabeth who can run a budget better than any member opposite, because they know one fundamental thing: when the money runs out, you do not book debt up on Bankcard because eventually you have to pay for it. Money runs out and people have to cut their cloth accordingly. Opposition members were 10 years in Government and they destroyed South Australia by not realising that, yet they now have the temerity to want us to continue to destroy South Australia because they did not learn anything in the 10 years it took them to muck it up. I am very proud to be part of a Government that is not quite so stupid, a Government that will never be as stupid as members opposite.

The next question, when we have decided who are the producers of wealth, is what is the purpose of Government. Is the purpose of Government to provide from womb to tomb dependency from the public purse? I am sure that some members opposite subscribe to that theory. I am almost confident in saying that some members opposite like social welfare dependency, because they believe it gives them an inherent electorate that will always vote for them. Members of the Opposition believe that if they can cocoon, closet and look after someone sufficiently well and provide them an incubated environment, those people will run into Liberal electorate offices and say, 'We are sorry, we cannot vote for you because you are going to take our pensions away; sorry, we cannot vote for you because you will put up Housing Trust rents; sorry, we cannot vote for you because we might have to work for the dole.'

I might be doing some members opposite a disservice, although I do not think too many members opposite. Those sorts of tricks have been pulled on me, the member for Newland, the member for Kaurna and other members in here before every election, because letters seem to go out from the Labor Party saying just that. I am sure that you, Mr Speaker, in Port Augusta would probably have seen a letter going around saying, 'Do not vote for the Hon. Mr Gunn because he is a Liberal. If he gets elected, your rents will go up and you will all be thrown out on the street and living in humpies along the railway line.'

Mr Clarke interjecting:

Mr BRINDAL: Every time the member for Ross Smith opens his mouth, he proves what a big fool he is. As I said,

there are those opposite who believe that dependency on the public purse is not only important but that it is essential for their political survival. Those who sit on this side of the House actually believe that the purpose of government is to govern for the common good and to do the best that is possible for all the citizens of this country and this State, not only the current citizens but future citizens. We actually believe that government is a stewardship given to us in trust by the people, to be exercised wisely, diligently and providentially for the betterment of the Commonwealth, for the betterment of the people of this country.

There is nothing else that any of the Ministers along the front benches or any of the members sitting on the back-benches of this Government Party wish to do than to leave this Parliament knowing that our contributions to this place have enabled a better State than we inherited in December 1993. Unfortunately, and I say unfortunately, the task of this Government in that respect is relatively easy. Even for us it would be most difficult to cause the same size mess that we have inherited, so it will be relatively easy for us in any terms to leave it better, but we have the calibre of Government that will not be satisfied with just leaving it incrementally better. We want to get it back, not only to what it was in the days before the previous Premier but to what it was at the best times, to make this State again a thriving, vibrant economy. Members have not heard any Minister on this side of the House aspire to less in what is now nearly 12 months of Government.

If the Opposition wants to carp, criticise and nag about an economy which it destroyed, about a mess which it created, members opposite would be better off to sit in their little knitting circle, upstairs in their rooms, and carp and grizzle and carry on to one another, and let those who want to sit in this House get on with some constructive and thoughtful debate for the betterment of South Australia, because that is what this budget is about. It is not about this rubbish for public consumption that the member for Ross Smith wants to trot out in his newsletter, or in his great desire to get on Keith Conlon at 8.30 in the morning to see who can make the most outrageous statement of the day, or of rushing off to the media afterwards to get the best grab. It is not about that; it is about the better government of South Australia.

There is, for the first time in ten years, some level of responsible Government on this side of the House, and Opposition members had better wake up and realise it, because they are the ones out of kilter, not only with this House but with South Australia and with the aspirations and desires of all South Australians. I heard the member for Ross Smith interject on one of my colleagues earlier, 'You will get your opportunity soon enough.' We will get our opportunity soon enough, in about three years from now, and we will wait and see what will be the judgment of the people. If I were a betting man, I would put money on the fact that there will be a Brown Liberal Government sitting here as firmly after the next election as it sits here now. Those people who sit opposite rubbing their hands with glee, talking about oncers, might be in for the shock of—

Mr Clarke interjecting:

Mr BRINDAL: Sir, I will talk to the member outside about how much. I would never do it in the Chamber.

Mr Clarke interjecting:

The SPEAKER: Order! I suggest that the member for Ross Smith worry about the chair.

Mr BRINDAL: The member for Ross Smith was obviously never given toys as a boy.

Mr Clarke interjecting:

Mr BRINDAL: I will not respond to the interjection, but I believe that the current members of the Opposition Party had a great deal of difficulty hanging some of the pictures of their past leaders in the Party room. They have a new Party room and they went to hang up some of the pictures and could not work out why they could not get them up, until they realised that it was all the knives sticking in the back.

Members interjecting:

The SPEAKER: Order!

Mr Clarke interjecting:

The SPEAKER: Order! I ask the member for Ross Smith to not continue interjecting.

Mr BRINDAL: The member for Ross Smith earlier said, 'What about health and education?' I will close with a few comments. If members opposite truly believe that over half this State and half the children attending our schools are in necessitous circumstances, what sort of State do they believe we live in? I cannot see, cannot believe and will not believe that over 50 percent of school children in South Australian schools are in necessitous circumstances, yet over 50 percent of children in South Australian schools get school card. It was not and never will be intended as a general measure for everybody. It was to help those who truly needed help. Members opposite who have been in the teaching profession know that.

Mr Clarke interjecting:

Mr BRINDAL: The honourable member says that we are taking it off them. Cannot he understand that there cannot be 50 per cent of our school children who need it, and that it is better to take it off 10 percent and give the 40 percent who deserve it some real help rather than spreading it out like cream across the ocean so that everybody gets two fifths of nothing and you feel good because you give it out? Good God, they gave Aborigines the school card just because of the colour of their skin. If members opposite can tell me that it is not gross paternalism to give somebody a school card because they happen to be black, I do not know what paternalism is. If members opposite are proud of that, they should get up and say so. It is an absolute disgrace. The member for Playford also turns up—

The Hon. Frank Blevins: Why are you shouting?

Mr BRINDAL: It is the only way the member for Giles can hear me. He goes to sleep the rest of the time. A bit of variety wakes him up. The member for Playford talked about having the second best education system, but I notice that his only criterion for good education is the amount of money spent. I thought that the quality of education depended on the quality of our teachers, the quality of our input, the quality of our curriculum, and a great deal of things other than money. I have enough faith, and I am sure one member opposite has enough faith, in our teaching profession to know that our good teachers could teach in a cow shed (and we will not put them in cow sheds). We have teachers good enough to have an excellent education system. I do not believe that education is measured solely by dollars and cents.

The SPEAKER: Order! The honourable member's time has expired.

Ms STEVENS (Elizabeth): I will make a few comments in relation to the budget speech delivered on 25 August. Like some of my colleagues on this side of the House, I was surprised at the thinness of the document. I was also surprised that, even though the document talked a lot about debt

reduction, it said little about other things that I believe are important in any budget document and any Government plan.

Things like social justice, public sector reform and social development were left out. It is very important to understand that, in governing, the reduction of State debt is very important; however, it must be done in a balanced way, without destroying the services that underpin our society. That is what this Government has done all along in its very tunnel-visioned approach to debt reduction above all else. This is a short-sighted view, and we will suffer from it in the long term. We need to understand that life is not as simple as the member for Mawson wants us to believe. Not everybody has the opportunity to ride their own bike to school from Plympton to Urrbrae. Not everybody has that sort of support or money. His simplistic analogy of Government budgeting by buying everything with cash is so naive that it is hardly worth commenting on. I also suggest that no-one on this side of the House would believe, as the member for Unley suggested, that people want to be on benefits. We all know that the vast majority of people in our society want good education, health services and jobs so that they can work and participate fully.

I will begin by offering what I hope are constructive criticisms of the budget, because the Government needs to rethink some of the things it has done in terms of the long-term effect on our society. I will talk about three or four major service sectors where I believe that the cuts it has made will lead to detrimental effects, in the short term but particularly in the long term, and I think we will find that we will have to redress them later on. I will talk about education first. Education is suffering a \$22 million cut this year. This means a reduction of 422 teaching positions. Because they are related by formula, there is a flow-on from that to school support officers, of whom we will lose 37. The Government has done this by altering the staffing formula. It is very easy for a Government to say that it has merely increased the class size by one for junior primary and primary schools and that it has just increased the class size by 1.5 for secondary practical classes, but it does not work that way in practice.

People need to understand that these staffing formulas are merely an administrative way of calculating the total number of teachers in a school. When you are on the ground managing a school, you have to mix that a bit in order to cover all the programs that you want to do. Junior primary and primary schools are faced with different enrolment intakes across the year, they have blow-outs at certain times of the year depending on when students enrol and, in areas like my electorate of Elizabeth where the population is highly transient, there are differences in student numbers as a result. This means that it is not even and that classes are not necessarily all the same number across every class in the school for the whole year. Even now, in my electorate there are classes in junior primary and primary schools of 30 and 31. With this change, we believe they will increase to 34 and 35, which is hardly an environment that is conducive to learning.

In secondary schools, the difference in the practical class size in the formula adjustment means a number of things. In secondary school there is always a tension between the options you can offer at senior level versus the class sizes and the core studies you offer at junior level. This means that either there will be fewer options in senior classes in SACE (Years 11 and 12) or we will find much larger classes in junior sections of schools.

I know from principals and former colleagues that, when they knew the cuts were coming and they were trying to contribute suggestions to the Minister as to how these cuts might be made, the thing they said above all was, 'Don't cut teachers. Above all, don't cut teachers.' They had come up with a number of options that they had presented to the Government as alternatives, but again said, 'Don't cut teachers', because we know what a disastrous effect that actually has on student learning outcomes. In terms of our child-parent centres there has been a change, so that they will now be staffed on the attendance of students rather than on enrolment. In a simplistic way people might say, 'That sounds fair.' But the areas that are most hit will be the poorer areas, where attendance is a problem for a whole swag of social reasons. This is the social justice argument, which has been completely overlooked.

School support officers, the people who look after and run the front office, the first aid, classroom help, the computer services, who look after the grounds (which of course do not decrease in size) and do a multitude of other tasks, are going to be decreased in number. The Minister for Education and Children's Services has made the point that many schools will not lose teachers; that even though we have changed the staffing formula, many schools will not lose teachers. The only reason for that this year is that, because of the staffing formulas, some of those schools with certain enrolments will fall in a corridor, which will mean that this year they will escape them but next year they will be much more vulnerable for displacement of teachers and the flow on effects. It is a cynical argument.

Another effect of decreasing the number of teachers in a school is that you decrease the number of leadership positions in the school. These are positions such as assistant principal, coordinators and key teachers, and these are the people who are paid more and who have time allocated to undertake in schools the tasks that lead to improved learning outcomes for students: the national profiles; student behaviour management; literacy, etc. And there are innumerable tasks in schools these days. Those also decrease when you decrease teacher numbers.

In relation to school card, the member for Unley has just made a quite passionate and emotional speech about the fact that so many undeserving people get school card. I acknowledge that a review of school card should occur and in fact was occurring under the previous Labor Government. But that will not knock enormous numbers of people off the school card list. The issue is that, for those people who remain on school card, a number of significant benefits have now been taken away. First, free travel for school card holders has gone. That is a very significant thing, and certainly significant in my area. At Elizabeth City High School, out of a total student population of 620, 350 students had the benefit of free travel because they were on school card. That is over half the students in the school who will now have to pay an extra \$5 a week just to get to school.

Last week I was contacted by the principal of a Catholic school in my electorate who also wanted to speak to me about this issue, and she mentioned, first, the cuts, the extra \$200 per year per child that will need to be borne by families, but she also mentioned how unfair it was that this was happening at the beginning of term 4 this year. She made the point that many of the families in her schools had done very precise budgets for the year. Many of them had financial counselling. In fact, the school had been involved in this financial counselling. It was unfair to put an extra \$5 per child on them for the

rest of the year without any warning. The other factor is that the school card subsidy itself has been reduced for those who will get it, so it is now less than it was before.

One problem that has been prevalent in all schools is bad debts, the extent of fees that are not paid and the effect this has on school incomes and, therefore, on the ability of schools to provide proper education for students. A decrease in the school card subsidy at Elizabeth City High School, for instance, will mean a decrease in income to the school of \$3,500. Some schools will be able to cope with it because they will be able to impose higher fees across the board and build that into their budgets. In many other schools in communities where the average income is much lower, that will not happen and those schools will suffer.

I should like to refer briefly to the capital works budget. One seemingly positive thing in the budget in relation to my area is an amount of \$3.25 million for the Elizabeth City High School for its stage 2 refurbishment. However, only on the face of it is it a good thing. This is a little more complicated, because it involves the relocation of Fremont High School onto the Elizabeth city site. This relocation has been discussed by the community over a number of years. Despite some reservations and people's fears about the change, Fremont High School community agreed with the relocation thinking that the great benefits of a brand new facility on the Elizabeth City site would outweigh the disadvantages.

At that time it was said they could expect to have \$4 million to \$5 million spent on the Fremont site at Elizabeth City. Elizabeth City itself still has \$1.9 million to finish off its refurbishment. That makes a total expenditure of about \$6-7 million. Instead, we have \$3.25 million to do both things, so there has been a cut of at least \$2.75 million. Is it any wonder that we have outrage, strikes, student unrest and parent dismay in those schools when they realise that what they believed they were getting and had been agreed to has now been massively cut? Of course, they are asking, 'Why should we do it when it has all fallen through?'

The member for Unley said that the Labor Government had given money to Aboriginal students because of the colour of their skin. What an outrageous comment! It really indicates his lack of understanding of the whole situation. Aboriginal students get funding in education because they have the poorest outcomes from education of any group in this country. We need to resource and change that situation. That is why the money has gone there.

There has been an increase of \$2 million to those services, but I want to know where this is going because it is not clear in the document. There have also been some cuts. Aboriginal students will lose automatic eligibility for the school card. One might ask, 'What is the problem with that? They can go through a means test.' But any school principal who has had to do this will explain that the whole process of means testing is threatening, scary and demeaning for a lot of people and many people do not do it. That was the reason for changing the way that people got on to the school card in the past. I believe this will happen again: we will go back to what was happening before it was changed by the previous Government.

In the budget funds have been set aside under 'special needs' for basic skills testing. We have not heard how much money will be spent. In New South Wales, the figure for basic skills testing is estimated to be \$25 per student. Next year, 30 000 students will be tested in this way, so I believe that, with the inclusion of administrative costs, the cost is likely to be in excess of \$750 000. In a time of budgetary

constraints is this wise for a very dubious purpose with very dubious results?

I turn briefly to the TAFE sector and a cut of \$5 million. Again, this will be achieved at the expense of teaching staff and delayed or partial implementation of high priority projects, one of which is the provision of video conferencing facilities, only two of which will now go ahead. Video conferencing is integral to open learning and distance education, an area in which TAFE is making a great push at the moment. There is also a real possibility of an increase in course costs and material fees.

Over 300 TSPs have been granted in the TAFE sector. To address lost productivity in terms of student hours, which is crucial for reaching targets to gain Federal funding, the teaching effort has been bolstered by \$1 million for hourly paid instructors. But is this any way to run our training system, which is crucial to economic recovery? Hourly paid instructors work very hard; however, they lack the time for course planning, meetings and training and development to enable them to do their job in an effective and long-term way. Hourly paid instructors are most appropriate in certain areas, but they cannot comprise a significantly large part of the teaching force. We will find that the administrative load that emanates from hourly paid instructors will fall on the very diminished group of permanent lecturers who remain.

I would like briefly to mention the area of health, the sector that suffered the unkindest cut of all—\$35 million. Again, we are assured that we should not worry, because we are still above the national standardised average. Health is a basic need. We have lost it in many ways. We have lost it in the hospitals; we have heard about that in the media, and I am sure we will hear more about it. While the Lyell McEwin-QEH amalgamation should provide some advantages to Elizabeth, it is actually occurring in a scenario of \$10 million worth of cuts to the QEH. Something has got to give, and it will give there. Community health and, in particular, women's health are big losers, and I will talk more about that later in the week.

Housing has been mentioned by a couple of other members, but I will briefly mention it again because 5 000 people in the Elizabeth area occupy Housing Trust accommodation. Rental in the private and public sector will be higher. Reduction of the land tax threshold will mean that 30 000 people will pay a tax this year of \$100, which they have not had to pay before.

Finally, I would like to say that, in my view, this budget, rather than being no gain without pain, creates much pain for little gain, and those who will feel the pain most are those who can least afford it and who least deserve to: our children, the elderly, the sick and the poor. Recovery through reform—what a misnomer; it really is survival of the fittest.

Mr FOLEY: Mr Acting Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Ms HURLEY (Napier): The sentiment that sums up for me the consequences of this budget was expressed to me by one of the mothers at my son's school. She said that this budget jeopardises the future of the children in this State. She was referring principally to health and education cuts, those cuts which aim to pull down our State to the lowest common denominator. In Government speak, this lowest common denominator phenomenon has been dressed up in industry jargon terms such as 'bench marking' and 'world's best practice'. However, it is aiming not at improved standards in

this State but at lower costs. That has been the driving factor behind the Audit Commission report, and it is something of which the Government was well aware when it commissioned the report. In its findings, the Audit Commission set the scene for a miserly, miserable view of this State's future.

This budget begins the process of carrying through that view. It really affects the working people of this State—a fairly broad section of our community. A fairly large section of our community members are comfortable: they are in a secure job, have a good income and take advantage of the easy lifestyle that South Australia affords them. Many of these people will have voted for the Government in the past election but will not continue to vote for it—

Mr Caudell interjecting:

The ACTING SPEAKER (Mr Venning): Order! The honourable member is interjecting out of his seat and is out of order.

Ms HURLEY:—because some of them already have had a taste of how little this Government acknowledges the needs of the people who voted for it. For example, members of the Police Force, nurses, teachers and public servants have all borne the brunt of this Government's broken promises.

It was interesting to hear the member for Unley refer to the producers of wealth in this country. He named as producers of wealth such people as doctors, lawyers, teachers and public servants. He said that it was those people who produce the wealth of this State. I wonder whether he has reflected on the fact that, apart from lawyers, who appear to be insulated from any changes, this Government has impacted dramatically on the lives of a significant proportion of those people. The cuts to the South Australian Health Commission have been the highest under the TSP arrangement of any other section. Teachers have been dramatically affected under this budget, as have public servants: we are losing 11 500 of them. So not many of his public servants will be left to be the producers of wealth in this State.

I take other objection to that statement, because a lot of the people whom I represent in the electorate of Napier are working class people rather than being these so-called producers of wealth. I suggest that the working people in Napier are proud of the definition 'working class'. I guess the popular definition of 'working class' would be 'low income earners'. I would have thought it would be almost a truism that these working class people are the engine of our economy. The producers of wealth, as the member for Unley described them, are not the true producers of wealth in this State. There are not enough of them: it is really the working class people of this State and this country who generate growth in our economy.

Mr Caudell interjecting:

Ms HURLEY: Nuclear.

The ACTING SPEAKER: Order! The honourable member is interjecting out of his seat.

Ms HURLEY: Working class people in this country have borne the brunt of much of the restructuring of our economy. It is much needed restructuring, but the fact is that working class people are working harder and for less. This is as a result of many sectors of the economy, including the Liberal Party and friends of the Liberal Party, calling for wage restraint and microeconomic reform in this country. That has happened, and the working class people of this country and the unions that represent them have participated quite constructively in this process. Their input has resulted in our national economy being in such good shape.

It distresses me to see that the State Government, as a small part of the Australian economy, looks set to tear down what has been achieved nationally. The working class people of this country deserve priority consideration by all Governments because of the sacrifices they have made in this restructuring process, but the Liberal State Government is in no way acknowledging the contribution of the working class people of this State. What it has done is increase costs to working class people in a number of small areas that will subsequently add up and make a big difference.

A number of my colleagues have talked about how small increases in charges can dramatically affect the financial situation of people on low incomes. A number of the increases in charges, such as the 10 per cent increase in sewer charges through the EWS and land tax, which will affect a number of small businesses in my electorate, will accumulate over a period of time. People will see that as the year progresses, but the major cost increases to people in my electorate relate to things such as transportation. The financial statement states:

TransAdelaide will be encouraged to adopt international best practice [that meaningless phrase] and will have to compete on a commercial basis with private operators for service contracts.

Elsewhere in the statement it refers to TransAdelaide's revenue being better matched to actual costs. What this Government speak amounts to for people in my electorate is probably a poorer service for which they will pay more. I represent an outer suburban electorate and many industries in the area have shed labour or closed down, as result of which people must travel long distances to their work and are forced to pay more for transport.

Members interjecting:

The ACTING SPEAKER: Order!

Ms HURLEY: A number of members opposite will be fairly insulated from the difficulties involved in this. They might have two or three cars per family and travel to work that way, but many people in my electorate do not have that luxury. They have one old car or none at all and are forced to rely on public transport to travel to and from their place of employment. If there is a reduction of services, and if there is an increase in cost, this will impact dramatically on their lifestyle. It may make the difference as to whether or not it is worthwhile their having a job. This is an important consideration.

Mr Brokenshire interjecting:

The ACTING SPEAKER: The member for Mawson is out of order!

Ms HURLEY: Some people in my electorate are on such low wages that they are on or below the unemployment benefit level.

Mr Lewis: Eighty per cent of my people are.

Ms HURLEY: Then why aren't you out here speaking against the budget?

Mr Lewis interjecting:

The ACTING SPEAKER: Order! The member for Riddley is out of order. The member for Napier has the floor and I ask her not to react to interjections.

Ms HURLEY: At this stage there is little doubt that another cost will be levied upon tenants in Housing Trust areas. The budget statement is as follows:

Policy in the area [housing and urban development] is also subject to review, including a proposal to introduce market rents to housing through the South Australian Housing Trust.

We have been given the hint that this means that people who earn incomes—that is, people who are not on benefits—will

have to pay so-called market rates for their housing. Well, many people in my area are living in run-down 30-year-old Housing Trust houses, which should actually be upgraded, but they will be forced to pay higher rents for these.

Members interjecting:

The ACTING SPEAKER: Order! The member for Napier has the floor. The Minister is out of order.

Ms HURLEY: In his interjection, the Minister betrays a very limited knowledge of Housing Trust stocks and how the market works in areas of high Housing Trust density such as my electorate. Apart from the cost increases in this budget for working class people, there is also the matter of loss of services.

Members interjecting:

The ACTING SPEAKER: Order! The member for Hart is out of order. He will have his turn next if he keeps quiet.

Ms HURLEY: In the end, this loss of services will perhaps be even more significant than the increased cost. For example, I refer to areas such as emergency services. The Police Department, the Department for Correctional Services, St John Ambulance, the Country Fire Service and the Metropolitan Fire Service are going to be asked to make a saving of \$7.2 million in the 1994-95 year. This is a large saving in an already lean Public Service, particularly in areas such as St John Ambulance, the Country Fire Service and the Metropolitan Fire Service.

It has been brought to my attention that in Victoria, where those sorts of savings have already been achieved, the people who are working in the ambulance service have claimed that up to two to three people per week have died unnecessarily because of inadequate ambulance services in that State. The Victorian service is the model that the Audit Commission has held up, and this is the level of service that we are looking at going down to, and I think it is shameful of this Government to aim at that sort of level. Education is another area of service—

Members interjecting:

The ACTING SPEAKER: The Minister is out of order. He can join in the debate later if he wishes.

Ms HURLEY: The member for Elizabeth has gone in great detail into the question of education, and she has a great deal of expertise in the area, so I will not dwell on it at great length, although it is obvious that my electorate is in a newly developing area and that it is a very important issue for the people in Napier.

However, I would just like to point out the cuts to the preschool area. I have been at several meetings where the Minister for Education and Children's Services has promised repeatedly and emphatically that the preschool and junior primary school areas would be insulated from any cuts and that, in fact, they would get increased staffing. But I see in the budget papers a planned savings of \$400 000 in that area, and I am told by preschools in my electorate that those cuts will come in the area of savings in teachers, and that the number of teachers in preschools will be cut in a period when we are increasingly becoming aware of the value of preschool education and the necessity for well-trained and aware teachers. This again is another area where the Government has shown that it is simply unaware of the importance of services to people in this State, and where it has just looked at cutting costs wherever it can.

Another area which has been extensively canvassed by my colleagues is that of health. In that area the Minister has relied on the introduction of the casemix system to produce much of the cuts that have been required of him. From time

to time the Government has made much of the Federal Government's endorsements of the casemix system. What members opposite have ignored is the way in which it has been implemented here in South Australia. It has in fact been rushed in accompanied by funding cuts to hospitals. There has been no planning period for hospitals; it has basically been a sink or swim approach to our hospital services. Again, this illustrates the lack of planning and policy direction by this Government. It has no real idea of where it is going; all it wants to do is cut costs. In no other area has such a touching faith in market forces been evident. For example, I quote again from the Financial Statement:

Where in-house production of specific goods or services is unable to match the benchmark, contracting out will occur through competitive tender arrangements.

We have this casual assumption that anything private will cost less. This is a slap in the face for the dedicated, hard-working staff in the Health Commission, which I repeat will lose 865 staff—the most in any area of the Public Service. This is a disgrace: we should be looking at improving the health services for our people in, I admit, the most efficient way possible. However, to rush through this casemix system, to lump it on the hospitals without due policy consideration or consultation is outrageous.

Mr Lewis: Who kicked it off?

Ms HURLEY: I don't care who kicked it off. In fact, the strongest improvement we have in the budget is in gambling revenue, which increases from \$129 million in 1993-94 to a projected \$158 million in 1994-95—a 22 per cent increase. It is the only bright spot in this Government's budget. It is a bit of an indictment that this Government is relying so much on a gambling-led recovery. The other proposal on which the Government was relying was asset sales. When they were in Opposition, members opposite put a lot of store by asset sales: it was the way they would reduce the deficit and fund their promises—promises to increase spending on health, education and many other areas.

This assets sale program now looks a bit shaky, and the relative economic merit of the sales looks very much in doubt. In fact, if the Victorian experience of floating Tabcorp is repeated, there will be nothing like the benefits that the Government was expecting from asset sales. It may well be for this reason that the Treasurer has predicted a tough budget for next year as well.

I spoke at the beginning of my contribution about this budget's jeopardising the future of this State. I will conclude on that note, because the future of our State is most important. The Government has made much of the fact that the future of our State relies on reducing debt. No-one denies that, and no-one denies that the Government was elected on that mandate. However, where that is at the cost of skimping on education, health and community services we run into difficulties. If this population settles for the lowest common denominator in these services, what makes this Government think that it will aim higher in other areas?

This Government expects its affluent constituents to provide the engine for this growth, as outlined by the member for Unley, and it is prepared to abandon everyone else. However, the working people of this State are still the engine of growth in this State, and their reaction to this budget and its effects on them will be the litmus test for what happens to this State in the future.

If we are not able to put the money into education to train them to be part of our high-tech future and give them decent health and community services to ensure that they feel a

decent part of our ongoing progress and expansion, then all this talk about the future will be for nothing and we might as well abandon it.

The Hon. J.K.G. OSWALD (Minister for Housing, Urban Development and Local Government Relations): I move:

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

Mrs KOTZ (Newland): I rise to support the Bill. I did not initially intend to make any further comment on some of the contributions that we have heard in this place on this Bill from members of the Opposition—

Mr Atkinson: But she can't help herself.

Mrs KOTZ: The member for Spence is quite right, in this instance I just cannot help myself. It never ceases to amaze me that the members of the Opposition have the unmitigated gall to stand there and make rhetorical comments without any substance whatsoever, when they in fact are the creators of the very situation that we find ourselves in today in this State in preparing a budget, perhaps not one that members of a new Government would like to prepare for South Australia that they believe in, but one that was necessary because of the creation of debt that was brought on to the State by the total and utter incompetence and mismanagement of the Labor Government when it was in power. We hear the member for Napier mention that her constituents—

Mr Atkinson: Is she responsible for the State Bank?

The ACTING SPEAKER: Order!

Mrs KOTZ:—have problems with Housing Trust homes which are run-down and which need maintenance. I would doubt that it takes eight months or a year for a Housing Trust home, or any home, to be in such a state and so run-down that those terms are required to describe the amount of maintenance that is required. I would suggest to the member for Napier that the term of the previous Government over the past decade has helped to bring that run-down situation to Housing Trust homes. The word 'run-down' is very apt because run-down is exactly what has happened to all of the State finances because of the Labor Government's incompetence over that past 10 years.

We heard the member for Elizabeth stand here and tell us, almost in a lecturing form—and coming from an ex-principal of a school I expect that that can be expected—about the formula that is used for staffing the schools. She complained about class size increases. I remind the member for Elizabeth and every member of this Opposition that those class sizes had already started to increase over the past two years. Out of 10 schools in my area, over eight of them had classrooms with over 30-odd children in them in 1993 and prior to that. Where was the South Australian Institute of Teachers—worried about class size increases—and where was the member for Elizabeth in 1992 and 1993 when all of this was occurring under a Labor Government? Not one iota of interest or concern did I hear any member of the Opposition relate in this place when their Ministers were directing the budgets of this State and causing the very problems that are there at the moment.

I have spent enough time on what I consider are the irrelevancies of the debate whereby Labor members have again stood in this place and continued to put forth what is absolute nonsense. I wish to address some very serious areas that I consider it necessary to discuss in this budget debate,

and I refer to last year and the period up to the election in the last month of 1993. The people of South Australia strongly condemned the previous Labor Government in many areas which affected them and their families. Overwhelmingly, unemployment was the major area of concern identified by all of our constituents, through surveys of total electorates and from members of Parliament discussing these issues with people at shopping centres and with the people to whom we spoke at their doors.

Parents, grandparents and I am sure all members here well understand the devastating effect that unemployment has on all family members. In every discussion on election issues—whether the subject was the importance of health, education or law and order—unemployment topped the list of major concerns. Young people shared their distress and lack of optimism with us. Year 11 and 12 students would blandly say that they did not expect to get a job when they finished their schooling. In recognising the despair, the lack of optimism and the need for job creation, the Government's primary objective is to ensure that our children and their children have a future that provides opportunity and employment.

To provide more jobs in the private sector it is necessary to strive to achieve stable economic recovery. Therefore, the aims of this budget are to restore the State's finances and reverse what has become uncontrolled debt growth. We need to achieve reform in the delivery of key services and further improve efficiencies in the public sector. The Labor Opposition has yet to show any remorse for the immense damage done to this State and its people and would have us continue to turn a blind eye to the problems the former Government caused through its unbelievable incompetence.

The Opposition would prefer that we continue to exacerbate its confused attempts at economic management. It would prefer that the State and its people suffer continued debt growth and continued unemployment rates which demoralise even the most hard core socialists and their families. They would prefer that social justice ideals continue to be a talkfest without a genuine base for actual and real implementation. To turn around the devastating effects of a decade of Labor's financial mismanagement has meant that this Government now has to take measures in the short term that in some areas I do find unpalatable, but those budget determinations are necessary to enable the foundations to be built for a better future for all South Australians. We cannot, and we must not, ignore the absolute necessity to reduce debt when we are already paying \$920 million interest a year on the total public sector debt.

Every member on the Government benches would prefer to see that massive payment being utilised to provide extra services for every member of the public instead of the non-productive action of paying off interest on loans already lost to South Australians. This first Liberal budget will encourage investment in existing industries and help attract new, exciting industrial opportunities for our State, and this means more jobs. This budget predicts full-time employment growth, more than double last year's, which means 10 000 new full-time jobs this year. In playing its part, the Government will create up to 700 traineeship positions to provide training and employment for 12 months for young South Australians.

There is a jobs program which provides incentives to employers to take on additional long-term unemployed people and school leavers. In rural South Australia the young farmers incentive scheme will encourage young people to start new farming operations. Another scheme will train

young people on environmental projects designed to clean up the Patawalonga and other waterways. Spending on capital works programs has been increased by 14 per cent to \$1.174 billion. These Government building programs are for the benefit of the community, and estimates suggest that this increase alone will add a further 2 000 jobs. These Treasury estimates are calculated on the premise that every \$1 million worth of construction leads to the direct employment of about 17 people in the construction sector. The capital works program has been carefully targeted to stimulate economic activity and to ensure the provision and maintenance of vital infrastructure which provides essential services to our communities.

The area of education, which I spoke of in considerable detail during the Address in Reply debate, will receive funding for a number of new initiatives. A commitment by the Government to make the early years of education the number 1 priority of the Department for Education and Children's Services will see additional resources of \$10 million over four years to implement the new Early Years strategy. The budget includes an allocation of \$2.7 million to commence a number of new initiatives to identify those children with learning difficulties and to provide the resources to assist them.

The Early Years strategy will include extra speech pathology services; extra assessment services provided by psychologists; an increase in the number of special education teachers; a major initiative for training and development for classroom teachers in identifying and helping students with learning difficulties; basic skills testing for 30 000 year 3 and year 5 students every year; and a significant increase in funding for a range of new early intervention programs which will include the reading recovery program, in which up to 50 schools will be given grants of \$2 000 each to introduce the program. A total of \$100 000 will be allocated to the Eclipse program which will be a literacy screening and early intervention assessment program focusing on emerging literacy problems for four-year-olds at pre-schools.

Mr Atkinson: That's good. It might help—

The ACTING SPEAKER (Mr Venning): Order!

Mrs KOTZ: Your insignificant interjections are being ignored totally.

Members interjecting:

Mrs KOTZ: Sound rather than substance was the only heard interjection. A further \$100 000 will be allocated to the First Start program which is home-based, using libraries and other resources to assist literacy development in children younger than four years of age. A further \$2 million will be provided over the next two years to help reduce discipline problems in schools. Additional places will be provided in alternative learning centres to help reduce waiting lists. Additional salaries will be provided for a range of other programs, such as annexes and outreach units, and the existing behaviour support teams which provide expert assistance to teachers in schools. As a result of these changes, there will be an increase of about 50 per cent in the number of places for students with significant behavioural problems in learning centres, annexes and alternative schools.

I must admit to being very pleased to see that my Government has also addressed the most significant area of need that the previous Government had all but ignored, and that is the area of children in rural areas of our State who are disadvantaged by distance and rural isolation. The allowance paid to isolated children to assist them with their education will be increased by \$100 next year and by a similar amount in both

1996 and 1997. With all those positives in our budget, it is still disappointing not to hear one supportive bipartisan remark from members of the Opposition. Although it contains areas that some of us will find unpalatable, the budget certainly contains many areas for which members of the Opposition should give their total support to this Government and to the Treasurer for supplying such a wonderful budget for our State under the situation that we have been left with.

Mr Atkinson interjecting:

The ACTING SPEAKER: Order! The honourable member speaks out of order.

Mrs KOTZ: He never stops, does he?

Mr Atkinson interjecting:

The ACTING SPEAKER: Order! The member for Spence is out of order.

Mrs KOTZ: I wish to address the issue of privatisation and corporatisation, which the Labor Party's socialist ideals do not allow its members to address in any meaningful and open manner. I say 'open manner' because the Labor Opposition when in Government moved into the privatisation market, albeit by stealth. It moved to privatisation but called it commercialisation. The inability of members opposite to understand even the basics of business management and their inability to determine financial accountability of any degree has, unfortunately, dulled the rest of whatever senses they do possess when they continue to deny the rightful place in areas of Government of corporatisation and privatisation. Perhaps the Labor Opposition has forgotten its own ill-conceived attempts at privatisation, which it conducted under the pseudonym of commercialisation.

When we consider that commercialisation is simply a directive by Government to a public authority to conduct all or part of its operations on a commercial basis, as far as practicable, without checks and balances and without true accountability, that is privatisation Labor style. This is the hands-off style promoted by John Bannon and the current Leader of the Opposition, and all South Australians have had the misfortune of suffering in many different ways from the results of this hands-off approach to government, which was the equivalent of hands-off accountability and hands-off responsibility.

I refer the House to Part A, the Audit Overview of the Auditor-General's Report, where he defines the necessity of accountability in relation to corporatisation. I address this subject because of the comments made by the member for Playford earlier today when he used the words 'scrutiny' and 'accountability' in reference to this Government. I find that those words do not sit kindly with the member for Playford, nor with any member of the Opposition. In addressing this area of accountability, I will read from page 31 of the Auditor-General's Report wherein he addresses corporatisation and states:

While it is important that reform occurs in public sector management and operations it is equally important that public sector accountability to Parliament is preserved. This accountability to the Parliament necessarily requires: agency accountability to a Minister; presentation of an annual report to the Parliament; audit (and statutory report) by the Auditor-General.

The Labor Party appears to have difficulty recognising that accountability is part of the process of corporatisation and areas of privatisation. In fact, lack of accountability could most definitely be said to be the catalyst that brought about the downfall of the previous Labor Government.

Mr Atkinson interjecting:

The ACTING SPEAKER: Order! The member for Spence is out of order.

Mrs KOTZ: At page 30 the Auditor-General addresses his concerns in relation to public sector administration and accountability and states:

The failure by an agency to assist in providing a full explanation to Audit inquiries impedes the discharge of this responsibility.

He goes on further to state on the same page:

Agencies should be aware that Audit has a responsibility to ensure that the Parliament is accurately and fully informed of matters associated with public administration in this State and that indifference, neglect or inadequacy in response to Audit issues will in future be drawn to the attention of the responsible Minister and if necessary Parliament.

That is indeed a contradiction to Labor's 'no accountability' approach towards the taxpayers of the State and no accountability to the Parliament. I am afraid that that is not the way of a Liberal Government. Time will not allow me to pick up and run with this argument as I would like to, but I suggest to the Opposition that it looks through the Auditor-General's Report from pages 30 to 53.

Mr Atkinson interjecting:

The ACTING SPEAKER: Order! The member for Spence.

Mrs KOTZ: The conclusion of the Auditor-General's Report in this area is most interesting because, for those who deny that privatisation has accountability, I suggest that the Auditor-General's total conclusions—

Mr Atkinson interjecting:

The ACTING SPEAKER: Order! I warn the member for Spence.

Mr KOTZ:—within this report tend to say clearly that the areas of accountability are not being upheld in the public sector administration of this State at the moment, and that was led in and programmed by a previous Government. So, for those who use the argument that privatisation and corporatisation have no accountability, I suggest they read the Auditor-General's Report where he quite conclusively states that in the public sector at the moment we have no integrity, stability, accountability or responsibility.

The ACTING SPEAKER: The honourable member's time has expired.

Mr FOLEY (Hart): I rise tonight to talk about the budget, and I am deeply honoured that the Treasurer is in the Chamber to listen to my contribution.

Mrs Kotz: He was listening to mine.

Mr FOLEY: I apologise. I want to make a number of comments on the budget tonight and go through some of the financial numbers in it, but I also want to talk a little about what I consider to be a very poorly structured budget. I suspect that at the end of the day this budget is not of the Treasurer's liking, and that privately he would admit that. I will tell you why, Sir. This is a very poorly structured budget. This budget is not structured with a great deal of foresight, hard work and vision. This budget has been cobbled together by a Government that in its first eight months is clearly struggling in dealing with the reins of Government.

Members interjecting:

The ACTING SPEAKER: Order!

Mr FOLEY: The Treasurer suggests that he does not quite agree with me, but I think that privately he would admit that this is really not the budget he wanted. I suspect that at the end of the day the budget he wanted would have gone quite a lot further, but I also suspect that he had to deal with

a number of Ministers who are simply not on top of their jobs, who are simply not in a position to understand the ramifications of their respective departmental areas and who I suspect are beholden to chief executive officers of Government agencies who really will not let go of certain sacred cows and in any way, shape or form be lateral in the way they address their individual budgetary requirements in each agency. I suspect that the Treasurer was hampered by the fact that he did not have the quality of Ministers delivering the quality of contributions that he needed to frame a budget that had some degree of vision.

This Government has made much about its desire to set this State on a new economic course. We continually hear the Premier, who for a very few years in his working career acted as a consultant but who all of a sudden has become the business guru of this State (which is somewhat humorous, to say the least), telling us that we now have a businesslike approach to the way we do business in this State. If this budget is an indication of what this Government offers in the way of decent economic management, it is a horrible mistake. I suspect that it is not a budget of the Treasurer's making; it is the budget that he had to accept as the best he could get out of Cabinet.

This budget does highlight a number of significant broken promises of this Government. The Liberal Party made just about every conceivable promise before the last State election and, as the Government, has simply proceeded to break every single one of them. To the Treasurer's credit, at least he had the decency to admit at his press conference that this was a budget of broken promises, something that the good news Premier cannot bring himself to do. This budget broke a lot of promises. I do not need to detail them; they have been detailed by my other colleagues and will be detailed as the night continues. In the areas of education, a major promise at the election was that there would be increased funding, but there were massive cuts. In health and transport, increased funding was promised, but there were massive cuts. In law and order, it was claimed that 200 new police would be walking the beat in this State, but there were massive cuts to police, ambulances and prisons. What is even more galling about this Government is that it has portrayed itself as a pro-business Government.

This is a Government that, when in Opposition, used to make enormous political mileage out of condemning payroll tax as an appalling tax, an anti-worker tax, an anti-job tax and, more importantly, an anti-business tax. So what does it do at the first opportunity? It raises the level of payroll tax receipts in this State. In having to deal with that straightjacket of a promise the Premier gave before the election, the constraint this Treasurer had to work within, of no tax increases, it fudges it. It brings superannuation into the salary component, which increases the tax receipts of payroll tax. It was a clever move by the Treasurer but, again, he had to work within the constraints put upon him by the most ridiculous and offensive misleading promises by the Premier before the last State election.

In relation to land tax, I have sat in this Chamber and heard Opposition leaders and shadow Ministers year after year complain about the effect and the inequity of land tax and how it should be abolished, how it should be reduced. Every conceivable option to reduce or eliminate land tax was put forward by the Liberal Party when in opposition. The first chance it gets to implement its pro business, less tax philosophy, what does it do? It increases land tax receipts. It drops the threshold to get more land tax. The Government has not

just broken promises to the voting community in terms of the electorate; it has broken promises to its constituency, as this Treasurer has had to package together this budget that is so constrained by the Premier's pre-election promise that I know the Treasurer himself would like to have broken had he had the chance.

Pre-election commitments, of course, also included a raft of asset sales: the bank, the SGIC, the Urban Land Trust, the Entertainment Centre and various other Government bodies. Again, this is another package of promises that has simply evaporated. At best, we will get a good sale for the bank, and to this day I remain an absolute sceptic that we will get any value for SGIC, the Urban Land Trust or the Land Bank. Suddenly, the Government and current Treasurer have realised that there is very little to be got from the Urban Land Trust, and the Minister today confirmed that he was no longer in a position to put the Entertainment Centre on the market. So, another fundamental plank of the Government's pre-election financial statement has gone.

This is really a budget that is starting to come away at the seams. When you peel away the pages, when you flick through the budget papers, you see a very poorly structured budget, one that is cobbled together. Before I go on to some more in-depth analysis of the budget I would like to make an appeal to the Treasurer across the Chamber. I hope the Treasurer will take on board these comments, as they are meant with the best intentions in terms of a bipartisan approach to budget matters in this State—and I will try to catch his attention in a moment. It is the issue of the capital works budget. I think what the Treasurer (and, I hope, the Government) would do would be to take a new approach to how we allocate moneys in the area of capital expenditure.

I believe the capital works budget in this budget is no different from those of former budgets; they have simply been constructed using the old Treasury methods of constructing capital works budgets: agencies put in their bids, they have to work with a global figure and, finally, the capital works budget is decided upon. I would appeal to the Treasurer in a bipartisan approach—if I can only get his attention: I will have to send him *Hansard* in the morning—to look at using our capital works budget with a more pro-economic focus.

I should like the Government to be visionary in the way that it looks at capital expenditure and start to apply capital works money more towards economic need in some critical areas as against traditionally funding capital works budgets as we have done in the past. It is important, as we address our economic infrastructure, that we have the correct capital appropriations. There are a number of critical areas. No doubt the airport is one, but I would argue strongly that the need for a third river crossing in my electorate is an important piece of economic infrastructure that should be put on the Government's agenda in terms of its forward estimates for 1995-96 and 1996-97. As I said, I should like the Government to consider the possibility of a third river crossing.

The fundamental point that I want to make is that we can be more imaginative in our capital works budget. We can make it a more economic focus as against funding the capital needs of the State in the classical Treasury mode. This is a classical Treasury budget. It lacks vision and ideas. It does little more than apply broad cuts across the full area of Government expenditure. That does little for stimulating economic demand and encouraging any major portfolio areas to budget appropriately.

I have talked about the obvious impact on the business sector in the area of increased taxation. I turn now to the way that this budget is funded. I want to deal not so much with where the cuts have been applied—I have briefly touched on them and others before and after me will do so in more detail—but to home in on the naked hypocrisy of this Government. As the Treasurer was unable to achieve the cuts that he wanted, where did the Government go? It went to the bickie bin.

I want to put on the record a comment made by the member for Finnis, then Leader of the Opposition (now Premier), at the end of 1992. He said:

A Liberal Government will stop using ETSA as a branch office of the State tax office.

Not only has he broken that promise but he doubled the contribution from the State Government's trading enterprises. I sat here through previous budgets and Estimates Committees when members opposite, particularly the now Deputy Premier, former Leaders and former shadow Treasurers berated the previous Government for this practice.

The electorate of South Australia passed judgment on the former Government, and we know what that was. It did not accept the former Government's policies and chose not to adopt them. However, it put faith in the Liberal Party to deliver what it promised it would deliver. As I said earlier, it has now broken every single promise. But of all the promises to break, how can this Government honestly look electors and Parliament in the eye when, having made a commitment less than two years ago to stop using Government trading enterprises as branch offices of the tax office, the contributions from Government trading enterprises in the budget will rise from \$115 million to \$236 million—a 104 per cent increase?

The Hon. S.J. Baker: What about the State Bank?

Mr FOLEY: This Government hides behind the State Bank issue. Members opposite knew what the financial position of the State was long before they came to office. All I say is that they should have been honest with the voters of South Australia and made clear before the election where the cuts would be made and which hollow logs were to be raided. There is a contribution from EWS of \$51.6 million. Never in the history of this State has the EWS had to make a contribution of that order to recurrent expenditure. The EWS has significant debt of its own, which is appropriate, as all members would acknowledge, because it is an organisation which is required to be a substantial borrower of money in order to meet its capital needs.

Mr Lewis: Why?

Mr FOLEY: The honourable member asks why. That question defies an answer. That money should have been applied to maintaining its debt servicing position.

Mr Lewis: It shouldn't have had the debt in the first place.

The ACTING SPEAKER: Order!

Mr FOLEY: The EWS cannot be allowed to get into a position where it has to fund the recurrent expenditure of this State Government's budget when it has a substantial debt requirement that it must service. I say to the Treasurer that it is a very dangerous practice to take out of a major trading enterprise, essentially one of the largest in this State, money of that order. The budget requires the Pipelines Authority to contribute \$17.3 million. The gas users of this State have already said that that will mean higher prices for gas and loss of jobs. This is from a Government that says it is pro business and pro jobs. It has simply without a skerrick of thought said,

'We will take \$17 million from that enterprise. Who knows what the impact will be.' That is the point I am making: this budget lacks vision, commonsense, compassion and a basic understanding of the complexity of government.

I want to touch again briefly on the EWS. I have made this prediction publicly and I make it again tonight: as a community we will pay more for our water from 1 January next year. The EWS has a major requirement to help the Government to fund its budget. To do that, the full recommendation of the Audit Commission will be adopted, that is, the rate of return will increase from 2 per cent to 4 per cent. The cross-subsidisation of domestic and industrial users will be eliminated. Sir, for your constituents a very dark cloud is on the horizon, because it is stated quite clearly in the budget papers that, if it can find a formula under which it can get away with it, it will greatly reduce the cost subsidy to the rural users of water. We have seen what Jeff Kennett is doing in Victoria. He is reducing the subsidy for water and electricity to rural Victoria, and that is causing enormous internal disruption within the Party.

In the last few minutes remaining to me, I again want to touch briefly on the structural nature of this budget. It is a poorly framed budget, and the Treasurer knows it. When a budget requires a 104 per cent increase in the contribution from the trading enterprises of this State, it is very clear that it is a poorly structured budget. What will the Treasurer do in years to come when the dividend he can take from ETSA is no longer there, when the Government at some point embraces the Hilmer report, when we have a restructured national grid on electricity and when the Treasurer is unable to take \$135 million out of ETSA? How will he fund his budget? When the Pipelines Authority is sold, where will he find another \$17 million to fund his budget? When the EWS has to get back to what it was doing and starts servicing its debt, from where will he replace that \$51 million?

In the very first budget of a four year term this Government has raided the hollow logs to a magnitude never seen before in the history of this State. It is a cobbled together budget with little form and structure, a budget which on anyone's score card is a very poor effort. As I have done before when I have shown glimpses of compassion for the Treasurer, I almost feel some compassion for him when I look at what he had to work with when he sat at the budget table. Regarding the quality of the submissions from his fellow Ministers and their agencies, he would have said, 'What have I got here? What jelly like Ministers do I have, Ministers who have no lateral or creative ability, who cannot look at innovative ways to fund and make cuts?' No. He said, 'Let's just take 5 per cent across the board; let's hit those members of our community who can least afford to pay; let's hit the users of the school card; and let's attack the Labor voters of this State who did not vote for us at the last State election.'

The ACTING SPEAKER (Mr Venning): Order! The honourable member's time has expired.

Mr LEWIS (Ridley): I wish to disabuse the members for Elizabeth and Napier, and more particularly the member for Hart, of the mistaken impressions they have of why and how it happens, regardless of why they would want or like it to happen. Of course, I am talking not in riddles but about the simple management of an economy. I want to help the member for Napier to understand that she is quite mistaken when she says that the Audit Commission report on this State is miserly and miserable in its view of the State's future. As

you, Mr Acting Speaker, some members on this side and I know, you cannot distribute wealth that you do not have. Yet, the members for Napier and Elizabeth, even the member for Hart and almost all members on the other side have advocated a continuing level of expenditure in the State's budget this year.

Mr Atkinson interjecting:

Mr LEWIS: And I have made the disclaimer, with respect. I trust that, when he addresses this Bill, the honourable member will live up to his intellectual capacity for erudite insight that he has displayed in other matters. It is impossible for us to distribute to someone who we think might need it what we as members of Parliament do not have, and what the community of South Australia collectively does not have, either.

Yet that is what members opposite to date seem to have been advocating. They say that the working class suffered most in this budget. Well, let me tell them: if the working class has suffered, it is because of Labor's incompetence. Labor made the changes at the Federal level to which the member for Napier referred and, more particularly, Labor at the State level increased the debt in South Australia that required us to make higher interest payments on an annual basis and to press on with the reduction in the size of the public sector in terms of the dollars spent there. That must mean, Mr Acting Speaker, as you know, a reduction in the number of people who receive salaries and in the number of programs delivered by those people who take other money to go with those salaries to put in place those programs.

It involves money. There is no other way of accounting for the redistribution of human effort in society that is anywhere near as efficient as money; that is why it was invented. Accounting, as a term, is one we take for granted. It is just as well those ancient Italian merchants developed the system which we have refined and sophisticated to the degree that we can determine our real position both in our personal pockets, our purse, our situation at home, as well as our position in the State. We should take the trouble to be responsible and do our sums.

This does not even involve algebra: it is straight arithmetic, and these documents do not contain complex formulae. There has been no debate of the economic matrix that needs to be considered to determine the social outcomes that are regarded as desirable to fix the level of taxation as a mix in the package with the level of welfare to be provided. I say to members opposite that if the working class is suffering it is a direct consequence of the incompetence of the Labor Party.

I describe the working class as being victims of the vicious rape of their future by the naked exposure of the irresponsible political push-cum-shove of Labor's greedy desire to run businesses in competition with the tax-paying private sector enterprises that it was taxing and to get more revenue from the profit it thought it would make from those enterprises in Government, and you cannot get it twice.

There is only just so much available in each sector of the private market place and, if the Government runs an orchard, for instance, to grow apples to sell in competition with the other 10 orchardists in any given community, and the Government sells its apples at above its cost price, it will be selling them more cheaply, if all other factors are equal, than the private sector producers because the Government orchard does not pay the Government any tax, and the Government orchard can make rules to suit itself to disadvantage its competitors. In any case, to establish a Government orchard and expand its production in the mistaken belief that it will

have no effect whatever on the production of the other 10 orchards and the profit that they can make is inane. It just does not work that way.

So, in the greedy shove by the Labor Party into the private sector's domain to get an additional share of revenue from the profits it expected to obtain from those enterprises, it mistakenly overlooked the consequences—not only because more revenue could not be obtained from the same market but also because it took risks. The Labor Party in Government took unbridled, uncalculated risks in those business ventures, the worst consequences of which we saw in the State Bank. I drew attention to the excesses of those risks at the time. We debated that measure when the merger of the two State-owned banks was first debated in this Chamber.

Mr Atkinson interjecting:

The ACTING SPEAKER: Order!

Mr LEWIS: More particularly, this relates to those other business enterprises which I and my colleagues on this side of the House constantly told the Labor Government of the day could not be undertaken without paying the ultimate price, which is the loss you get when profitability fails. That is what has happened. That is now why we do not have the resources: because profitability has gone. Not only that, but also liability has increased because we borrowed more than we could service and we must now repay it by collecting more taxes from citizens.

Even worse, we have to service the increased debt interest payments. It is interesting to look at page 18 of the Audit overview—that is the easy one for us all to read and understand—and the table setting out the level of State taxation under the previous Government from 1990 through to 1994. I seek your leave, Sir, and that of the House to incorporate that table into my remarks.

The ACTING SPEAKER: Can the honourable member assure the House that the table is purely statistical?

Mr LEWIS: Absolutely.

Leave granted.

Year	Actual \$ million	Percentage Variation Increase
1990-91	1 333	—
1991-92	1 417	6.3
1992-93	1 594	12.5
1993-94	1 736	8.9

Mr LEWIS: We see that in 1991 the actual State taxation level was \$1.333 billion. In the next year it increased by 6.3 per cent to \$1.417 billion. In 1992-93 it increased by 12.5 per cent to \$1.594 billion. In 1993-94 it went up to \$1.736 billion, which is a further increase of 8.9 per cent on the previous year. That occurred at a time when the Prime Minister, who was Treasurer at the outset of that period, was claiming that he had brought inflation under control. However, it was well in excess of the CPI. It just shows the rapaciousness of members of the Labor Party if you let them get their sticky little mitts into the cookie jar without making them accountable.

I tried to draw attention to the inept and inappropriate accounting to this House during the past decade or more, and more particularly in recent times when I could see the shift that was being made in the way the budget figures were provided to this place from 1988-89 onwards from State departments and other State Government instrumentalities through the South Australian Financing Authority, masking the consequences for those instrumentalities, their revenue and their expenditure base, and obscuring the end result.

There was not a comparison of apples with apples year to year; there was a sleight of hand that went on. You only have to look at page 20 of the same document to find a further table that sets out the real operating surplus after you take away the abnormals, which are the sales of assets. The Government's real operating surplus was actually falling off from 1991-92 through to the financial year just ended, from \$341 million to \$246 million.

I now turn to the interest payments, to which I have already drawn attention. In 1991 they totalled \$465 million and last year, \$824 million, increasing in that year by \$170 million. The dodgy accounting of the previous year was undertaken to give the false impression that there was a fall in interest payments, and therefore, in effect, a fall in the impact on the public accounts. That 37 per cent increase required in 1993-94 shows the extent to which the Labor Party set out to deliberately deceive the people of South Australia in that pre-election year, when it changed all the names of departments and when it botched up the proceedings in this Chamber and attempted an unconstitutional passage of the budget.

It introduced the budget in one form, put it through the Estimates Committees, and then after the Estimates Committees were over it wanted us, without any debate at all, to reallocate the expenditure on a list detailing a restructured arrangement of Government departments with no revenue raised or expenditure proposed in any of those new departments. It took us through the hypocritical process of pretending; those Ministers sat at the table day after day and lied their head off, pretending that they were going to be the Ministers of those departments and that they would be responsible for their expenditure. I have never been as disgusted as I was then by the way in which the Labor Government in this State set out to deliberately abuse the parliamentary process of budget scrutiny. That is what it did on that occasion. I now quote the Auditor-General about a matter of great concern to me, as follows:

In my opinion, urgent attention needs to be given to resolution of the issues that are seen to be a barrier to reporting the position of all of the State's assets and liabilities.

Hear, hear! He continues:

Resolution of the matters discussed will be necessary for the preparation of future information.

They are the matters he has referred to in the preceding pages. He goes on.

Indeed, accounting policies with respect to the valuation of assets are an essential element in the move to accrual accounting by all agencies in the public sector.

I would have to tell members at this point in the course of that quote that when I came in here it just was not possible to discover that from the budget documents presented. The move to program performance budgeting and then what it brought in the way of discovery of information about each of the departments and programs involved in those departments compelled people to recognise the necessity for more realistic approaches to be taken to public accounting for expenditure. It was not simply a matter of putting money in a big bucket and taking a number of other buckets and dipping them into it to give what was thought to be a satisfactory mix without debate about it. The Auditor-General continues:

Such a move is a prerequisite to the production of whole of Government financial statements on an accrual basis.

I say 'Hear, hear! Praise the Lord and pass the ammunition.' The sooner we get there the more honest and open any

Government and every Government will be. If only this report had been available to us during recent times it would have enabled us to come to a better understanding of the State superannuation liability.

Mr ATKINSON: I rise on a point of order, Mr Acting Speaker. I ask you to rule on whether the member for Ridley's remarks are blasphemous.

The ACTING SPEAKER: There is no point of order.

Mr LEWIS: There are holy wars and the honourable member well knows it. He joins me each year in celebrating the anniversary of one that took place over 300 years ago. For him to suggest that my remarks are in any way blasphemous astonishes me.

Notwithstanding that, let me draw the attention of the House to the table appearing on page 27 of the same document to which I have been referring—the Audit Overview—in which the accrued superannuation liability in this State since 1989-90 has gone from \$4.067 billion to \$6.285 billion last year. On the other hand, the assets held to cover that liability—which was unfunded then at not quite three to one—amounted to \$1.529 billion in 1989-90 and \$2.338 billion in 1993-94. So, the net liability has climbed from just on \$2.5 billion to nearly \$4 billion in that five years. That is just incredible.

It leaves me speechless on occasions when I hear members opposite saying that the Government has been irresponsible in the way in which it has treated this budget. I heard the member for Hart say that it is an unworthy document, cobbled together. For your sake, for my sake and for the sake of every citizen and taxpayer in this State, if the Labor Party had done not just half or a quarter but a tenth of the job that this Treasurer and these Ministers have done to find the money to pay the increase in interest that we have to pay to service the debt created by the Opposition's irresponsible mismanagement of affairs—if it had done a tenth of the work done in eight months by this Government—then the State would not be in the mess it is in. We would not have to be doing the kinds of things we are doing. We could have spent some money doing the kinds of things that I think will further expand this State's economy instead of those few things we have had to address to regenerate incentive and some economic expansion by providing confidence to the private sector to get on with it and go for it—to provide it with an indication of the direction in which we will take this State's economy to get it back together again.

We desperately need a decent airport-export facility, which brings in billions of dollars from tourists and from products carried out of this State—perishable, high-value products—to those markets to our near north. I will have more to say in the next few months about the way in which we can dramatically expand the revenue base and employment opportunities in South Australia without the Government's having to spend all that much more money, particularly if we apply ourselves to use the water we have for irrigation, first, in fish farms or otherwise use the salt water around our shores in suitable locations for mariculture.

That will include not only fish but also vegetation which is eaten in those markets to our near north, such as seaweed, mustard cress and the like, which is only to be found in salt and fresh water wetlands and which we can grow because we do not have any pollution. We can freight it there at a cost which will be more than competitive with any other source available to them. That is the kind of future we have in front of us, if only we can sort out the mess created by this bunch of amateurs who have just been displaced in the last election.

The ACTING SPEAKER (Mr Venning): The honourable member's time has expired. The member for Torrens.

Mrs GERAGHTY (Torrens): As members on this side of the House have already said today, the first budget, the broken promises budget of the Brown Liberal Government, will hurt. It will hurt the people who can least afford the pain, such as families on low income, Housing Trust residents and small business. It will also hurt sick people needing hospital care, as well as hurting our struggling farmers and students. The Government has termed this 'hurt recovery through reform', but I would prefer to call it 'pain through penny-pinching'—the three Ps.

For the people in Torrens, the people I was elected to represent in this Parliament, the pain will come especially through cuts to education, health and public housing. School teachers have spoken to me this past fortnight about their fear of losing their jobs and the effects such sackings might have on the education of our children. I believe that education is one of the most vital aspects of pointing this State's young people in the right direction. On the formal side, education gives children knowledge and teaches them the ability to think and work. Informally it provides them with social and interaction skills and it is a place for them to learn, play sport, make friends and, in most instances, generally enjoy. When my children were growing up I placed a lot of emphasis on their school education, in both primary school and high school. It devastates me now to see the damage being wrought by this Government on South Australia's public school system. Do not members on the other side of the House place such an important value on education? Do they not feel the slightest bit uneasy—

Members interjecting:

The ACTING SPEAKER: Order!

Mrs GERAGHTY:—about the effects of this budget on families who struggle to put their kids through school? Although the Leader of the Opposition has already mentioned this, let me also tell of the family who live in my electorate who are badly affected by this supposedly caring budget. One of the parents is on WorkCover and the other works part-time. Two of their children attend the local high school, both of whom use the travel concessions associated with the school card. Members might recall that this Government has announced its intention to abolish the school card travel concessions from the beginning of next term, 17 October. The effect of this will be devastating on the household budgets of this family and many others.

In the instance of the Gilles Plains family, the abolition of the travel concessions will mean \$100 extra per term—that is per term, not per year—and they will have to pay for bus fares. That is \$400 per year. Already families like this one are scrimping and saving to make the family budget stretch that little bit further and this Government has the gall to throw in another whammy of \$400 per year for them to contend with. From October, students in situations like this will pay the same amount of money to get to and from school as that paid by students going to the most expensive private schools. Where is the justice and the equity in that? What of the days when it is pouring with rain and the kids are forced to sit all day in wet clothes? I suppose they will not go to school on those days and perhaps therein lies a plot—smaller class sizes, less kids in the school and a good excuse to close another school. Fanciful perhaps, but perhaps not.

On top of the extra costs associated with the school card, the Government has announced its intention to sack 422

teachers in our schools. Once again, I ask what value do the members opposite place on our children's education? The Government has said \$22 million will have to be cut from our schools. Clearly, this will mean the closure of some schools and the amalgamation of others.

Schools in my electorate have contacted me to find out whether they are targeted for this treatment, but it is nigh on impossible to find out such information from the Government, which keeps its vicious plans well under lock and key. Once again, it will be those families who work hard to make ends meet who will pay the price of the slash and burn policies of Dean Brown and his Liberals.

I now turn to health funding, another issue near to my heart, especially following the recent news about Modbury Hospital. If members have not had the chance to catch up on the latest about Modbury Hospital, let me fill them in. The Modbury Hospital board has recommended to the Government, or perhaps has been forced to recommend to the Government, that the hospital be run by the private sector. I am concerned that this will mean cuts to public health services for the people of the north-eastern suburbs. It is all very well for the Minister for Health to say that this privatisation will increase public services and not decrease them, but I have to say that, taking into account the Government's record on promises so far, I have my well-founded concerns and not just for the people in my electorate of Torrens.

Members interjecting:

The ACTING SPEAKER: Order! The member for Mitchell and the member for Spence are making it difficult for the member for Torrens to be heard.

Mrs GERAGHTY: All electors in the north-eastern area are concerned for themselves, their families, their children, their elderly relatives and their neighbours. They are concerned that, should Modbury Hospital be sold, the nearest public health services will be at the Lyell McEwin Hospital at Elizabeth or the Royal Adelaide Hospital in the city. Most of all they are concerned at this attack on their inalienable right to an accessible and equitable public health service. This Government does not seem to realise that our basic standards of living require such a public health service. Health care is a universal right.

I have already talked in this place about the interesting thoughts of Dr Peter Botsman, Executive Director of the Evatt Foundation, on the American health system. Having worked in the United States for a number of years on health policy, he believes Australia's Medicare public health system is one of the best in the world. Like me and like many others, he cannot understand why Governments such as this Government want to change the system.

What about the transport fees that are to increase? Who will suffer the most? It is the lower income families and the aged. How will distance-based public transport fares affect the public? I do not see members opposite speaking out for the public on this issue. I remind Government members that many of their constituents will be severely affected by these increased charges. Further, why would the Government want to foist an impost on small business owners, the very people it claims to represent, the people who supported the Government? The Government has attacked these people and announced that property values between \$50 000 and \$80 000 will now be charged land tax, yet small businesses are struggling to pay wages and make ends meet. What happens? They are now subjected to an increased tax of \$100.

Businesses already paying land tax are to be faced with an extra charge. What great support for small business! This also

raises the issue of the hypocrisy of the Government. The former Opposition attacked the then Labor Government on the contribution levels made by ETSA to the State budget, calling it backdoor taxation and claiming that a State Liberal Government would stop using ETSA as a branch of the State Taxation Office. What has the new Government done? It has decided to prop up its budget by taking a massive \$135 million from ETSA. Instead of reducing tariffs for all users, it dips its hand in the till. It is not just ETSA that the Government has used as a Brown cow—EWS is also to contribute to the Government's coffers, and the list goes on. Instead of keeping its commitment to the people of South Australia and the people of Torrens to put more police on the beat, in real terms not one extra policeman has been recruited. This Government has broken promises—

Members interjecting:

The ACTING SPEAKER: Order!

Mrs GERAGHTY:—and disregarded the needs of the community and attacked workers in the workplace—

The Hon. W.A. Matthews interjecting:

The ACTING SPEAKER: Order! The Minister is out of order.

Mrs GERAGHTY:—with the withdrawal of WorkCover when travelling to and from work. The Government cannot be trusted.

Members interjecting:

Mrs GERAGHTY: That extra lot are not. Finally, I would like to get a word in about the Government's plan to slash the Housing Trust. It was not mentioned in the budget speech, which was filled with happier notes. The Government plans to rip \$29 million out of the Housing Trust budget. That means higher trust rents and a massive sell-off of homes.

Members interjecting:

The ACTING SPEAKER: Order! There is too much noise in the Chamber. It is very difficult to hear the member for Torrens.

Mrs GERAGHTY: That means Housing Trust residents will be in dire financial straits. In the electorate of Torrens many of my constituents are confused and anxious. What of their futures? There is still the question of rent rises and the restructuring of the Housing Trust, changes that will increase waiting lists which are already at an unacceptable level. Priority housing is being prioritised! That is how bad it is. I have families in Torrens who are in dire straits living in dismal situations, and now they almost need to live in squalor before they can get on the prioritised priority list. Slashing the housing budget has certainly met their needs! This Government's budget, as I have said before, is not one that will stand it in good stead, nor will it be a budget that members opposite will be able to defend in their electorates. This Government does not understand that budgets should be about people, not numbers.

Mr ATKINSON (Spence): This is the budget that brings home the cuts to patient services. According to the Government's 'Budget at a Glance' pamphlet, health takes 19 per cent of State outlays and education 27.75 per cent, yet health will take \$65 million in cuts over four years and education \$40 million in cuts. This shows where the health portfolio is in the Brown Government's priorities. The Minister for Health was the soft touch around the Cabinet table. It seems to run in the family.

The Labor Governments of which I was a member presided over real increases in health expenditure. I accept that expenditure is not the only measure of quality and

availability of health services, but the Audit Commission records that under Labor in the past five years State outlays in health increased by 12 per cent in real terms. The commission said:

According to key health indicators, South Australia has one of the best health profiles of the general population for any State, despite having a higher incidence of lower socio-economic and aged persons in its population than the national average.

The Audit Commission went on to write of this as if it were a matter for shame.

Why has health been cut more deeply than any other portfolio in the Brown Government? I say one of the reasons is the experience of the Kennett Liberal Government in Victoria. When schools were closed in Victoria, parents, children and teachers made a local coalition to resist their closure. The American slogan 'All politics is local' has much force. Local sharing of political resentment makes it more enduring, even unto the next election. By contrast, those who are denied health care to which they were once entitled, and those who pay more than they once did for the same service, are diffused. They do not meet one another, they do not know one another, they do not congregate in the one place. For these reasons, those who suffer the Brown Government's health cuts are not the danger to Liberal-held House of Assembly seats that those who suffer the education cuts might be. This is notwithstanding the sterling work of the Coalition for Better Health.

The budget cuts the ambulance concession to pensioners in the country from 100 per cent to 50 per cent. This is the Minister for Health's reward to the voters of rural South Australia and voters over 55 for their strong support of the Liberal Party in its 11 years in opposition. Secondary school students who are not school card holders will no longer be eligible for free dental treatment. The parents of these students will have to pay the Liberal Government's cavity tax. I am sure there was no family impact statement on that one. Then there is casemix. Under casemix each medical procedure is allocated to one of 471 diagnostic related groups (DRGs). Hospitals are paid a sum prescribed for each DRG for each medical procedure they perform. If hospitals can perform medical procedures for less than the sum prescribed, then they will do well under casemix. If the hospital performs the procedure for more than the sum prescribed, that will diminish the hospital's revenue and deter the hospital from offering the procedure.

One means of doing the procedure for less than the prescribed sum is to send the patient home from hospital short of the expected period of convalescence. The Minister says that, if patients are readmitted to hospital because they were discharged too early, the hospital will suffer a financial penalty under casemix. But what if the patient merely suffers at home in silence, and where is the boost in funding for the Royal District Nursing Society and for domiciliary care necessary to complement earlier discharge from hospital under casemix? Yes, there is a pilot program, but that is all. I must say that I agree with some remarks of the Audit Commission on the value of home-based services and I quote that paragraph, with which I particularly agree:

The community at large tends to equate health services with hospital beds and to place the most value on dramatic high technology acute medicine, with little appreciation of the costs and benefits of these services, including the opportunity cost involved. While developments in medical technology have brought many benefits to the community, they often overshadow, and may to an extent displace less sensational but important activities such as

antenatal and diabetes education, home-based services for the aged and for people with disabilities and mental health.

I commend the Minister for his protection of disability services and mental health services from the average cut his Cabinet colleagues required of his portfolio. I also give him due credit for the Health Commission's foray into step down facilities, though I suppose this was an initiative of the system that might have occurred under any Minister. It was foreshadowed by the Audit Commission report.

I return to the discharge of patients quicker and sicker under casemix. The Minister says it is still the medical practitioner's decision to discharge a patient from hospital. Alas the invisible hand of casemix is there guiding the doctor towards a discharge decision in order to save or make the hospital money, that is, to save or make the team money. The Minister, being a Liberal, would understand the operation of Adam Smith's invisible hand. Patients will feel the Minister's invisible hand in the small of their backs. Country hospitals will be the losers under casemix. Unable to compete with the specialisation and economies of scale of the metropolitan hospitals, country hospitals will stop performing many procedures and some country hospitals will close.

Again the Liberal Party will be governing in a way that disappoints its country constituency. The Liberal Party now takes the loyalty of country voters for granted. Given the election returns over the past 20 years, why should not the Liberal Party do just that? Only a breakthrough in country constituencies by the Labor or National Parties can give country people the political clout they now lack. The Opposition is willing to give casemix time to work. If it reduces the claims of the hospitals on our budgets, if it increases the number of elective surgical procedures performed, and if it does so without discharging sick people from our hospitals before they should be discharged, then the Opposition will give the system due credit. It is my suspicion, however, that the Minister has rushed casemix into force well ahead of the capacity of the system to adapt to it.

We will not know the effects of this year's \$32 million in cuts until the major hospitals have applied the global cut to each of their budgets. This bad news will come out over the next few months, as it did over the Adelaide Women's and Children's Hospital. I trust that the Minister will never again be as evasive about the effects of his policy as he was on the ABC's *7.30 Report* when questioned about that hospital, a debate I am sure members opposite recall with some pain. For all the pain we feel in health, this budget does not forecast a reduction in debt until the 1997-98 financial year, just after the next election, coincidentally. Other portfolios are not subject to genuine austerity. It reminds me of President Jimmy Carter's pledge to balance the American Federal budget the year after he faced re-election. I think most members know what happened to the American deficit in the years 1976 to 1981.

Mr Caudell interjecting:

Mr ATKINSON: Yes, even the member for Mitchell probably knows that. These cuts to patient services and the budgetary demotion of the health portfolio would be more bearable if during the election campaign the Liberal Party had told the voters that austerity was necessary and would be the budgetary policy of the Liberal Government. On the contrary, the Minister for Health told voters in December 1993:

We will allocate an additional \$6 million annually to public hospitals. . . We will retain within the health system all savings generated so that increased funds can be provided for direct patient services.

I do not think that when the Minister was Opposition spokesman he ever understood how harsh the realities of the health portfolio would be when he became its Minister. He talked about how much money he could save in hospitals by making the ancillary services more competitive. It could all be done by efficiencies, he told us. Now that he has made his moves on that and has been briefed by the Health Commission on the likely savings, he knows he exaggerated the savings when he was in Opposition. His Cabinet colleagues have, however, taken him at his word and called on him to contribute the biggest cut in the new austerity program, and he has complied.

The trouble is that as the Minister for Health he is our Minister. Patients will now pay the price of the Minister's financial and political misjudgment. That price will include: a reduction in medical procedures not adequately compensated by the DRGs to which they are allocated; the closure of wards and the sale of hospital buildings; fewer nurses, and a loss of at least 1 000 nurses over the next three years, even if the Australian Nurses Federation makes no wage claims; cost increases and new charges for hospital goods and services; the privatisation of outpatient services; inferior maintenance and cleaning of hospitals; and an end to some screening programs and medical research that requires new infrastructure.

At the next election, members such as the members for Mawson, Hartley, Lee and Hanson will have to take responsibility with their constituents for these cuts to patient services. It is all right for them to lord it over a much reduced Opposition and to think that perhaps they are not getting the parliamentary and media opposition they expected to some of these cuts to services but, believe me, when the electors feel the effect of these cuts to services, they will not need prompting from the Opposition or the media to take it out on members opposite. Capital works in the health portfolio are down \$7 million on the Arnold Government's forward estimates. This is at a time when the Royal Adelaide Hospital is riddled with asbestos and parts of the Queen Elizabeth Hospital are in urgent need of refurbishing. Yet, at the same time as the capital works budget for health is down \$7 million, this Government has allocated \$17 million for the Art Gallery extensions.

I say that this Government has its budgetary priorities all wrong. If members look at the capital works budget, they will not find one item for health that is half as big as the allocation for the extension of the Art Gallery. It is a scandal. This Government has its priorities all wrong. All this from a Minister who would tell the House that, under the previous Minister (Hon. Martyn Evans), the South Australian health system was in crisis. If the health system was in crisis after a 12 per cent increase in health funding on top of CPI in the last five years of Labor, what will be the state of the health sector after this Minister's 4.5 per cent cut projected over four years?

Members interjecting:

Mr ATKINSON: What about the waiting lists? Members opposite will get people off the waiting lists for both hospitals and the Housing Trust by changing the eligibility criteria: people will no longer be eligible to be on the waiting lists.

Members interjecting:

The ACTING SPEAKER (Mr Venning): Order! The House will come to order.

Mr ATKINSON: Earlier this evening we heard the usual refrain about how members on this side are responsible for all the budgetary cuts and broken promises on the other side

because of the State Bank and other State Government instrumentalities. I want to say a few things about that right now.

Mr Bass interjecting:

The ACTING SPEAKER: Order! The member for Florey is out of order.

Mr ATKINSON: Labor was in power for 11 years from 1982 and during that time there were massive losses by State Government instrumentalities, notably the State Bank, SGIC and the Timber Corporation. And my Party takes political responsibility for that.

Mr Caudell: Is that an apology?

Mr ATKINSON: Yes, it is an apology, as a matter of fact. The member for Mitchell is right.

Mr Caudell interjecting:

The ACTING SPEAKER: Order! The member for Mitchell is out of order.

Mr ATKINSON: The member for Mitchell is right: it is an apology. And the Premier of the State during that period took political responsibility and resigned. But it went further than that. At the following State election, my Party was heavily defeated and many Labor members of Parliament took ultimate political responsibility by losing their seat. That is the highest political responsibility you can have. So, the Labor Party has taken political responsibility for those losses, which amount to a little under one half of the State debt. We accept political responsibility for that and, in so far as my Party is responsible, I apologise to the electorate for the mistakes that my Party made in government.

Mr Bass: You should throw yourself on your sword.

Mr ATKINSON: The member for Florey says I should throw myself on my sword. I did throw myself on my sword at the State election in that I was a candidate for Parliament in those circumstances.

Mr Leggett: And you went to preferences.

Mr ATKINSON: No, I went to preference. I required one preference to obtain an absolute majority, and I obtained that. My vote was much reduced, as was the vote of all Labor members seeking re-election, so I have taken political responsibility. Nevertheless, I was returned to office in this place to represent the State District of Spence, and I have every right to criticise this budget from the perspective of my voters who put me back to represent them. If they wanted someone who was to be a sycophant about this budget, they would have elected Mr Danny Maguire, but they did not do that. They gave me a 57.5 per cent two Party preferred majority, so I am back in this place to represent the electors of Spence from a Labor point of view. And that is what I will continue to do.

The Hon. FRANK BLEVINS (Giles): I rise to say a few words about the budget, which is a shabby document, not a document of which any normal, decent person could be proud. It is a very shabby document. Even in Liberal Party terms, it does not measure up as a good Liberal Party document. Prior to the budget we heard how the State was in dire straits, that terrible things had to be done, that the debt had to be brought down, that the rating agencies had to be appeased and that the budget would do all those things.

Even by the Liberal Party's own fairly miserable criteria, the budget is a shabby document. It did none of those things. In fact, looking at the figures, the budget was mildly expansionary. One commentator described it in precisely those words—'mildly expansionary'. Why is that, when apparently we have this huge debt? According to the Liberals, we are on

the verge of bankruptcy and drastic action has to be taken to save the State, yet they bring down a budget that is actually expansionary. At the same time I keep hearing the Premier and the Deputy Premier lecturing the Prime Minister on reducing the Federal deficit but not by reducing money to the State of South Australia. I think that the Federal Government is doing a bit better in reducing the deficit than this shabby document before us today does.

I know that there is a bit of freemasonry among Treasurers and former Treasurers. I know the difficulty that the Treasurer had. He had a group around the table who all agreed that the deficit had to come down. The figures were up on the blackboard, Treasury officials were in there giving this horror story of how we would all be ruined, and they were all nodding and saying 'Yes' except when it comes to their own portfolios. Then they all say, 'You cannot live with it, Treasurer. If you make me do this, we will lose so many seats—take your pick.' They all claim that they will lose seats if any cuts apply to their portfolios. I have gone through it. I know and I have some sympathy for the Treasurer. Nevertheless, Treasurers are not there to be popular: they are there to take on their fellow Cabinet Ministers who seem to think that every other portfolio ought to take the pain except theirs. That is what Treasurers have to do. There should be no favourites, no favouritism, no saying, 'Well, he or she is a bit of a mate.' There is none of that: they all have to measure up. But it has not happened.

Mrs Kotz: Is that how you behaved?

The Hon. FRANK BLEVINS: Absolutely. There was no dissent, none at all, particularly not from any of those directions. One should not take the job if one cannot do it. That is what Treasurers are for. I was told by a Treasurer—not my immediate predecessor—that to be a Treasurer one needed to know only three words, 'How much?' and 'No.'

What has happened in this expansionary budget? Being a bit of a Keynesian, I do not mind that, but the Liberal Party propaganda keeps telling us that we need a tough budget. There is a bit of a double value with this budget. Not only is it expansionary—Moody's and Standard and Poor's will not like that and the Federal Treasury, let alone our Treasury, will not like that—but they have gone in with the knife in the wrong areas. To imagine that stopping school dental benefits will appease Moody's or will do anything to reduce this State's debt and that that is the way to solve whatever problems we have is nonsense.

They are the areas that this Government has decided to attack. It decided to attack the school card holders. If attacking the school card holders will bring \$10 million or \$100 million or so relief to the budget, you would have to think about it. I would think about it and dismiss it, but if I was a Lib I would think, 'What will attacking the school card holders, taking \$10 a year off every poor child in the community, bring?' It produces peanuts. It takes every member opposite, particularly those in seats which have a significant working class—

Mr BROKENSHIRE: On a point of order, the member for Giles is continually looking around at members and not addressing his remarks through the Chair. I find that to be most unparliamentary.

The ACTING SPEAKER: I was distracted, but I will keep an eye on it. The member for Giles.

The Hon. FRANK BLEVINS: Working class people in the electorates of some members opposite will know that this Government has cut them out of school dental benefits, the school card and free buses for school card holders. Collec-

tively, that adds up to trivia, but it sure as hell annoys an awful lot of people, not just in the industrial electorates—and there are a few of those over there at the moment—but an awful lot in rural electorates. Many people in rural electorates are very poor—very proud but very poor—and they rely to an enormous degree on Government services.

The Government services that have been cut in this budget impact on those poor people. If the Government taxed the rich or hoed into the people in the eastern suburbs, areas where members opposite have a 70 per cent and 80 per cent majority—if it gave them a bit of a touch-up in the budget—it would do no harm whatsoever; they would not even notice it. Such is the lack of wisdom of those who put together the budget that they left the eastern suburbs alone. They left the Cabinet Ministers' constituents alone and, by and large, they attacked the constituents of the backbench members opposite. I do not think that is smart politics. It is certainly not smart economics, because if you attack the poorest section of the community, the school card holders and so on, how much do you get out of them? Next to nothing. They do not have anything. The wealthy congregate in the eastern suburbs. So, if you want to add significantly to your budget they are the people you should attack.

There is another group which for some reason that I cannot work out also gets a hammering from this Government in this budget—I have no idea why—and that is the small business sector. I assume, perhaps wrongly, that the small business sector is a natural constituency of members opposite. I am fortunate that many small business people in my electorate make absolutely no bones about it—they support me, and they do so openly. I am pleased to have their support, but I do not believe that is indicative of the small business sector as a whole. I believe that the small business sector overwhelmingly supports the Liberal Party.

So, I cannot work out why on earth the small business sector got the hammering it did in this budget. Over the next few days while this budget is being debated, I would like members opposite to explain to me what the small business sector of our community did to deserve the belting it got in this budget. Somebody ought to explain to me what it did, because frankly I cannot work it out. Of course, it is not I who is saying this: members opposite possibly would not take too much notice if it was. Let us have a look at what some of the representatives of small business have said about this budget—and these people are no friends of the Labor Party. The *Advertiser* of 27 August states:

Small business has forecast a dramatic increase in bankruptcies in South Australia because of the State budget.

Mr Brokenshire: Read on!

The Hon. FRANK BLEVINS: I will read on, at great length. I will read it all here. These are the small business people who are supposed to be the backbone of the community. It is supposed to be the area in which all the growth is coming and where all the jobs will be created. This is what they are saying about the budget. It is not the Trades and Labor Council or the Institute of Teachers that is saying this, and I am certainly not saying it. I continue:

The warning from the Australian Small Business Association came as protests over the huge spending cutbacks in the Brown Government's first budget continued to mount.

An honourable member interjecting:

The Hon. FRANK BLEVINS: I will read it to you. Just hang on!

The ACTING SPEAKER: Order!

The Hon. FRANK BLEVINS: The article continues:

The ASBA, which has about 1 000 members, says many of the thousands of public servants taking separation packages are too young to retire. The President of the ASBA, Mr Peter Siekmann, said there were about 6 000 public servants about to hit the work force. A large percentage would 'buy' jobs by investing in a small business.

This meant more competition in an already extremely competitive area. Some of these businesses would go to the wall and would send a number of other viable businesses to the wall as well. 'The level of bankruptcies in this State over the next two years is likely to increase markedly,' Mr Siekmann said.

Mr Caudell: Nothing to do with the budget!

The Hon. FRANK BLEVINS: Well, Mr Acting Speaker, the member for Mitchell interjects. I want to continue with a few comments of the ASBA's President, Mr Peter Siekmann, and I thank the member for Mitchell for drawing them to my attention. On 29 August, the *Advertiser* stated:

Many more small businesses are expected to be hit by payroll tax following the State Government's decision to include superannuation in payroll tax assessment, the Small Business Association has warned. The ASBA's President, Mr Peter Siekmann, said yesterday the inclusion of super in the assessment would push several small businesses over the current tax threshold.

'And the threshold would continue to fall automatically as the Federal Government's superannuation guarantee charge increases from 4 per cent in 1994 to 9 per cent by the year 2000,' he said.

The current threshold is \$456 000, which covers about 12 to 14 employees, according to Mr Siekmann.

He makes a further quote—and members opposite ought to take note of this. I guarantee the man is a Lib. He sounds like a Lib, if ever I heard one. I do not know the gentleman, so I may be doing him a grave injustice. Nevertheless, I would not mind betting that we are talking about a Liberal supporter here. The *Advertiser* states:

'I know one company that is already avoiding putting on more people because it would bring them above the payroll tax levy,' he said.

So, what is happening already? The budget has been down for only a fortnight, and the Small Business Association is saying that people are avoiding putting on extra workers because of the inclusion of superannuation in the calculation for payroll tax. Now you are starting to pull additional people into the payroll tax net.

Payroll tax—a tax on employment—is one of the vilest taxes ever conceived. This Government is increasing payroll tax and bringing more people into the payroll tax net. When we were in office payroll tax was reduced budget after budget. Many people condemned us for it. They said it was irresponsible to be reducing payroll tax. They may well have been right but, nevertheless, it was something that we always did because members of the previous Government loathed payroll tax for all the reasons I am sure everybody knows. I will go into them in detail another day for one or two members who do not know.

Land tax again has been widened. I am not necessarily opposed to the widening of the land tax net. I do oppose the payroll tax increases, but more and more small businesses are being brought into the land tax net. What did they ever do except support members opposite? They never supported me. They never supported the Labor Party, except in my electorate. They never supported us elsewhere. I never heard them say in the press, 'Great bloke, Frank.' I looked after them with regard to land tax, but this Government has given them a clip behind the ears. That is the thanks they got.

About two or three weeks ago in this place I made some comments about the possibility of removing the cross-subsidy to country people on water and electricity. I was assured, by

way of interjection, that in no way would this happen. The Audit Commission recommended it but I was assured that in no way would the subsidy be removed. The same thing was said in Victoria. What happened in Victoria last week? It was announced that there would be a phasing out of the cross-subsidy on electricity and water. Electricity concerns me particularly in this instance. An article in the *Australian* of 1 September stated:

The Victorian Government will end cross-subsidies for rural electricity consumers after the industry is privatised by 2 000, angering members of the Liberal's Coalition partner, the National Party.

The National Party was spineless because in the end it agreed. I warn the member for Unley and a couple of other members who interjected on me a couple of weeks ago, saying that there was no possibility of that happening: it has happened in Victoria, and I am tipping that it will happen here. I can tell members opposite that they will have a hell of a fight if they try it. They will try it because it was rigged by the troglodytes of the Audit Commission. In the absence of Cabinet having any ideas of its own, the Audit Commission has become gospel, and measures such as this will eventually be trotted up to the Caucus. I hope all members of the Liberal Caucus show more backbone than did the National Party members of the Victorian Parliament and not allow the cross-subsidy to be removed on the spurious basis of economic rationalism.

The ACTING SPEAKER: Order! The honourable member's time has expired.

The Hon. S.J. BAKER (Treasurer): I cannot thank all members for their contributions because they are unworthy of the Parliament. I have just heard from the member for Giles, and I do not need to remind the House exactly what his contribution to the State debt was because it has been repeated often. I can only assume that we have either economic pygmies or fiscal fools in the Opposition ranks, because if you have listened to what they have said since the budget and during this debate you would have to ask whether they can actually add up. We have had the argument that the Government is being too tough, but then there is the suggestion that the Treasurer wanted it tougher so the Government is being too soft.

The Hon. FRANK BLEVINS: Mr Acting Speaker, I draw your attention to the state of the House.

A quorum having been formed:

The Hon. S.J. BAKER: As I was saying, I am mesmerised by the argument that has been put by the Opposition in relation to this budget. The Leader of the Opposition said, 'It's a con trick; they're spending less on capital than we did.' Yet, we have heard certain members opposite say that there is some cross-subsidisation and that the Government is spending too much on capital and not enough on recurrent expenditure. I could go on about the absolute inconsistencies of the argument, because either members opposite draw the conclusion that the budget is too tough and they wish to argue that or they are trying to fool themselves and the electorate at large.

We have had suggestions that the debt is not coming down fast enough, yet at the same time members of the Opposition are saying that we are being too tough. It does not compute, and it is about time that members of the Opposition got a hold of themselves and determined what they really want to do about being an appropriate, effective Opposition; that they work out those issues which they believe are important to the

community and not run on every little issue and get an argument which is totally inconsistent.

I heard arguments that the capital works budget is far too large, yet somebody else said it is far too small. The Leader of the Opposition said, 'We're being conned because there are some transfer payments.' I heard from the former Treasurer that the budget is expansionary, yet I heard from another member that the outlays are being cut by 5 per cent. I really cannot understand who is running the argument, who is leading the band and why they cannot actually get a consistent song. I do not believe that the Government needs to respond a great deal to what the Opposition has said tonight, but I would like to pick up one issue raised by the member for Hart, the gay pretender, because he spoke for 20 minutes and made this astounding observation: 'The Government is outrageous; it's taking money from our State trading enterprises. The amount of money taken from the selected enterprises went up from \$115 million to \$236 million this year—a whopping increase of 104 per cent.'

What he did not tell the House was that last year his Government took \$300 million from the largest State trading enterprise in this State. He talks about this Government's taking money out of State trading enterprises. It is a very selective argument. What he and other members on the opposite side—and the Leader fell into the same difficulty—failed to understand is that we have not received and have never received a fair return on our assets. The taxpayers have injected a very large capital commitment into our major trading enterprises. I made it quite clear as one of the platforms of the new Government, prior to being elected, that we would get a return on our assets. The honourable member opposite can go back to the record and find out where I said that we would get a return on our assets and that if the assets were not performing they would be enhanced or we would get rid of them. I made it quite clear.

We are actually getting a return on our assets. If anyone thinks that \$51 million out of a \$5.5 billion asset base is an adequate return then their company would simply go broke. I am not suggesting for one minute that there will be an increased contribution next year; that depends on the performance of EWS. However, \$51 million as a dividend to a Government which has a net capital asset base in the EWS instrumentality of \$5.5 billion is a pretty poor rate of return. If it were not for its mismanagement and wastage I am sure that the previous Government would have and should have got a dividend much earlier than this.

I would like to respond briefly to the lead arguments put by the Leader of the Opposition. In relation to the budget he said:

... and after it had been delivered there were simply no more promises.

What an astounding statement. He goes on to say:

Each and every major pre-election promise had been systematically shattered.

I should give to the Leader of the Opposition a list of all the promises that we did make and how many we have kept. That record is far better than the Labor Party could ever produce. He further states:

It is curious that the Liberals now have less to say... when they are in Government than when they were in Opposition.

This is the quality of the speech that has been written for the Leader of the Opposition, and he actually delivered it. Governments normally allow the electorate to judge their performance and it is up to the Opposition to make the

Government accountable. In this case the Leader of the Opposition seemed to think that there was a lack of virtue in the fact that less is said now that we are in Government. He went on to say:

It [the budget speech] glossed over the following details: the tax increases, the cuts to education and health, and the broken promises.

Again, we laid down four budget documents. It was quite clear, quite transparent, for everyone in this House and the public at large to read exactly where all the changes were taking place. Every change was quite clear for everyone to observe. Either he did not read the budget papers or he failed to understand them.

We have heard the rhetoric about the health budget and the education budget. I will say it until I am blue in the face: our health budget and our education budget are far higher per capita—even after adjustment for relative disadvantage, or relative age structures—than the national average. The Commonwealth Grants Commission delivered a report to the previous Government which quite clearly said, 'If you do not cut your cloth, we will cut your grants.' That was part of the deal that was signed by the previous Government. When they talk about the cuts that are taking place, we are far better served in South Australia than is the case in almost every other State after the reductions have been made under this budget program. An indication that the budget is going to work is the relative amount of criticism on both sides—either it is too tough or it is too soft, and certain commentators have taken either line.

The Leader of the Opposition and his cohorts still cannot make up their own mind because they have said, 'Hang on, we are not bringing the debt down fast enough.' That is in the Leader of the Opposition's speech. If we are not bringing it down fast enough, I defy the Leader of the Opposition to work out a different way of bringing it down faster without impacting directly on more services as well. In his contribution the Leader of the Opposition made the dishonest statement that each small shop trader in the State will now be hit with an extra \$100 in tax. That is totally wrong. The people who will feel it most are the people with two houses—the people who have escaped land tax in the past. I thought that members opposite would welcome this proposition.

We know that for shopkeepers with multiple land holdings and rental accommodation at the higher end of the scale it is \$105. That is the total increase. Further to that, the increase cannot be passed on to those renting shops, as members opposite would understand, under legislation brought in by the previous Government. Again, the facts described by members opposite are wrong. It is about time the Leader of the Opposition and his colleagues got it right.

The Leader of the Opposition went on to say that small business has been hit and that big business has been hit, but there are a select few that have done well. You cannot have it all ways. I do not know what lies in the middle. He probably would have said that medium-sized businesses also have been affected by either land tax or payroll tax, or some other issue that he dreamed up along the way. You cannot have that and also say, 'Yes, but there are some big people out there who have somehow managed to escape the scrutiny of the Treasurer.'

The Leader of the Opposition also talked about charges and fees. Again, we had this argument that over 50 per cent of fees and charges have gone up greater than the rate of inflation. That is totally fallacious. If that has occurred, and I have not gone through the statistical rounding process to see

how often it has occurred, one would assume that, when we talk about small amounts, rounding to the nearest dollar quite often has that effect. However, if we are talking about real increases above CPI, they are certainly less than 10 per cent. I have not been through them, but they are probably less than 5 per cent.

In terms of health being the biggest loser in the budget, the Federal Government has said to us that we have to get our house in order, otherwise our budget will be cut. We had the former Treasurer saying that the budget was expansionary. We had the Leader of the Opposition saying that it is slowing economic growth. You cannot have it both ways. Once upon a time members opposite would get together and work out their tactics, and they would get it reasonably right—they used to all sing the same tune.

The Hon. H. Allison: *Hey, Big Spender!*

The Hon. S.J. BAKER: Yes, *Hey, Big Spender*. Very good! Now they have 11 different tunes being played with nobody conducting the orchestra. The people of South Australia deserve a little better than the haphazard, pathetic performance by members opposite. The startling observation is that total outlays will fall by only .3 per cent and not 1 per cent because of increased borrowings and interest costs. Who in the hell created the interest rate problem for us in the first place? Who created the debt—the previous Government. Who created the interest rate pressures—the former Government's little mates in Canberra. Who is wearing it—this Government and the people of South Australia. Again, I would have thought that the Leader, his speech writers and other members would have picked their targets a little better and left themselves less vulnerable to the sort of stupidity in which they have indulged.

Reference has been made to the budget deficit but we talk about the underlying deficit, which is being reduced this year and next year. That is exactly what we promised. We promised that we would be bringing that down to \$290 million in the May Financial Statement. Our forward projection is down to \$275 million, so we have improved on that effort. Yet there seems to be some misunderstanding or lack of knowledge by members opposite about exactly what is being achieved.

Certainly, I wish to pay credit to the people who assisted in the budget process. The press said for the first time that people actually understood the budget. We took them through all the figures presented and no-one had any problems understanding the budget. In fact, I have heard comments from Adelaide firms who have to present summaries for their clients that this is the most transparent budget they have ever seen, because it actually explains what is going on. We had none of the shenanigans of the past with all the little gremlins and off balance sheet items hidden so that no-one could pick up on them. Some credit is due this time to the presentation because there is no fudging of the figures, which are quite straightforward. We have separated out capital, recurrent expenditure and revenues and that information clearly was not available in the previous budget and the public at large is far better informed.

The Leader of the Opposition talked about the holy grail of debt. He said it as though this was something of great significance. I will not go back to the cross, but it bears reflection that somehow the Leader has some idea that there is something rather special about increasing debt every year because that appears to be the reference. He suggests that we should not cut any budgets because it will lead to a degree of pain. However, at the same time he said, 'Hang on, you have

to get your debt down.' I am not sure which school of economics or mathematics he attended, but the two ideas do not compute.

He talks about asset sales, but again he has not read the book. I have always said, 'Everyone, read the book.' We have shown clearly what we are going to do, when we are going to do it and we have made numerous statements on the sale of the various assets. When we put those budget papers together we did not put the individual sale items in the years but said that that would come off the bottom line, and there is a very good reason for that.

Members interjecting:

The Hon. S.J. BAKER: That is not true. I will get every dollar I can from those assets. The last thing we want to do is tell the market what our expectations are. That would be just abject stupidity.

Mr Foley interjecting:

The Hon. S.J. BAKER: The member for Hart should look at the bank in terms of the damage done rather than reflecting on—

Mr Foley interjecting:

The Hon. S.J. BAKER: There you go; I think they believe it, too. Further, the Leader of the Opposition said, 'The Government's record on asset sales is appalling and their strict policy regarding float rather than trade sale of various assets will lose this State millions of dollars.' Well, I have said right from the very beginning we have a preference for a particular approach and we are flexible. I have said that, and all the markets understand it. All the people who have asked me clearly understand that we want to keep these businesses in South Australia and the options that will be pursued will be trade or float. We have a preference for a float, but we are certainly not stuck on the line of going to a float. Everybody should understand that.

Another classic comment, 'As of yesterday, we did not even have the Program Estimates. That is an appalling delay.' The Leader of the Opposition, and I have at least one witness here, knows that the Program Estimates never have arrived in this House until the Thursday of the budget debate, the last day of sitting of the budget debate, and the Leader of the Opposition, who has been dishing it out to us for years, along with the former Premier, only delivered them at the last moment, at the end of the week. We are doing exactly the same thing, yet the honourable member says, 'As of yesterday, we did not even have the Program Estimates. That is an appalling delay.' The sheer hypocrisy of it!

Mr Quirke: We haven't got them yet!

The Hon. S.J. BAKER: As I said, members opposite can expect them on Thursday. They will get them on Thursday. There have been occasions when they have even arrived later than the Thursday of the budget debate. If members opposite get it on Thursday, at least they will be doing better on average than we did when we were in Opposition. Again, the sheer hypocrisy.

He talks about the State trading enterprises. I remind everybody about the fact that one State trading enterprise managed to supply \$300 million to prop up the last budget. Another amazing statement, 'The Government has delivered a classic Treasury budget which does little more than savagely cut the purse strings.' I think he should sack his speech writer, quite frankly, and sack himself, because he actually endorsed the comments made. We had this sort of rhetoric from the member for Giles, that the budget represented economic rationalism. Treasury has a job to do. The Treasurer has a job to do, and can I say, in my job, I confide

in my colleagues, we set the agendas, and Treasury is very adequate at doing its job as set by the Government. Let nobody be mistaken about that.

Another classic, 'The Treasurer will spend \$875 000 on consultants to advise him.' We have to get all our asset management systems in place—accrual accounting—by 1996-97. For that purpose, we do need some help. We will not waste \$150 million, as the previous Government did, on wasted consultancies. These are practical areas where we do need outside help. The public sector has not been exposed to accrual accounting, and I do not believe that we should be trying to do it all ourselves. We will need expert help. I make no apology for that. I do not think members opposite would expect us to do so, either. We will pick out the best consultancies that are available in the key areas where we need to get up to speed very quickly. The money saved as a result will be quite significant as members opposite will judge.

Finally, and I thought this was the classic of them all, the Leader of the Opposition has been stuck in this mode that 'Meeting the Challenge' actually survived scrutiny. He said it more than once, including the TV debates, but it never survived scrutiny. He got destroyed in December, yet he keeps repeating what a good strategy it was. Well, it was not. The Federal Government said it was not. When we came into office, the Federal Government said quite clearly to us, 'This will not work. The targets will not be met. You have your whole State Bank bail out at risk. You had better sort it out.'

That is what was said quite clearly to us. So, Meeting the Challenge was a very imperfect document, cobbled together to solve a problem. It did not solve the problem or even half solve the problem. So, when he keeps saying that Meeting the Challenge was a credible document, everybody opposite

knows that that document finally sunk their electoral chances. On the Saturday prior to the election there was the possibility of saving at least five seats, according to our polls. On the Monday they were obliterated basically because the whole credibility of the Government fell apart because of one major item: the Meeting the Challenge document was not worth the paper on which it was printed. There was a massive gap of \$600 million.

I am concluding my remarks. I reflect on the fact that I am concerned that the Opposition has not understood what is its role in this Parliament. It has a very responsible role and it is about time it got its collective act together and acted as a responsible Opposition, determining which areas it will agree to within the budget strategy and which areas it dislikes and will take on as a matter of principle. Stop putting up this rubbish that simply is not consistent. If it is not going to happen during this debate, which it will not, perhaps within the next few months the Opposition will look at itself, perhaps change its leadership and its whole team and give newer members a chance at being a decent Opposition.

Bill read a second time.

The Hon. S.J. BAKER (Treasurer): I move:

That this Bill be referred to Estimates Committees.

Motion carried.

The Hon. S.J. BAKER: I move:

That the House note grievances.

Mr QUIRKE secured the adjournment of the debate.

ADJOURNMENT

At 11.57 p.m. the House adjourned until Wednesday 7 September at 2 p.m.